



Unified Port  
of San Diego

June 11, 2015



FY 15/16

Final Annual Budget



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**Final Annual Budget**





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## OVERVIEW

The San Diego Unified Port District's (District) budget document provides information and summaries to assist the reader in understanding how the District plans to meet the needs of the public. The document also includes information on District operations and funding sources so the public can better understand how the District operates.

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

### Section 1 – Introduction

This section contains the Board of Port Commissioners, Executive Leadership Group, Vision, Mission, and Core Values, Map of Tidelands, District Information, and Public Trust Doctrine.

This section also contains the Message from the Chief Financial Officer/Treasurer (CFO/Treasurer), Budget in Brief, US Economic Forecast, and the Strategic Plan. The CFO/Treasurer Message discusses the current state and future plans of the District which will be included in the final Adopted Budget. The CFO/Treasurer Message also highlights the major provisions that have been included in the FY 15/16 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 provides an overview of the District organization, the District's fund and budget document structure, budget process, the budget timetable, and general information. This section is designed to help familiarize the reader with the District and its budget.

### Section 3 – Highlights

This section provides an overview of staffing, revenue and expenses, equipment outlay, Capital Improvement Program, Major Maintenance Program, and other fund highlights.

### Section 4 – Departments/Cost Centers

In this section departments and cost centers are organized alphabetically. Departments include mission, vision, objectives, and current services followed by a detailed list of positions, summary of departmental expense, equipment outlay, 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

### CHAIRMAN

Dan Malcolm  
City of Imperial Beach

### VICE CHAIRMAN

Marshall Merrifield  
City of San Diego

### SECRETARY

Robert “Dukie” Valderrama  
City of National City

### COMMISSIONERS

Bob Nelson  
City of San Diego

Ann Moore  
City of Chula Vista

Rafael Castellanos  
City of San Diego

Garry J. Bonelli  
City of Coronado

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## EXECUTIVE LEADERSHIP GROUP

John A. Bolduc  
Acting President/CEO

Thomas A. Russell  
General Counsel

Robert Monson  
Port Auditor

Ellen F. Gross  
Assistant General Counsel

Randa Coniglio  
Executive Vice President, Operations

Karen G. Porteous  
Executive Vice President, Administration

Robert DeAngelis  
Chief Financial Officer/Treasurer

Mark Stainbrook  
Acting Chief of Harbor Police

Vacant  
Vice President, Strategy & Business Development



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## VISION

*To Foster a World-Class Port through Excellence in Public Service.*

## MISSION

*The San Diego Unified Port District 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



## MAP OF TIDELANDS



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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 San Diego Bay. This consolidation provides ongoing efficiencies and centralized planning for the tidelands along 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 and real estate operations generate billions of dollars for the region's economy and allows the District to operate without the benefit of tax dollars. The District does have the authority to levy a tax, but has not done so since 1969.

## PUBLIC TRUST DOCTRINE

The San Diego Unified Port District Act is based on 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.



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## MESSAGE FROM THE CFO/TREASURER

### *The Tide Is Turning*

It is my pleasure to present a new kind of budget for the District for Fiscal Year 2015/2016 (FY 15/16). This budget is dynamic, forward-looking, and “better than balanced.” It not only meets the agency’s annual obligations but also provides a structural surplus – new resources that can be reinvested in tidelands at the District’s discretion or reserved for future needs. In fact, the coming year is expected to bring our third consecutive annual surplus. Our budget theme – *The Tide Is Turning* – reflects this new reality of surpluses with this FY 15/16 budget.

Following a transition period in the aftermath of the Great Recession, management focused on revenue generation and cost containment while continuing to execute the Compass Strategic Plan set by the Board of Port Commissioners (Board). This approach was pivotal for the organization these past few years to achieve long-term financial sustainability of the District.

This budget is presented in the context of a growing economy at the national, state, and local level. According to Bloomberg and various economic reports, the national economy, as measured by the Gross Domestic Product, grew at an annual average rate of 2.4% in calendar year 2014 and is expected to rise to 3.0% in calendar year 2015. California outpaced the national economy in 2014 with a Gross Domestic State Product of 3.3%. San Diego’s overall economy gained momentum in calendar year 2014 with unemployment falling faster than the state’s unemployment. The outlook for San Diego is solid growth with the travel and tourism, health care, and professional, scientific and technical services sectors as key economic drivers through the end of calendar year 2015.

As a reminder, we are now six years beyond the end of the Great Recession, although lingering effects such as high unemployment continued to plague the United States well beyond that date. Following our recovery from the recession, our first annual surplus was used to replenish reserves.

Our performance these past few years indicates that we are recovering from the economic downturn. The ability to generate repeated “structural surpluses” reflects not only the improved economic reality, but also demonstrates our organization’s success in ensuring that discretionary costs are managed judiciously while identifying and implementing revenue generation opportunities. The cost savings achieved are part of a bigger story of generating efficiencies and simply doing business better. Through smart management practices, the District harnesses the ability to drive regional job creation and economic vitality, while meeting other strategic and regulatory priorities of the Board.

Sometimes it is necessary to look backward before looking forward. This is an essential part of the budgetary process. Past behavior often is the best predictor of future performance. Before we turn to the FY 15/16 budget, we may well ask, “How did the District use the \$145 million of revenue that was budgeted for Fiscal Year 14/15 (FY 14/15)?” The below accomplishments mark significant gains made in FY 14/15, and work on many of them will continue going forward:

- Chula Vista Bayfront: We entered negotiations with a prospective developer for the Chula Vista Bayfront, continuing the vision set out in a master plan for the area. The 535-acre Chula Vista Bayfront is the last large developable waterfront site in Southern California and a prime opportunity for a uniquely branded resort, convention center, and other commercial development, along with 240 acres of public realm space set aside as parks, open space, and nature preserves.

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- **Development:** A robust real estate market brought numerous projects to the District. We negotiated an option for development of Lane Field South. Our long-time tenant, San Diego Marriott Marquis & Marina, began refurbishing Marriott Hall. Sunroad Harbor Island, Inc. neared completion on a new floating restaurant and event center, Coastera, to be operated by the Cohn Restaurant Group. We also moved forward on a project to increase parking and public access in the America's Cup Harbor area. Humphreys Half Moon Inn & Suites and Best Western Plus Island Palms Hotel and Marina initiated their hotel and marina improvements. Intrepid Landing is nearing completion of its marina leasehold improvements and started construction on its adjacent leasehold improvements. Old Town Trolley opened up the new Visitor Information Center on the Embarcadero and Carnitas Snack Shack entered into a new lease with the District which will enable construction to begin on the North Embarcadero Visionary Plan Phase I walk-up cafe by the end of the calendar year.
  - **Parking:** We developed and implemented a successful parking pilot program, which included new hours and days of operation, and began a program to install smart meters on the Embarcadero and flex parking rates based on market demand. This program increased turnover of parking spots allowing more visitors to enjoy the Embarcadero.
  - **Cruise:** We secured 12 additional homeport calls with Disney Cruise Lines for the current and next fiscal year, which increased Disney revenue to approximately one-half million dollars annually, and increased visibility of the San Diego market for additional cruise lines. We also secured four homeport calls from Norwegian Cruise Lines for the next fiscal year.
  - **Cargo:** We increased the utilization of Tenth Avenue Marine Terminal (TAMT) by regional companies, with eight import shipments for National Steel and Shipbuilding Company (NASSCO) last year for the construction of liquefied natural gas (LNG) powered container vessels, as well as a cargo consolidation and export agreement for Solar Turbines shipments bound to South Korea, Malaysia, and Africa. Our terminal operator, Pasha Automotive Services, is expected to process approximately 400,000 vehicles through the National City Marine Terminal (NCMT).
  - **TAMT Optimization Planning Study:** The District has embarked on a comprehensive refresh of our long-term facilities planning to optimize terminal throughput and meet evolving market demands. Work continued on a programmatic Environmental Impact Report (EIR), setting the foundation for long-term infrastructure modernization and new cargo business for TAMT.
  - **Public Safety:** One of our biggest responsibilities is keeping the public who visit and work on the tidelands safe, and it is critical to have the tools and equipment to fulfill this mission. This year, we fully implemented a Crime View Mapping Dashboard. We took possession of a \$400,000 state-of-the-art maritime fire/tactical training simulator, allowing officers to train with realistic scenarios, and a grant-funded \$900,000 Safeboat for longer range interdiction missions.
  - **Crime Reduction:** The Harbor Police Department (HPD) focused on proactively addressing property crime and it shows in our crime statistics. Year over year property crime was reduced by 4.5% including a 16.9% reduction in bike thefts.
  - **Homelessness:** Through a targeted outreach initiative the HPD in partnership with the Alpha Project, reduced homeless calls for service by 22% from projected goals.
  - **State Department Partnership:** The HPD began an official partnership with the State Department International Narcotics and Law Enforcement Affairs to offer training for international law enforcement,

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making us the first port on the West Coast and only the second in the U.S. to be recognized for our specialized law enforcement expertise in areas of port security.

- **Public Access:** As part of efforts to draw people to enjoy the waterfront with low-cost and free activities, we supported 58 public events with funding and waived service fees through our Tidelands Activation Program (TAP) in FY 14/15, and we expect to provide funding and waivers of fees for 61 public events in FY 15/16. Notable examples were our flagship events, the Big Bay Boom, and the Big Bay Balloon Parade.
- **Marketing:** The District participated in a regional documentary project led by the San Diego Tourism Authority, which led to San Diego being featured in a National Geographic film about Smart Cities, shown to audiences around the world, which brought positive publicity for the District and the region.
- **New Public Parks:** The District added two new parks, for a total of 22 public parks, with the opening of the Lane Field Setback Park and the North Embarcadero Visionary Plan Phase I. Also completed were the Broadway Pier surface enhancements, which create a new public gathering plaza with modular furniture such as umbrellas, seating, flags, and fencing. District staff continued meeting the challenge of maintaining an increased amount of public space while reducing water use due to a statewide drought.
- **Public Improvements:** The District finished the Pond 20 fence, providing an improved appearance for this site in South San Diego at the gateway to Imperial Beach. Also completed was the Chula Vista H Street Extension, an important public access improvement for the Chula Vista Bayfront Master Plan. The District also initiated construction of the North Harbor Drive Realignment Project to improve vehicle, bicycle, and pedestrian access. Less visible, but important, is a continuing project to install a fiber optic network around the Bay for security.
- **Design/Build Authority:** Public improvements such as parks, facilities, and street improvements may be processed more efficiently and economically due to District-initiated legislation approved by the State Legislature which expands our design build authority.
- **Public Art:** The November 2014 opening of the North Embarcadero Visionary Plan Phase I allows the public to experience stunning artwork by Pae White which will be incorporated into all of the pavilions and kiosks, with completion of cafe artwork expected by December 2015.
- **Greenhouse Gas (GHG) Reduction:** The District is currently implementing 27 GHG reduction measures as part of the Climate Action Plan. So far, we reduced GHG emissions by over 56,000 metric tons, which is over 50% of our 2020 goal. Also, we completed the 2012 Air Emissions Inventory of maritime operations. GHG emissions associated with activities at TAMT, NCMT, and cruise terminals decreased 42% from 2006 levels. Additionally, we retrofitted interior, exterior, and parking lot lighting with environmentally friendly light-emitting diodes (LEDs), reducing annual GHG emissions by an estimated 186 metric tons.
- **Environmental Fund:** The Board approved nine new projects to benefit the San Diego Bay's endangered species, conduct water quality research, and provide environmental education.
- **Infrastructure Repairs:** The state of our facilities and infrastructure are essential to the performance of the District. The goal of completing 25 major maintenance projects was exceeded by 36% with the addition of nine more projects throughout the year. These projects ranged from repairing leaky roofs, paving crumbling roads, and improving energy efficiency throughout the District that could reduce our annual electrical costs by approximately \$50,000.

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It is rare that an important initiative is bound by the constraints of a fiscal year. More commonly, significant projects span multiple years. This year we will continue to work on a number of high-profile projects including the Integrated Planning initiative, a multi-year project that started two years ago and is expected to be completed in the next three to five years. We have begun efforts to revitalize TAMT and will continue this planning and related work on the EIR. Our efforts surrounding environmental impacts are ongoing each year and include a new environmental study to ascertain the impact of the famous Fourth of July fireworks display that we have branded as the Big Bay Boom. Other priority areas include fulfillment of the Chula Vista Bayfront Master Plan, implementation of the Climate Action Plan, completion of the North Harbor Drive Realignment, and many others. We will continue to invest in our Alpha Project homeless outreach initiative. Our TAP continues to sponsor worthy events to bring people to San Diego Bay.

We recognize that our tenants' operational success, expansion, and investment are important contributors to this positive outlook. Our employees are also essential partners in our financial health. This budget reflects continued organizational discipline, positive partnership with our labor unions, and employee participation in prudent cost-control measures. These priorities are intended to ensure the health of the organization and a balance of work and life for all employees, by strategically allocating finite resources to meet the District's highest business and regulatory priorities.

New projects being undertaken in the FY 15/16 budget year include:

- Asset Management Project: We are hiring a firm to assess the District's assets, including waterside assets such as piers, in order to better understand what level of repairs and investment will need to be made going forward.
- Harbor Island Redevelopment: With the upcoming expiration of the leases for rental car lots comes a unique redevelopment opportunity. We will be conducting an EIR and testing the market to identify uses that could improve the area for the public while providing significant future revenues to the District.
- Capital Improvement Program: In the fall, we will evaluate applications for new capital improvement projects on the tidelands.
- Fireworks Environmental Review: As mentioned earlier, based on requirements in the California Environmental Quality Act, we will pursue an EIR related to the annual fireworks show on San Diego Bay.
- Rebranding: The District will implement a comprehensive branding strategy to assist the public and community in better understanding the agency's value and increasing business opportunities via existing and new customers.

All of these significant projects that continue or commence in FY 15/16 represent the District's commitment to its role as the steward of San Diego Bay and our indispensable contributions to civic life and economic development for communities in the San Diego region and statewide. As we embark on another year, it is clear that *The Tide Is Turning* with regard to our financial health. By generating repeated surpluses, the District demonstrates our wherewithal to fund continuing and new projects for the benefit of the public. Our staff will remain focused with the Board and our stakeholders on supporting future growth, prosperity, and environmental stewardship for the San Diego region.



Robert DeAngelis, CFO/Treasurer

**BUDGET IN BRIEF**  
**OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES**

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
<b>Operating Revenue</b>					
Real Estate	\$ 89,281,706	\$ 87,249,900	\$ 93,468,400	\$ 6,218,500	7.1%
Maritime	34,456,639	36,227,200	35,728,600	(498,600)	-1.4%
Harbor Police	16,243,350	14,147,300	14,730,200	582,900	4.1%
Miscellaneous (G&A for HPD svcs to SDCRAA, Cost Recovery, etc.)	4,423,907	3,556,100	3,206,700	(349,400)	-9.8%
<b>Total Operating Revenue</b>	<b>\$ 144,405,602</b>	<b>\$ 141,180,500</b>	<b>\$ 147,133,900</b>	<b>\$ 5,953,400</b>	<b>4.2%</b>
<b>Non-Operating Revenue</b>					
Grants - Capital Project Reimbursement	\$ 1,774,518	\$ 461,300	\$ 1,426,500	\$ 965,200	209.2%
Grant Revenue - Other	1,361,897	640,000	845,300	205,300	32.1%
NEVP Capital Project Contribution	7,117,616	1,761,400	-	(1,761,400)	-100.0%
Investment Revenue	859,315	400,000	300,000	(100,000)	-25.0%
Other (reimbursed legal fees, donated revenue, etc.)	2,313,598	110,000	190,000	80,000	72.7%
<b>Total Non-Operating Revenue</b>	<b>\$ 13,426,944</b>	<b>\$ 3,372,700</b>	<b>\$ 2,761,800</b>	<b>\$ (610,900)</b>	<b>-18.1%</b>
<b>Total Revenue</b>	<b>\$ 157,832,546</b>	<b>\$ 144,553,200</b>	<b>\$ 149,895,700</b>	<b>\$ 5,342,500</b>	<b>3.7%</b>
<b>Operating Expense</b>					
Salaries & Wages	\$ 44,768,784	\$ 47,536,550	\$ 48,134,600	\$ 598,050	1.3%
Burden	27,513,044	30,315,550	30,572,600	257,050	0.8%
OPEB Annual Expense	4,752,232	5,219,600	5,219,600	-	0.0%
Non-Personnel Expense (NPE)	45,944,969	51,350,700	52,796,200	1,445,500	2.8%
Major Maintenance - Expense	1,017,302	1,470,000	596,200	(873,800)	-59.4%
Technology Strategic Plan - Projects NPE	312,822	383,200	-	(383,200)	-100.0%
Less: Capital Labor	(2,962,951)	(2,152,000)	(2,400,000)	(248,000)	11.5%
<b>Total Operating Expense</b>	<b>\$ 121,346,202</b>	<b>\$ 134,123,600</b>	<b>\$ 134,919,200</b>	<b>\$ 795,600</b>	<b>0.6%</b>
<b>Non-Operating Expense</b>					
Financial Assistance	\$ 4,500,000	\$ -	\$ 250,000	\$ 250,000	-
Miscellaneous Interest Expense	3,998,061	4,044,900	3,904,600	(140,300)	-3.5%
Other Miscellaneous Expense	105,162	60,000	-	(60,000)	-100.0%
<b>Total Non-Operating Expense</b>	<b>\$ 8,603,223</b>	<b>\$ 4,104,900</b>	<b>\$ 4,154,600</b>	<b>\$ 49,700</b>	<b>1.2%</b>
<b>Total Expense</b>	<b>\$ 129,949,425</b>	<b>\$ 138,228,500</b>	<b>\$ 139,073,800</b>	<b>\$ 845,300</b>	<b>0.6%</b>
<b>Earnings Before Depreciation</b>	<b>\$ 27,883,121</b>	<b>\$ 6,324,700</b>	<b>\$ 10,821,900</b>	<b>\$ 4,497,200</b>	<b>71.1%</b>
<b>Percent to Total Revenue</b>	<b>17.7%</b>	<b>4.4%</b>	<b>7.2%</b>		
<b>Non Cash Adjustments</b>					
OPEB Expenditure Accrual (GASB 45)	\$ 4,752,232	\$ 5,219,600	\$ 5,219,600	\$ -	0.0%
Unrealized Gain/(Loss) on Investments (GASB 31)	(165,516)	-	-	-	-
Other Non Cash Adjustments	(3,136,878)	-	-	-	-
<b>Total Non Cash Adjustments</b>	<b>\$ 1,449,838</b>	<b>\$ 5,219,600</b>	<b>\$ 5,219,600</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Funds Provided from Operations</b>	<b>\$ 29,332,959</b>	<b>\$ 11,544,300</b>	<b>\$ 16,041,500</b>	<b>\$ 4,497,200</b>	<b>39.0%</b>

Note:

See Section 3, Pages 5 - 7 for Revenue Highlights explanations and Section 3, Page 13 and 14 for Expense Highlights explanations



**BUDGET IN BRIEF**  
**OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES**

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Funds Provided from Operations	\$ 29,332,959	\$ 11,544,300	\$ 16,041,500	\$ 4,497,200	39.0%
Uses of Funds					
<u>Capital and Debt Requirements</u>					
Capital Improvement Program	\$ (28,005,398)	\$ (20,775,100)	\$ (6,785,500)	\$ 13,989,600	-67.3%
Technology Management Program (TMP) Capital Projects	(252,764)	(960,500)	(2,901,700)	(1,941,200)	202.1%
Technology Strategic Plan (TSP) Capital Projects	(1,286,933)	(1,409,800)	(1,575,000)	(165,200)	11.7%
Capital Major Maintenance Projects	(1,935,259)	(4,245,000)	(10,003,800)	(5,758,800)	135.7%
Equipment Outlay	(1,215,939)	(3,097,800)	(1,739,900)	1,357,900	-43.8%
Debt Service (Principal Only)	(4,730,658)	(3,696,500)	(3,694,900)	1,600	0.0%
Total Capital and Debt Requirements	\$ (37,426,951)	\$ (34,184,700)	\$ (26,700,800)	\$ 7,483,900	-21.9%
Funding from or (Additions) to Reserves					
<u>Additions to Funds (annual set-asides to funds)</u>					
Public Art Fund	\$ (600,000)	\$ (350,000)	\$ (350,000)	\$ -	0.0%
Environmental Fund	(621,100)	(2,623,400)	(652,900)	1,970,500	-75.1%
Maritime Industrial Impact Fund (TAMT & NCMT)	(92,000)	(590,000)	(150,000)	440,000	-74.6%
Total Additions to Funds	\$ (1,313,100)	\$ (3,563,400)	\$ (1,152,900)	\$ 2,410,500	-67.6%
<u>Funding from Restricted Reserves</u>					
Equipment Outlay & TMP Grant Funded	\$ 379,745	\$ 1,731,400	\$ 1,426,500	\$ (304,900)	-17.6%
Total Funding from Restricted Reserves	\$ 379,745	\$ 1,731,400	\$ 1,426,500	\$ (304,900)	-17.6%
<u>Funding from Reserves</u>					
Public Art, Environmental, Asset Forfeiture, and Maritime Industrial Impact Fund	\$ 741,984	\$ 1,060,000	\$ 2,392,000	\$ 1,332,000	125.7%
Total Funding from Reserves	\$ 741,984	\$ 1,060,000	\$ 2,392,000	\$ 1,332,000	125.7%
<u>Funding from or (Additions) to Capital Reserves</u>					
Capital Improvement Program Projects	\$ 27,825,998	\$ 20,775,100	\$ 6,785,500	\$ (13,989,600)	-67.3%
Capital Grants	(1,774,518)	(461,300)	(1,426,500)	(965,200)	209.2%
NEVP Capital Project Contribution	(7,117,616)	(1,761,400)	-	1,761,400	-100.0%
ACH Parking Facility Revenue	(215,002)	(215,000)	(218,800)	(3,800)	-
Total Use of or (Addition) to Capital Reserves	\$ 18,718,862	\$ 18,337,400	\$ 5,140,200	\$ (13,197,200)	-72.0%
<u>Funds from Surplus, Public Art, and Environmental Fund</u>					
Funds From Prior Year Surplus	\$ -	\$ 5,075,000	\$ 4,855,000	\$ (220,000)	-4.3%
Public Art Fund	1,500,000	-	-	-	-
Environmental Fund	524,000	-	-	-	-
Total Funds from Surplus, Public Art, and Environmental Fund	\$ 2,024,000	\$ 5,075,000	\$ 4,855,000	\$ (220,000)	-4.3%
Addition To or (Draw On)					
Undesignated/Unrestricted Funds	\$ 12,457,499	\$ -	\$ 2,001,500	\$ 2,001,500	-

**BUDGET IN BRIEF  
SOURCES AND USES OF FUNDS FORMAT**

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
<b>SOURCES OF FUNDS</b>					
Operating Revenue:					
Real Estate	\$ 89,281,706	\$ 87,249,900	\$ 93,468,400	\$ 6,218,500	7.1%
Maritime	34,456,639	36,227,200	35,728,600	(498,600)	-1.4%
Harbor Police	16,243,350	14,147,300	14,730,200	582,900	4.1%
Miscellaneous (G&A for HPD svcs to SDCRAA, Cost Recovery, etc.)	4,423,907	3,556,100	3,206,700	(349,400)	-9.8%
<b>Total Operating Revenue</b>	<b>\$ 144,405,602</b>	<b>\$ 141,180,500</b>	<b>\$ 147,133,900</b>	<b>\$ 5,953,400</b>	<b>4.2%</b>
Non-Operating Revenue and Other Sources of Funds:					
Grants - Capital Project Reimbursement	\$ 1,774,518	\$ 461,300	\$ 1,426,500	\$ 965,200	209.2%
Grant Revenue - Other	1,361,897	640,000	845,300	205,300	32.1%
NEVP Capital Project Contribution	7,117,616	1,761,400	-	(1,761,400)	-100.0%
Investment Revenue	859,315	400,000	300,000	(100,000)	-25.0%
Other (reimbursed legal fees, donated revenue, etc.)	2,313,598	110,000	190,000	80,000	72.7%
Equipment Outlay, TMP Grant Funded, and Asset Forfeiture	379,745	1,731,400	1,426,500	(304,900)	-17.6%
Public Art, Environmental, and Maritime Industrial Impact Fund	741,984	1,060,000	2,392,000	1,332,000	125.7%
Capital Improvement Program Projects	27,825,998	20,775,100	6,785,500	(13,989,600)	-67.3%
Funds From Prior Year Surplus	-	5,075,000	4,855,000	(220,000)	-4.3%
Funds From Public Art Fund	1,500,000	-	-	-	0.0%
Funds From Environmental Fund	524,000	-	-	-	0.0%
<b>Total Non-Operating Revenue and Other Sources of Funds</b>	<b>\$ 44,398,671</b>	<b>\$ 32,014,200</b>	<b>\$ 18,220,800</b>	<b>\$ (13,793,400)</b>	<b>-43.1%</b>
<b>Total Sources of Funds</b>	<b>\$ 188,804,273</b>	<b>\$ 173,194,700</b>	<b>\$ 165,354,700</b>	<b>\$ (7,840,000)</b>	<b>-4.5%</b>
<b>USES OF FUNDS</b>					
Operating Expenses:					
Salaries & Wages	\$ 44,768,784	\$ 47,536,550	\$ 48,134,600	\$ (598,050)	-1.3%
Burden	27,513,044	30,315,550	30,572,600	(257,050)	-0.8%
OPEB	4,752,232	5,219,600	5,219,600	-	0.0%
Non-Personnel Expense (NPE)	45,944,969	51,350,700	52,796,200	(1,445,500)	-2.8%
Major Maintenance - Expense	1,017,302	1,470,000	596,200	873,800	59.4%
Technology Strategic Plan - Projects NPE	312,822	383,200	-	383,200	100.0%
Less: Capitalized Labor	(2,962,951)	(2,152,000)	(2,400,000)	248,000	-11.5%
<b>Total Operating Expenses</b>	<b>\$ 121,346,202</b>	<b>\$ 134,123,600</b>	<b>\$ 134,919,200</b>	<b>\$ (795,600)</b>	<b>-0.6%</b>
Less: Non-Cash Adjustments	\$ (1,449,838)	\$ (5,219,600)	\$ (5,219,600)	\$ -	0.0%
<b>Total Operating Expenses (net of non cash adjustments)</b>	<b>\$ 119,896,364</b>	<b>\$ 128,904,000</b>	<b>\$ 129,699,600</b>	<b>\$ -</b>	<b>0.0%</b>
Non-Operating Expenses and Other Uses of Funds:					
Financial Assistance	\$ 4,500,000	\$ -	\$ 250,000	\$ (250,000)	0.0%
Miscellaneous Interest Expense	3,998,061	4,044,900	3,904,600	140,300	3.5%
Other Miscellaneous Expense	105,162	60,000	-	60,000	100.0%
Capital Improvement Program	28,005,398	20,775,100	6,785,500	13,989,600	67.3%
Technology Management Program (TMP) Capital Projects	252,764	960,500	2,901,700	(1,941,200)	-202.1%
Technology Strategic Plan (TSP) Capital Projects	1,286,933	1,409,800	1,575,000	(165,200)	-11.7%
Capital Major Maintenance Projects	1,935,259	4,245,000	10,003,800	(5,758,800)	-135.7%
Equipment Outlay	1,215,939	3,097,800	1,739,900	1,357,900	43.8%
Debt Service (Principal Only)	4,730,658	3,696,500	3,694,900	1,600	0.0%
Public Art Fund Set Aside	600,000	350,000	350,000	-	0.0%
Environmental Fund Set Aside	621,100	2,623,400	652,900	1,970,500	75.1%
Maritime Industrial Impact Fund (TAMT & NCMT) Set Aside	92,000	590,000	150,000	440,000	74.6%
Capital Grants	1,774,518	461,300	1,426,500	(965,200)	-209.2%
NEVP Capital Project Contribution	7,117,616	1,761,400	-	1,761,400	100.0%
ACH Parking Facility Revenue	215,002	215,000	218,800	(3,800)	-1.8%
<b>Total Non-Operating Expenses and Other Uses of Funds</b>	<b>\$ 56,450,411</b>	<b>\$ 44,290,700</b>	<b>\$ 33,653,600</b>	<b>\$ 10,637,100</b>	<b>24.0%</b>
<b>Total Uses of Funds</b>	<b>\$ 176,346,775</b>	<b>\$ 173,194,700</b>	<b>\$ 163,353,200</b>	<b>\$ 9,841,500</b>	<b>5.7%</b>
<b>Excess (Deficit) of Sources over Uses of Funds</b>	<b>\$ 12,457,499</b>	<b>\$ -</b>	<b>\$ 2,001,500</b>	<b>\$ 2,001,500</b>	<b>0.0%</b>

Note:

Balanced Budget - Total Sources of Funds Equals or Exceeds Total Uses of Funds in a Fiscal Year.

## U.S. ECONOMIC FORECAST

According to Bloomberg L.P. and various economic reports,\* the national economy, as measured by Gross Domestic Product (GDP), grew at an annual average rate of 2.4% in calendar year 2014. U.S. economic growth is expected to rise to an annual average growth rate of up to 3.0% in calendar year 2015 and taper down to 2.8% for calendar year 2016. Continued improvement in the labor market reduced the unemployment rate to 6.2% in 2014 and economic forecasts are projected at a 5.4% average rate for calendar year 2015 and 5.0% for 2016. The U.S. housing market continued to strengthen in calendar year 2014 and median home prices continued to rise. Inflation remained low at 1.6% for calendar year 2014 and is expected to remain low with economists forecasting the consumer price index to be at 1.2% by the end of calendar year 2015 and 2.2% for 2016.

Short-term interest rates, which are controlled by the Federal Open Market Committee and are measured by the Federal Funds target rate, remained unchanged in 2014. The Federal Reserve is preparing to tighten monetary policy in 2015 and indicated that it would be appropriate to raise rates when it is "reasonably confident" that the labor market continues to improve and inflation moves back towards the committee's 2% goal. The Federal Reserve's forward guidance regarding monetary policy includes a qualitative approach and takes into account a "wide range of information" and international developments in determining interest rate policy.

California has a diversified and innovative economy which continued to move forward and gained momentum in calendar year 2014, outpacing the national economy. The 2014 Gross State Product of 3.3% outperformed the national growth rate of 2.4%. The major contributing sectors to California's economic growth include the construction sector, healthcare and education sector, leisure and hospitality, retail trade, and state/local government. The State seems to be weathering its challenges with the Ports of Los Angeles and Long Beach dispute now resolved and investment in infrastructure improvements to address a persistent drought. In spite of this, the prospects are favorable and economists are forecasting an annual growth rate of 3.1% for both calendar years 2015 and 2016. The State's unemployment rate is forecasted at 6.6% for 2015 and 5.5% for 2016.

San Diego's overall economy gained momentum in calendar year 2014 with strong employment increases in the professional, scientific, and technical services (PST) sector and the unemployment rate falling faster than the State level. Overall growth in the local housing demand has pushed home prices up 4.5 percent year over year. Given the current economic conditions, the outlook for San Diego is expected to experience solid growth with the travel and tourism, health care, and PST sectors as key economic drivers through the end of calendar year 2015. The local unemployment rate is forecasted to average 5.7% for 2015.

U.S. Economic Forecast <sup>(1)</sup>							
Economic Indicator	1Q.2015	2Q.2015	3Q.2015	4Q.2015	Avg.2015	Avg.2016	Avg.2017
Gross Domestic Product (GDP) - Annualized	2.20%	3.00%	3.00%	2.90%	3.00%	2.80%	2.70%
Consumer Spending	2.90%	3.20%	3.00%	3.00%	3.30%	2.80%	2.60%
Unemployment Rate	5.60%	5.40%	5.30%	5.20%	5.40%	5.00%	4.90%
Consumer Price Index (YOY %)	0.00%	-0.10%	0.30%	1.20%	0.30%	2.20%	2.20%
Benchmark Interest Rates	1Q.2015	2Q.2015	3Q.2015	4Q.2015	1Q.2016	2Q.2016	3Q.2016
Federal Funds Rate – Target	.25%	.25%	.50%	.75%	1.25%	1.50%	1.75%
Ten-year Treasury Note	2.10%	2.28%	2.40%	2.58%	2.70%	2.90%	3.01%

<sup>(1)</sup> Source: Bloomberg -Median economists' forecasts for U.S. economic indicators (84 economists surveyed March 6 to March 11, 2015); Los Angeles County Economic Development Corporation-The Kyser Center for Economic Research; Wells Fargo Securities, LLC Economics Group; University of San Diego Burnham-Moore's Center for Real Estate Index of Economic Indicators; San Diego Regional Economic Development Corporation

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# STRATEGIC PLAN

## Overview

The budget reflects many projects, challenges, and opportunities that face the District over the next several years. As outlined in our Strategic Plan for FY 2012 – 2017 each one of the eight strategic goals has a set of strategies to be pursued at some point over the five year period. Below are the District's Strategic Goals and key strategies outlined in the District's Compass Strategic Plan.

District departments identify and budget resources for key initiatives and projects in support of these strategic goals and strategies. Projects are tracked and reported quarterly to the Board of Port Commissioners.

1	<i>A Port that the public understands, trusts, and values.</i>
2	<i>A thriving and modern maritime seaport.</i>
3	<i>A vibrant waterfront destination where residents and visitors converge.</i>
4	<i>A Port with a healthy and sustainable bay and its environment.</i>
5	<i>A Port with a comprehensive vision for Port land and water uses integrated to regional plans.</i>
6	<i>A Port that is a safe place to visit, work, and play.</i>
7	<i>A Port with an innovative and motivated workforce.</i>
8	<i>A financially sustainable Port that drives regional job creation and regional economic vitality.</i>

## Strategic Goals and Strategies

### 1 Goal: A Port that the public understands, trusts, and values.

#### Strategies:

- 1.1 Solicit feedback from stakeholders and respond to input
- 1.2 Increase understanding of the District's mission, identity, and social and economic impact
- 1.3 Provide the public with easy access to information
- 1.4 Foster an environment of employee charitable giving and volunteerism
- 1.5 Develop a legislative agenda and leverage partnerships that furthers the District's policies and initiatives
- 1.6 Demonstrate fair and consistent decision-making processes

### 2 Goal: A thriving and modern maritime seaport.

#### Strategies:

- 2.1 Advocate for a national system of ports
- 2.2 Upgrade infrastructure, equipment and facilities for a modernized, efficient, and safe working port
- 2.3 Practice environmentally smart and efficient goods movement
- 2.4 Increase export and import potential through the identification of key target markets to maintain, grow, and capture new business

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## STRATEGIC PLAN

- 2.5 Become an integral link in the maritime supply chain
- 2.6 Foster the economic growth and retention of shipbuilding and repair
- 2.7 Develop maritime-related industry niche businesses and services

### **3** Goal: A vibrant waterfront destination where residents and visitors converge.

#### Strategies:

- 3.1 Market and improve the District's cruise industry offerings
- 3.2 Market District Tidelands as a tourism destination
- 3.3 Promote tourism and business offerings for residents, visitors, and the local community with measurable initiatives
- 3.4 Activate the waterfront with development of new and dynamic attractions, events, and public access
- 3.5 Increase and promote events and venues for safe waterside activities and recreational
- 3.6 Integrate tourist development and programming with travel and tourism organizations and destinations
- 3.7 Analyze and implement best business practices to manage special event venues and parks
- 3.8 Use District public art to enhance the waterfront experience
- 3.9 Embrace and market the Bay's natural ecotourism offering
- 3.10 Increase awareness of public access opportunities around the District

### **4** Goal: A Port with a healthy and sustainable bay and its environment.

#### Strategies:

- 4.1 Continue and promote Green Port programs, including water and energy conservation, recycling programs, and clean air projects
- 4.2 Pursue grants, government funding, and partnering with tenants and businesses to implement and maintain sustainable, green practices
- 4.3 Ensure compliance with environmental regulations for District tenants and District-sponsored activities
- 4.4 Plan and adapt for sea level rise and climate change
- 4.5 Preserve and promote habitat restoration, indigenous wildlife, and prevention of invasive species
- 4.6 Create public programs that educate and enlighten on the District environment, including environmental education for students and stakeholders
- 4.7 Collaborate with tenants, partners, and adjacent communities to foster a healthy environment

### **5** Goal: A Port with a comprehensive vision for Port land and water uses integrated to regional plans.

#### Strategies:

- 5.1 Define the planning vision to create consistent planning goals and strategies for all District communities
- 5.2 Update the District Master Plan including reviewing and integrating adjacent uses and regional land use transportation, and infrastructure plans
- 5.3 Incorporate sea level rise, climate change, and other environmental concerns into long-term planning
- 5.4 Advocate for regional transportation policy and infrastructure for effective goods and passenger movement
- 5.5 Improve affordable public access through District master planning

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## STRATEGIC PLAN

### 6 Goal: A Port that is a safe place to visit, work, and play.

#### Strategies:

- 6.1 Maximize regional resources through public safety agency partnerships
- 6.2 Leverage technical interoperability, knowledge, and grant funding
- 6.3 Dedicate resources to prevent, detect, prepare, respond, and recover from natural or man-made disasters
- 6.4 Execute on a well-coordinated infrastructure maintenance program
- 6.5 Establish and maintain a culture of safety for employees and visitors
- 6.6 Enhance visible police presence on land and water to provide a safe and secure environment
- 6.7 Utilize technologies to improve District safety and security operations

### 7 Goal: A Port with an innovative and motivated workforce.

#### Strategies:

- 7.1 Invest in professional development and training
- 7.2 Implement innovative and cost-effective practices and technology for effective delivery services
- 7.3 Foster a workforce culture of wellness, safety, and innovation
- 7.4 Improve internal communications through systematic processes and teamwork
- 7.5 Build a competitive compensation and benefit structure for retention and recruitment
- 7.6 Enhance knowledge management practices to support long-term sustainability of the Port

### 8 Goal: A financially sustainable Port that drives regional job creation and regional economic vitality.

#### Strategies:

- 8.1 Generate and diversify revenue sources
- 8.2 Facilitate the strategic and innovative development and redevelopment of Port properties
- 8.3 Pursue new investment capital for project funding
- 8.4 Develop and maintain infrastructure for expansion of Port and business activities
- 8.5 Develop the Port into an attractive place for business and the community
- 8.6 Maximize external funding for Port projects and programs
- 8.7 Ensure cost containment
- 8.8 Partner with outside governmental agencies and the private sector
- 8.9 Implement decision-making that anticipates long-term global opportunities and threats
- 8.10 Identify practices that create regional jobs





CVL - LIGHT CARRIERS

CVL 22 INDEPENDENCE  
CVL 23 PRINCETON  
CVL 24 BELLEAU WOOD  
CVL 25 COMPENS  
CVL 26 MONTEREY  
CVL 27 LANGLEY  
CVL 28 CAROT  
CVL 29 BATAAN  
CVL 30 SAN JACINTO  
CVL 48 SARAN  
CVL 49 WRIGHT

CVE - ESCORT CARRIERS

CVE 1 LONG ISLAND  
CVE 9 BOGUE  
CVE 11 CARD  
CVE 12 COPAHEE  
CVE 13 CORE  
CVE 16 NASSAU  
CVE 18 ALTAMAH  
CVE 20 BARNES  
CVE 21 BLOCK ISLAND  
CVE 23 BRETON  
CVE 25 CROATAN  
CVE 26 SANGAMON  
CVE 27 SUWANNEE  
CVE 28 CHENANGO  
CVE 29 SANTEE  
CVE 30 CHARGER  
CVE 31 PRINCE WILLIAM  
CVE 55 CASABLANCA  
CVE 56 LISCOMB BAY  
CVE 57 CORAL SEA / ANZIO  
CVE 58 CORREGIDOR  
CVE 59 MISSION BAY  
CVE 60 GUADALCANAL  
CVE 61 MANILA BAY  
CVE 62 NATOMA BAY  
CVE 63 MIDWAY / ST LO  
CVE 64 TRIPOLI  
CVE 65 WAKE ISLAND  
CVE 66 WHITE PLAINS  
CVE 67 SOLOMONS  
CVE 68 KALININ BAY  
CVE 69 KASABAY BAY  
CVE 70 FANSHAW BAY  
CVE 71 KITKIN BAY  
CVE 72 THALASSIA  
CVE 73 GAMBER BAY  
CVE 74 NGHENTA BAY

CVE 81 PUERTO RICO  
CVE 82 SAGINAW BAY  
CVE 83 SARGENT BAY  
CVE 84 SHAMROCK BAY  
CVE 85 SHIPLEY BAY  
CVE 86 STATION BAY  
CVE 87 STEAMER BAY  
CVE 88 CAPE ESPERANCE  
CVE 89 TAKANS BAY  
CVE 90 THETIS BAY  
CVE 91 MAKASSAR STRAIT  
CVE 92 WINDHAM BAY  
CVE 93 MAKIN ISLAND  
CVE 94 LUNGA POINT  
CVE 95 BUSHROCK SEA  
CVE 96 SALAMON  
CVE 97 HOLLANDIA  
CVE 98 KWAJALEIN  
CVE 99 ADMIRALTY ISLANDS  
CVE 100 BOUTANVILLE  
CVE 101 MIDANKIN  
CVE 102 ITTU  
CVE 103 ROI  
CVE 104 MUNDA  
CVE 105 COMMENCEMENT BAY  
CVE 106 BLOCK ISLAND  
CVE 107 GILBERT ISLANDS  
CVE 108 KULA GULF  
CVE 109 CAPE GLOUCESTER  
CVE 110 SALERNO BAY  
CVE 111 VELLA GULF  
CVE 112 BIRNEY  
CVE 113 PUERT SOUND  
CVE 114 RENCOIA  
CVE 115 BAROKO  
CVE 116 BADOENG STRAIT  
CVE 117 SAOOR  
CVE 118 SICILY  
CVE 119 POINT CRUZ  
CVE 120 MINOORO  
CVE 122 PALAU

LHA / LPH - AMPHIBIOUS ASSAULT

LHA 1 SHIPS  
LHA 2 SARIN  
LHA 3 BELLEAU WOOD  
LHA 4 NASSAU  
LHA 5 PELELEU  
LPH 2 TWO JIMA  
LPH 3 GUADALCANAL  
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## ORGANIZATION

To realize the District's mission, the Board establishes policy. Three positions reporting directly to the Board carry out policy directives and advise the Board, including a President/Chief Executive Officer (President/CEO), General Counsel, and Port Auditor. A Personnel Advisory Board also reports directly to the Board.

### DIVISIONS

The President/CEO oversees three Divisions (Operations, Administration, and Financial Services) and 13 Departments.

**OPERATIONS:** This Division handles planning, real estate asset management and development, environmental and land use management, building and maintaining partnerships with external stakeholders and other government agencies, the operations of maritime, coordinating and facilitating development implementation of the District's strategic plan and evaluation framework, marketing, and corporate communication.

Departments in the Operations Division include:

- Marketing & Communications
- Maritime
- Government & Civic Relations
- Real Estate
- Environmental & Land Use Management

**ADMINISTRATION:** This Division manages, directs, and integrates the functions, programs, and activities of District-wide Human Resources, Office of the District Clerk, Equal Opportunity Management, Procurement Services, General Services, and Engineering - Construction. The Executive Vice President, Administration is the District's lead negotiator for labor negotiations and provides strategic leadership and the delivery of centralized corporate, administrative, engineering, and maintenance support services.

Responsibility for the District's Harbor Police Department, initiatives and programs that provide safety, protection, and law enforcement also report through this Division. The Harbor Police Department provides police and fire protection to San Diego Bay, as well as police services to San Diego International Airport. Under the direction of the Vice President, Public Safety; homeland security, facility security, and law enforcement combine to protect and serve those who work, play, and visit the Port of San Diego.

Departments in the Administration Division include:

- Engineering - Construction
- Procurement Services
- General Services
- Office of the District Clerk
- Human Resources
- Harbor Police Department

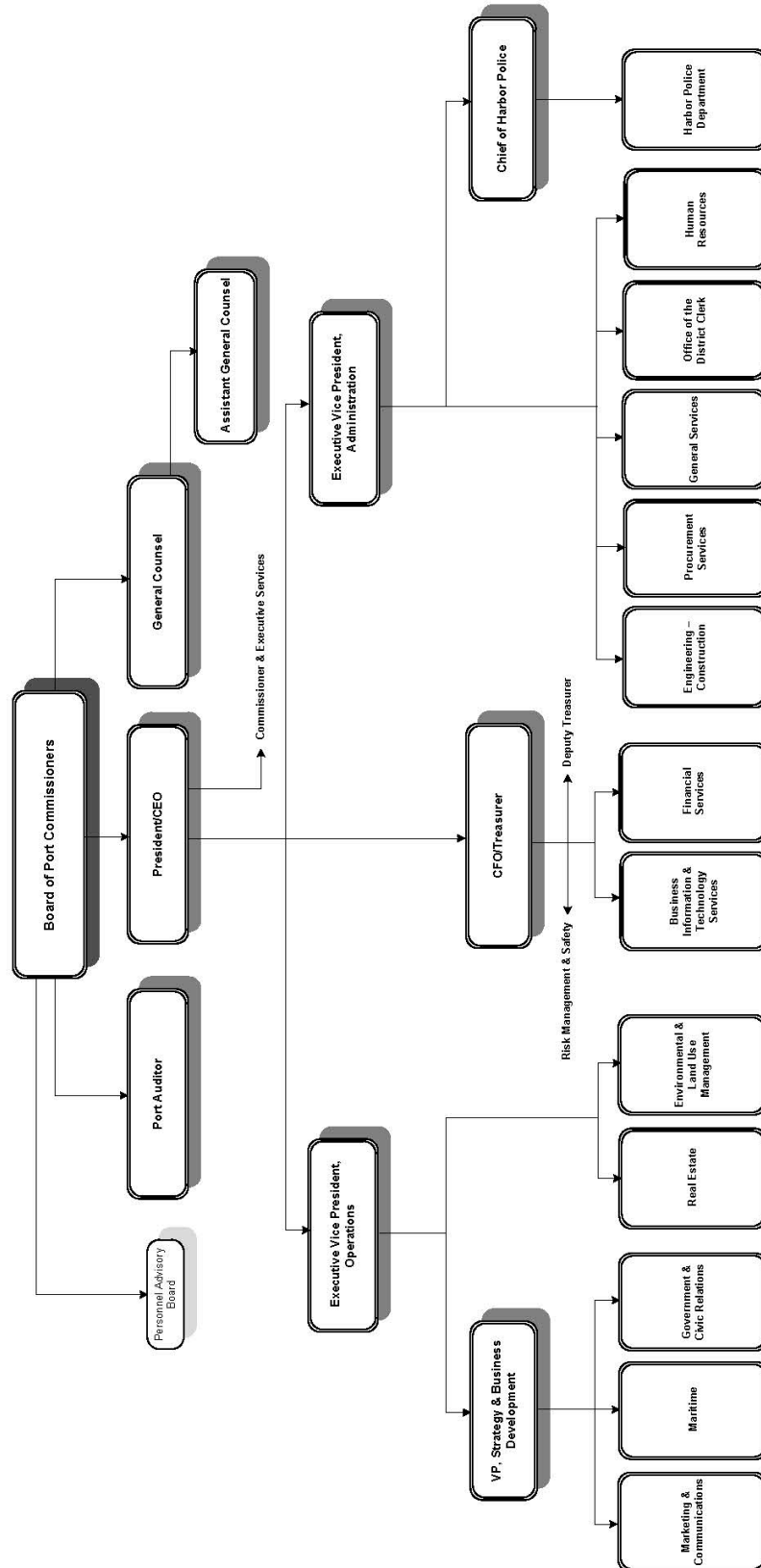
**FINANCIAL SERVICES:** This Division oversees the District's financial services and risk management functions, including financial planning, budgeting, finance, treasury services, and risk management. The CFO/Treasurer provides professional assistance and support to the President/CEO and the Board on the District's financial planning, accounting, investing, and business systems issues. This Division is also responsible for the Business Information & Technology Services department which manages the implementation and maintenance of District technologies in ways that create value for the organization. This Department drives operational effectiveness and process improvement by fully integrating technology-related decisions with the District's strategies and operating plans.

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Departments in the Financial Services Division include:

- Business Information & Technology Services
- Financial Services

## ORGANIZATION CHART



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## 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 is 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.

### Balanced Budget

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. A balanced budget is an integral part of maintaining the District's financial position. Strategies employed to attain this balance include cost reductions, personnel and service efficiencies, developing and diversifying maritime and real estate revenues, and increasing fees to match project expenses.

### Financial and Long-Range Policies

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 exceed expenses before depreciation and amortization and before capital expenditures.
- 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. 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 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 effectively communicate overall District goals and plans, and contribute to the public's knowledge and appreciation of the District's positive impact on the region.

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## OVERVIEW OF FINANCIAL POLICIES AND GUIDELINES

- The Capital Improvement Program (CIP) is a five-year plan and is submitted annually to the Board as a separate document. The Board adopted BPC Policy No. 120 (see Section 5 Appendix), Capital Improvement Program, to establish a policy for the orderly development or improvement of the capital assets of the District. It is coordinated with the District's Strategic Plan. 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. The FY 15/16 annual budget component for the CIP is reviewed and approved by the Board and is coordinated with the preparation of the operating budget.

### 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
600100-610130	Personnel
610140-680999	Non-Personnel Expense



## BUDGET TIMETABLE

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

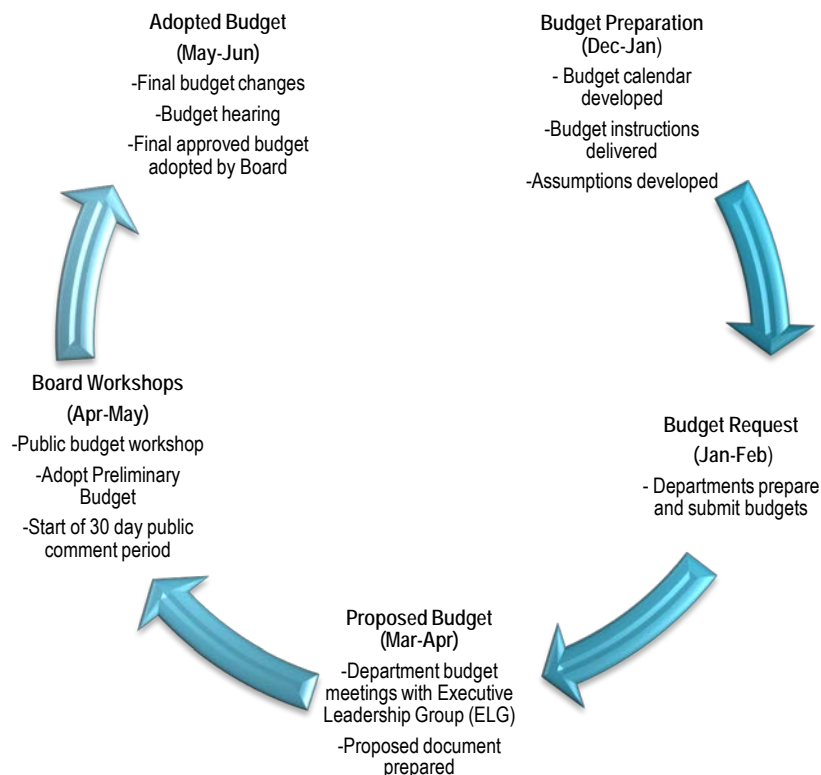
The Financial Analyst Team works with all department Directors and the Executive Leadership Group to ensure that budget proposals support the District's Strategic Plan and that appropriate funding is available.

**Board workshops to discuss the preliminary budget are held in late April.** The workshops are 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 in 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. Preliminary budget adoption 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 function, which tracks expenses against the budget, is activated.



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## BUDGET TIMETABLE

**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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## STAFFING OVERVIEW

### PERMANENT POSITIONS

DEPARTMENT	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET
Business Information & Technology Services	29	29	0
Engineering - Construction	35	35	0
Environmental & Land Use Management	31	33	2
Financial Services	23	23	0
General Services	93	93	0
Government & Civic Relations	5	7	2
Harbor Police Department	156	157	1
Human Resources	18	18	0
Maritime	30	29	(1)
Marketing & Communications	16	17	1
Office of the District Clerk	22	20	(2)
Office of the General Counsel	13	13	0
Office of the Port Auditor	6	6	0
Procurement Services	18	17	(1)
Real Estate	33	33	0
<b>TOTAL STAFFING</b>	<b>528</b>	<b>530</b>	<b>2</b>

### LIMITED POSITIONS

DEPARTMENT	JOB TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET
Environmental & Land Use Management	Senior Environmental Specialist	1	1	0
Environmental & Land Use Management	Senior Redevelopment Planner	1	0	(1)
Harbor Police Department	Community Service Officer	0	1	1
Harbor Police Department	Harbor Police Officer	0	3	3
Marketing & Communications	Manager, Marketing and Communications	1	0	(1)
Marketing & Communications	Web Content Specialist	1	0	(1)
Real Estate	Principal, Special Projects	1	0	(1)
<b>TOTALS</b>		<b>5</b>	<b>5</b>	<b>0</b>

### INTERN / STUDENT WORKER POSITIONS

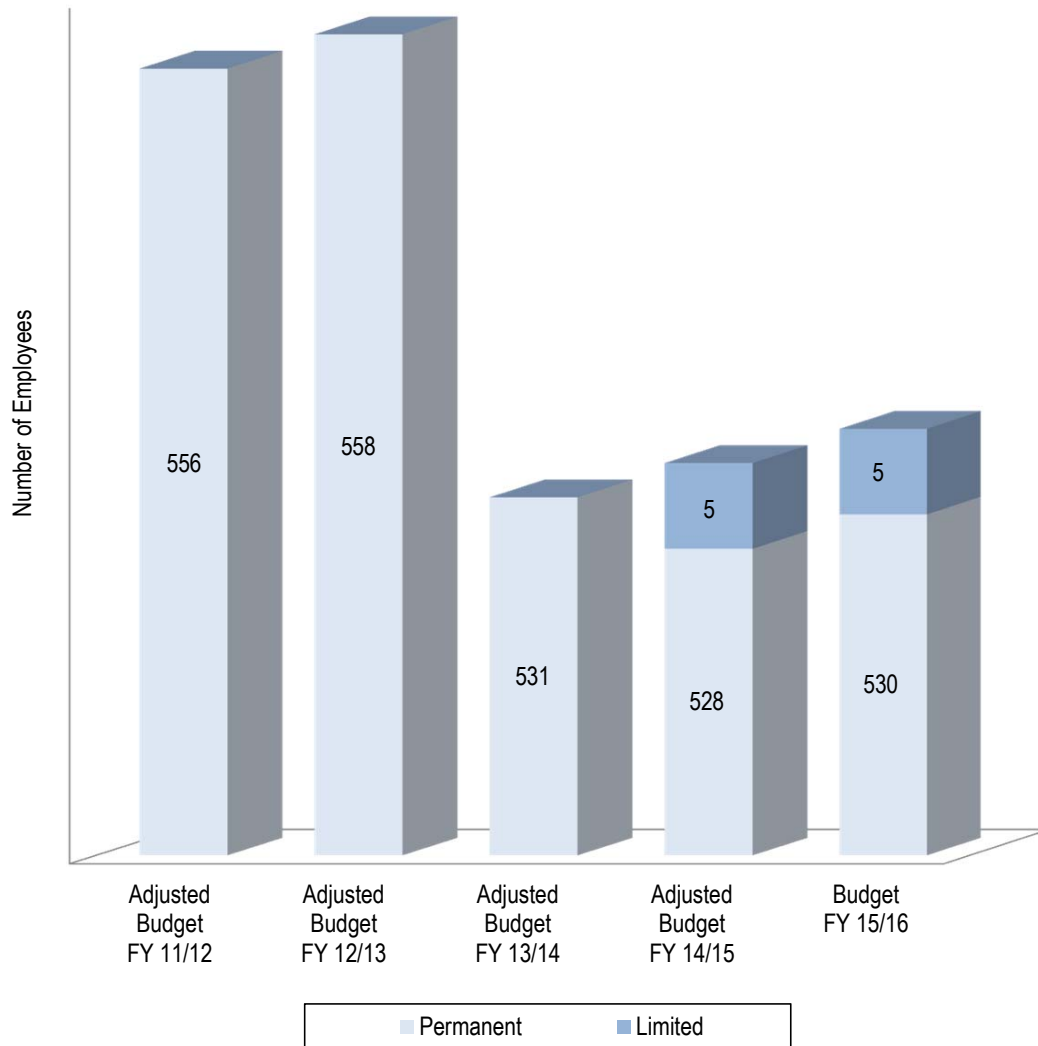
DEPARTMENT	JOB TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET
Business Information & Technology Services	Intern	5	5	0
Engineering - Construction	Intern	1	4	3
Environmental & Land Use Management	Intern	2	2	0
Financial Services	Intern	1	1	0
Human Resources	Intern	1	3	2
Human Resources	Student Worker (Summer Program)	0	20	20
Marketing & Communications	Intern	1	1	0
Procurement Services	Intern	0	1	1
<b>TOTALS</b>		<b>11</b>	<b>37</b>	<b>26</b>

**Note:**

In FY 14/15, the Board approved the addition of 6 new positions, 1 Assistant Environmental Specialist, 1 Assistant Redevelopment Planner, 1 Senior Environmental Specialist (Limited), and 3 Harbor Police Officers. These changes are reflected in the Adjusted Budget FY 14/15 column above.



## CHANGE IN STAFFING



**Note:**

In FY 14/15, the Board approved the addition of 6 new positions, 1 Assistant Environmental Specialist, 1 Assistant Redevelopment Planner, 1 Senior Environmental Specialist (Limited), and 3 Harbor Police Officers. These changes are reflected in the Adjusted Budget FY 14/15 column above.

## REVENUE HIGHLIGHTS

### Trends in Revenue

Total operating and non-operating revenue for the District are budgeted at \$149.9M, an increase of \$5.3M, or 3.7%.

Trends affecting revenue are described below by profit center.

### Revenue by Profit Center

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

Since concession revenues vary with economic conditions, the revenue team performed a detailed analysis using recent data from multiple sources, other published hotel industry forecasts, cruise ship activity projections, and convention bookings for 2015 and 2016. 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 15/16 forecast.

### Real Estate

Real Estate anticipates an increase of approximately \$6.2M, or 7.1%. Differences from the FY14/15 revenue budget are projected in the following areas:

- **Concession Revenue** is budgeted at \$61.7M, an increase of \$5.3M, or 9.3%. This increase is attributable to an upward trend in concession revenue and double digit percentage increases forecast for some major hotel, restaurants, and other concession tenants. Of the \$5.3M increase, \$2.4M is attributed to a tenant rent credit ending. Hotel percentage rent is approximately two thirds of all concession rent, followed by marinas, retail centers, and restaurants.
- **Parking Meters** is budgeted at \$2.0M, an increase of \$988k, or 95.5%. This increase is mainly due to increase in meter rates, installation of smart meters, and changes to enforcement hours.
- **Parking** is budgeted at \$8.0M, an increase of \$702k, or 9.6%. This is due to continued increases from Navy Pier parking lots and the anticipation of upcoming Padres 2015 season which should drive increases at the Hilton and Convention Center garages.
- **Park Usage Fees** is budgeted at \$214k, an increase of \$117k, or 119.8%. The forecast is based on historical park usage fees.
- **Miscellaneous Other Operating Revenue** is decreasing by \$148k, or 100%. No miscellaneous other operating revenue is anticipated in FY 15/16.
- **Other Rental Revenue** is decreasing by \$188k, or 100%. No option payments or short-term parking rent is expected in FY 15/16.
- **Fixed Rent** is budgeted at \$21.3M, a decrease of \$511k, or 2.3%. This decrease is primarily due to the expired South Bay Power Plant lease and rental car lease space reduction on Harbor Island.

## Maritime

Maritime is projected to decrease \$499k, or 1.4%. Projected changes in revenue will occur primarily in the following areas:

- **Wharfage** is budgeted at \$12.1M, a decrease of \$1.6M, or 11.4%. This is based on a downward adjustment of growth projections in automobile wharfage revenue due to current terminal space constraints. Of the \$12.1M budget, \$7.5M is guaranteed by agreements. The FY 15/16 budget reduced Pasha automobile projection to 380k units from 487k in FY 14/15 due to current terminal space constraints. Pasha's wharfage decrease is partially offset by a \$314k increase in Tenth Avenue Marine Terminal (TAMT) cargo growth, including containers, military cargos, as well as project cargos. The FY 15/16 budget projects Dole's cargo volume to increase with higher capacity vessels and market growth.
- **Cruise Ship Passenger Security Charges** is budgeted at \$870k, a decrease of \$216k, or 19.9%. The budgeted vessel calls will decrease from 80 to 65. Cruise ship security costs are charged to cruise lines with 15% mark up. Although vessel counts and security charges are budgeted to decrease, cruise passenger fees are projected to increase due to increased number of homeport calls.
- **Parking** is budgeted at \$230k, a decrease of \$110k, or 32.4%. The FY 15/16 budget is adjusted based on FY 14/15 revenue trend which is lower than anticipated. Other parking revenue includes parking permit fees from the Cruise Ship Terminal and Tuna Harbor at G Street.
- **Fixed Rent** is budgeted at \$14.7M, an increase of \$1.1M, or 7.9%. The increase is mainly attributed to a tenant rent increase anticipated based on current rental review process, a tenant's decision to retain all of its leased premises adjacent to National City Marine Terminal (NCMT) rather than downsize, and the addition of another major tenant at the National Distribution Center in National City.
- **Cruise Ship Passenger Fees** is budgeted at \$1.3M, an increase of \$168k, or 14.8%. The FY 15/16 budget forecasted a total of 65 cruise vessel calls, including 59 scheduled calls and an estimate of six additional berthing requests that the District may receive through the year. Although the number of vessel calls is decreasing, the number of cruise passengers is projected to increase from 181k to 204k, or 12.8%. Cruise passenger count is affected by vessel capacities and itineraries besides the number of ship calls. The projected increase in cruise passenger fees is mainly from Disney Cruise line expanding its full turn vessel operations in San Diego.
- **Storage Space Rental** is budgeted at \$2.5M, an increase of \$111k, or 4.6%. FY 15/16 automobile storage revenue is budgeted with an average of 206,000 billable storage days per month.

## Harbor Police

The Harbor Police Department, in addition to serving the District, is the primary law enforcement agency at the San Diego County Regional Airport Authority (SDCRAA). The cost reimbursement for the direct police costs provided to the SDCRAA is \$13.8M while the General and Administrative cost (G&A) reimbursement reported under the Miscellaneous section below is \$2.1M, bringing the total reimbursement to \$15.9M, an increase of \$424k, or 2.7%. The FY 15/16 Public Services Provided revenue budget includes labor and burden based on actual individual officer's rate per pay period. The total level of service will remain the same as last year.

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

- **Non-Operating Grant Revenue** is budgeted at \$783k, an increase of \$364k, or 87%. The increase is due to an increased budget for Federal Grants (Operation Stonegarden and Transportation Security Administration – Canine Team).

- Citations which include citations for parking and traffic violations are budgeted at \$795k, an increase of \$245k, or 44.5%. This increase is based on the FY 14/15 historical trends and the continued increase in parking enforcement around the tidelands.

## **Miscellaneous**

- **North Embarcadero Visionary Plan (NEVP) Capital Project Contribution**, which represents Civic San Diego's (formerly Centre City Development Corporation) share of construction cost for the NEVP Phase I project had been completed and is no longer budgeted in FY 15/16, a decrease of \$1.8M, or 100%.
- **Reimbursed Cost/Cost Recovery** is budgeted at \$320k, a decrease of \$422k, or 56.8%. During FY 14/15, the Board approved amendments to the cost recovery user fee schedule. The FY 15/16 budget reflects the impact of those changes.
- **Non-Operating Grant Revenue** is budgeted at \$37k, a decrease of \$159k, or 81.3% due to the Copper Hull Paint Grant that is ending in FY 14/15 and is not renewed.
- **Grants – Capital Projects Reimbursement** is budgeted at \$1.4M, an increase of \$965k, or 209.2% due to an increase in Port Security Grants award.
- **Public Services Provided** which represents reimbursements for G&A costs associated with the SDCRAA agreement for Harbor Police services, is budgeted at \$2.1M.

## REVENUE BY PROFIT CENTER AND ACCOUNT

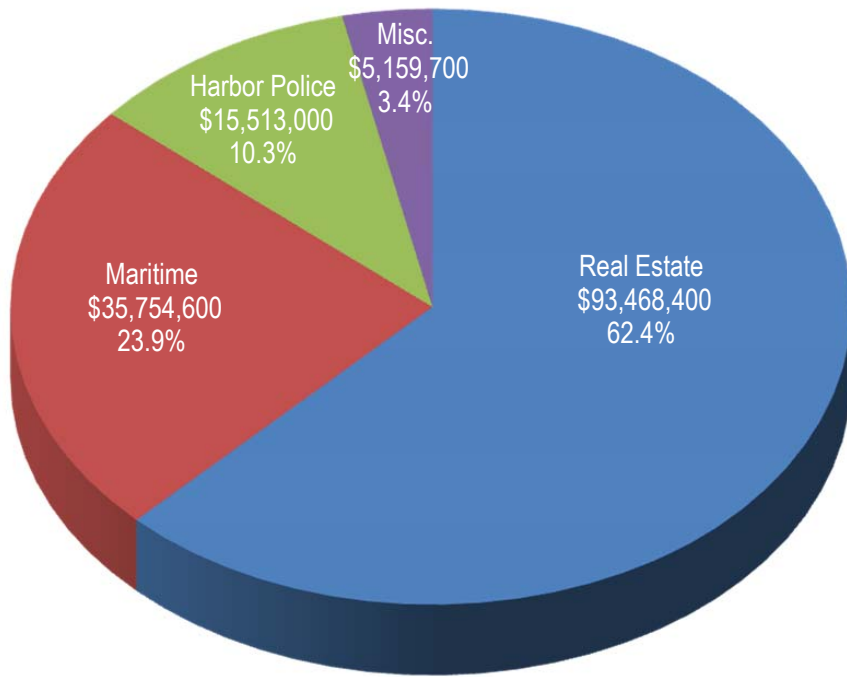
	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
<b>REAL ESTATE</b>					
Fixed Rent	\$ 23,053,860	\$ 21,842,200	\$ 21,331,100	\$ (511,100)	-2.3%
Concession Revenue	56,294,423	56,402,700	61,660,500	5,257,800	9.3%
ACH Parking Facility Funding	215,002	218,800	218,800	-	0.0%
Other Rental Revenue	401,718	187,500	-	(187,500)	-100.0%
Waived Fees-Tidelands Activation Program	(491,995)	-	-	-	-
Rents	\$ 79,473,008	\$ 78,651,200	\$ 83,210,400	\$ 4,559,200	5.8%
Parking	\$ 8,055,157	\$ 7,319,800	\$ 8,022,000	\$ 702,200	9.6%
Parking Meters	1,120,882	1,034,000	2,021,900	987,900	95.5%
Park Usage Fees	551,222	97,400	214,100	116,700	119.8%
Miscellaneous Other Operating Revenue	81,438	147,500	-	(147,500)	-100.0%
Fees & Service Charges	\$ 9,808,699	\$ 8,598,700	\$ 10,258,000	\$ 1,659,300	19.3%
Damages Recovered	\$ 2,480	\$ -	\$ -	\$ -	-
Non-Operating Revenue	\$ 2,480	\$ -	\$ -	\$ -	-
<b>TOTAL REAL ESTATE</b>	<b>\$ 89,284,187</b>	<b>\$ 87,249,900</b>	<b>\$ 93,468,400</b>	<b>\$ 6,218,500</b>	<b>7.1%</b>
<b>MARITIME</b>					
Fixed Rent	\$ 14,098,121	\$ 13,631,400	\$ 14,702,900	\$ 1,071,500	7.9%
Concession Revenue	1,572,300	1,666,100	1,729,500	63,400	3.8%
Storage Space Rental	2,422,752	2,409,400	2,520,600	111,200	4.6%
Other Rental Revenue	580,570	533,000	500,000	(33,000)	-6.2%
Waived Fees-Tidelands Activation Program	(97,641)	-	-	-	-
Rents	\$ 18,576,102	\$ 18,239,900	\$ 19,453,000	\$ 1,213,100	6.7%
Bunkering	\$ 28,158	\$ 47,300	\$ 10,300	\$ (37,000)	-78.2%
Cruise Ship Passenger Fees	1,133,100	1,135,300	1,303,100	167,800	14.8%
Cruise Ship Passenger Security Charges	998,701	1,085,700	870,100	(215,600)	-19.9%
Demurrage	15,233	-	-	-	-
Dockage	1,919,961	1,569,300	1,651,300	82,000	5.2%
Environmental Surcharge	10,145	7,300	7,500	200	2.7%
Permit & License Fees	939	-	-	-	-
Parking	136,096	340,000	230,000	(110,000)	-32.4%
Park Usage Fees	14,000	-	-	-	-
Wharfage	11,535,358	13,701,000	12,132,500	(1,568,500)	-11.4%
Miscellaneous Other Operating Revenue	11,893	13,000	2,400	(10,600)	-81.5%
Fees & Service Charges	\$ 15,803,584	\$ 17,898,900	\$ 16,207,200	\$ (1,691,700)	-9.5%
Utilities Furnished	\$ 76,956	\$ 88,400	\$ 68,400	\$ (20,000)	-22.6%
Services	\$ 76,956	\$ 88,400	\$ 68,400	\$ (20,000)	-22.6%
Damages Recovered	\$ 914	\$ -	\$ -	\$ -	-
Grant Revenue-Other	23,775	26,000	26,000	-	0.0%
Misc Other Non-Operating Revenue	1,800	-	-	-	-
Non-Operating Revenue	\$ 26,489	\$ 26,000	\$ 26,000	\$ -	0.0%
<b>TOTAL MARITIME</b>	<b>\$ 34,483,131</b>	<b>\$ 36,253,200</b>	<b>\$ 35,754,600</b>	<b>\$ (498,600)</b>	<b>-1.4%</b>

## REVENUE BY PROFIT CENTER AND ACCOUNT

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
<b><u>HARBOR POLICE</u></b>					
Fixed Rent	\$ 7,020	\$ 7,000	\$ 7,000	\$ -	0.0%
Rents	\$ 7,020	\$ 7,000	\$ 7,000	\$ -	0.0%
Citations	\$ 793,774	\$ 550,000	\$ 795,000	\$ 245,000	44.5%
Piers & Floats	96,800	90,000	90,000	-	0.0%
Miscellaneous Other Operating Revenue	36,536	50,000	24,000	(26,000)	-52.0%
Fees & Service Charges	\$ 927,110	\$ 690,000	\$ 909,000	\$ 219,000	31.7%
Public Services Provided	\$ 15,309,220	\$ 13,450,300	\$ 13,802,200	\$ 351,900	2.6%
Reimbursed Cost/Cost Recovery	-	-	12,000	12,000	-
Services	\$ 15,309,220	\$ 13,450,300	\$ 13,814,200	\$ 363,900	2.7%
Damages Recovered	\$ 2,274	\$ -	\$ -	\$ -	-
Grant Revenue-Other	959,121	418,500	782,800	364,300	87.0%
Misc Other Non-Operating Revenue	333	-	-	-	-
Gain/Loss from Disposal of Fixed Assets	(1,095)	-	-	-	-
Asset Forfeiture Proceeds-Harbor Police	439,291	-	-	-	-
Non-Operating Revenue	\$ 1,399,924	\$ 418,500	\$ 782,800	\$ 364,300	87.0%
<b>TOTAL HARBOR POLICE</b>	<b>\$ 17,643,274</b>	<b>\$ 14,565,800</b>	<b>\$ 15,513,000</b>	<b>\$ 947,200</b>	<b>6.5%</b>
<b><u>MISCELLANEOUS</u></b>					
Permit & License Fees	\$ 500	\$ -	\$ -	\$ -	-
Miscellaneous Other Operating Revenue	7,417	-	-	-	-
Miscellaneous Other Operating Revenue	\$ 7,917	\$ -	\$ -	\$ -	-
Public Services Provided	\$ 1,789,954	\$ 2,036,300	\$ 2,108,000	\$ 71,700	3.5%
Reimbursed Cost/Cost Recovery	687,318	741,500	320,000	(421,500)	-56.8%
Services	\$ 2,477,272	\$ 2,777,800	\$ 2,428,000	\$ (349,800)	-12.6%
Grants Revenue - Sub-Grantee	\$ 873,239	\$ -	\$ -	\$ -	-
Partnership/Cost Sharing Reimbursement	1,065,474	778,300	778,700	400	0.1%
Grants & Other	\$ 1,938,713	\$ 778,300	\$ 778,700	\$ 400	0.1%
Damages Recovered	\$ 10,356	\$ -	\$ -	\$ -	-
Grants - Capital Project Reimbursement	1,774,518	461,300	1,426,500	965,200	209.2%
Grant Revenue-Other	379,001	195,500	36,500	(159,000)	-81.3%
Donated Revenue	671,985	-	30,000	30,000	-
Reimbursed Legal Fees	480,467	-	-	-	-
Legal Settlements	356,250	-	-	-	-
Misc Other Non-Operating Revenue	194,986	50,000	100,000	50,000	100.0%
Restitution	364	-	-	-	-
Sale of Surplus Items - Proceeds	149,140	60,000	60,000	-	0.0%
NEVP Capital Project Contribution	7,117,616	1,761,400	-	(1,761,400)	-100.0%
Non-Operating Revenue	\$ 11,134,683	\$ 2,528,200	\$ 1,653,000	\$ (875,200)	-34.6%
Interest - Investments	\$ 578,657	\$ 400,000	\$ 300,000	\$ (100,000)	-25.0%
Interest - Unamortized Bond Premium	(3,695)	-	-	-	-
Unrealized Gain/Loss On Inv. (GASB 31)	165,516	-	-	-	-
Interest - Miscellaneous	118,837	-	-	-	-
Investment Revenue	\$ 859,315	\$ 400,000	\$ 300,000	\$ (100,000)	-25.0%
Discounts Earned	\$ 4,055	\$ -	\$ -	\$ -	-
Other Revenue	\$ 4,055	\$ -	\$ -	\$ -	-
<b>TOTAL MISCELLANEOUS</b>	<b>\$ 16,421,955</b>	<b>\$ 6,484,300</b>	<b>\$ 5,159,700</b>	<b>\$ (1,324,600)</b>	<b>-20.4%</b>
<b>TOTAL REVENUE</b>	<b>\$ 157,832,547</b>	<b>\$ 144,553,200</b>	<b>\$ 149,895,700</b>	<b>\$ 5,342,500</b>	<b>3.7%</b>



## REVENUE BY PROFIT CENTER

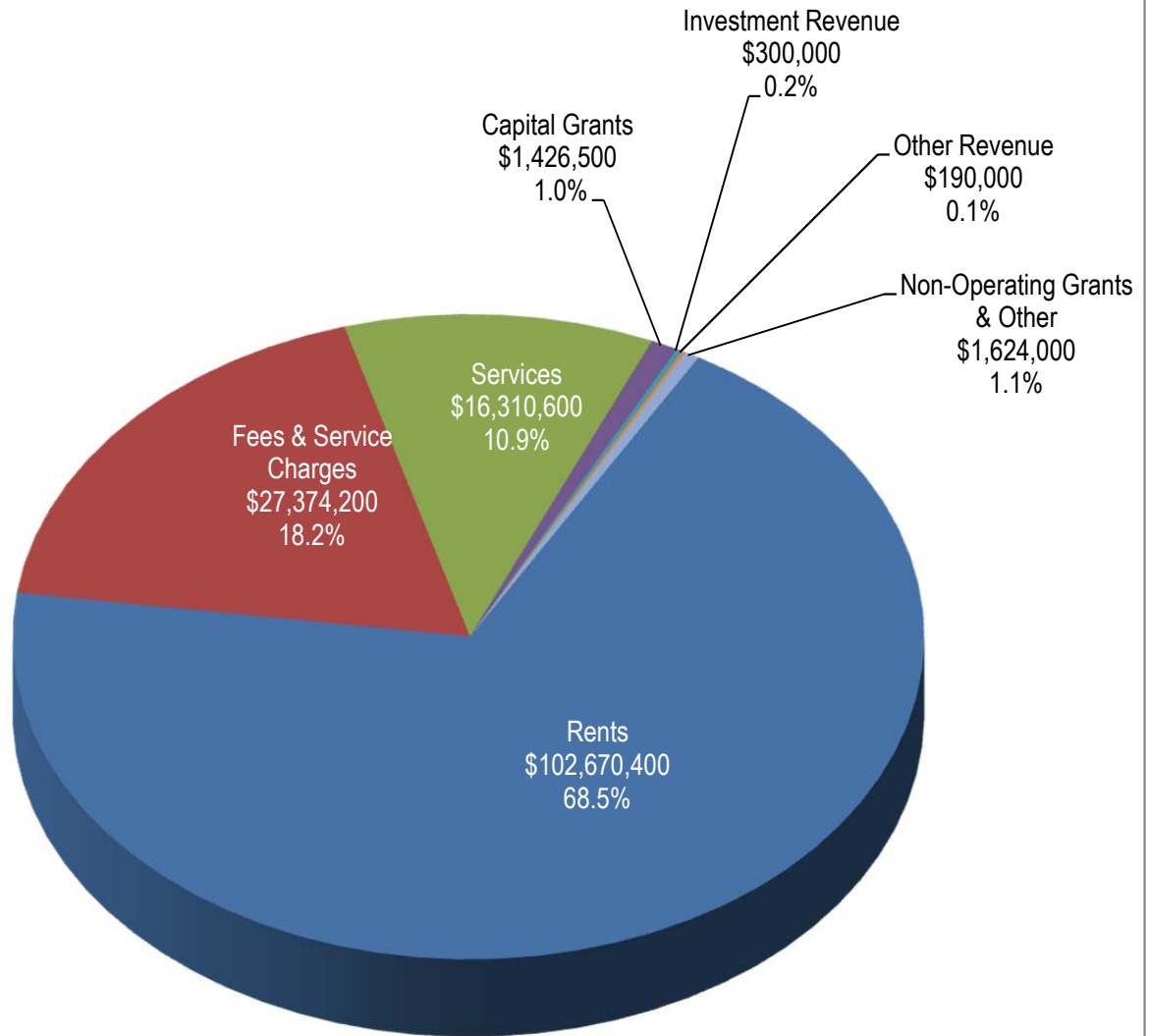


**TOTAL REVENUE**  
**\$149,895,700**

## REVENUE BY ACCOUNT

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Fixed Rent	\$ 37,159,001	\$ 35,480,600	\$ 36,041,000	\$ 560,400	1.6%
Concession Revenue	57,866,723	58,068,800	63,390,000	5,321,200	9.2%
Storage Space Rental	2,422,752	2,409,400	2,520,600	111,200	4.6%
ACH Parking Facility Funding	215,002	218,800	218,800	-	0.0%
Other Rental Revenue	982,288	720,500	500,000	(220,500)	-30.6%
Waived Fees-Tidelands Activation Program	(589,636)	-	-	-	-
<b>Rents</b>	<b>\$ 98,056,130</b>	<b>\$ 96,898,100</b>	<b>\$ 102,670,400</b>	<b>\$ 5,772,300</b>	<b>6.0%</b>
Bunkering	\$ 28,158	\$ 47,300	\$ 10,300	\$ (37,000)	-78.2%
Citations	793,774	550,000	795,000	245,000	44.5%
Cruise Ship Passenger Fees	1,133,100	1,135,300	1,303,100	167,800	14.8%
Cruise Ship Passenger Security Charges	998,701	1,085,700	870,100	(215,600)	-19.9%
Demurrage	15,233	-	-	-	-
Dockage	1,919,961	1,569,300	1,651,300	82,000	5.2%
Environmental Surcharge	10,145	7,300	7,500	200	2.7%
Permit & License Fees	1,439	-	-	-	-
Parking	8,191,253	7,659,800	8,252,000	592,200	7.7%
Parking Meters	1,120,882	1,034,000	2,021,900	987,900	95.5%
Park Usage Fees	565,222	97,400	214,100	116,700	119.8%
Piers & Floats	96,800	90,000	90,000	-	0.0%
Wharfage	11,535,358	13,701,000	12,132,500	(1,568,500)	-11.4%
Miscellaneous Other Operating Revenue	137,284	210,500	26,400	(184,100)	-87.5%
<b>Fees &amp; Service Charges</b>	<b>\$ 26,547,310</b>	<b>\$ 27,187,600</b>	<b>\$ 27,374,200</b>	<b>\$ 186,600</b>	<b>0.7%</b>
Public Services Provided	\$ 17,099,174	\$ 15,486,600	\$ 15,910,200	\$ 423,600	2.7%
Utilities Furnished	76,956	88,400	68,400	(20,000)	-22.6%
Reimbursed Cost/Cost Recovery	687,318	741,500	332,000	(409,500)	-55.2%
<b>Services</b>	<b>\$ 17,863,448</b>	<b>\$ 16,316,500</b>	<b>\$ 16,310,600</b>	<b>\$ (5,900)</b>	<b>0.0%</b>
Grants Revenue - Sub-Grantee	\$ 873,239	\$ -	\$ -	\$ -	-
Partnership/Cost Sharing Reimbursement	1,065,474	778,300	778,700	400	0.1%
<b>Grants &amp; Other</b>	<b>\$ 1,938,713</b>	<b>\$ 778,300</b>	<b>\$ 778,700</b>	<b>\$ 400</b>	<b>0.1%</b>
Damages Recovered	\$ 16,024	\$ -	\$ -	\$ -	-
Grants - Capital Project Reimbursement	1,774,518	461,300	1,426,500	965,200	209.2%
Grant Revenue-Other	1,361,897	640,000	845,300	205,300	32.1%
Donated Revenue	671,985	-	30,000	30,000	-
Reimbursed Legal Fees	480,467	-	-	-	-
Legal Settlements	356,250	-	-	-	-
Misc Other Non-Operating Revenue	197,119	50,000	100,000	50,000	100.0%
Restitution	364	-	-	-	-
Sale of Surplus Items - Proceeds	149,140	60,000	60,000	-	0.0%
Gain/Loss from Disposal of Fixed Assets	(1,095)	-	-	-	-
Asset Forfeiture Proceeds-Harbor Police	439,291	-	-	-	-
NEVP Capital Project Contribution	7,117,616	1,761,400	-	(1,761,400)	-100.0%
Interest - Investments	578,657	400,000	300,000	(100,000)	-25.0%
Interest - Unamortized Bond Premium	(3,695)	-	-	-	-
Unrealized Gain/Loss On Inv. (GASB 31)	165,516	-	-	-	-
Interest - Miscellaneous	118,837	-	-	-	-
Discounts Earned	4,055	-	-	-	-
<b>Non-Operating Revenue</b>	<b>\$ 13,426,946</b>	<b>\$ 3,372,700</b>	<b>\$ 2,761,800</b>	<b>\$ (610,900)</b>	<b>-18.1%</b>
<b>TOTAL REVENUE</b>	<b>\$ 157,832,547</b>	<b>\$ 144,553,200</b>	<b>\$ 149,895,700</b>	<b>\$ 5,342,500</b>	<b>3.7%</b>

## REVENUE BY ACCOUNT



**TOTAL REVENUE**  
**\$149,895,700**

## EXPENSE HIGHLIGHTS

### Trends in Expense

Total Expense is budgeted at \$139.1M, an increase of \$845k, or 0.6%, from the prior fiscal year.

### Personnel Expense

Overall, Personnel Expense is budgeted at \$83.9M, an increase of \$855k, or 1.0%, from the previous year's adjusted budget. This increase is primarily due to a mid-year change to staffing in FY 14/15, which included the addition of six full-time positions. Although the District's headcount reflects this adjustment in FY 14/15, the personnel expense budget was not amended for these additions, but absorbed by savings resulting from vacancies during the fiscal year. In FY 15/16, these positions are included in the personnel expense budget. In addition, two permanent positions, six interns, and 20 student workers were added in FY 15/16. Also contributing to the increase, is the rising cost of healthcare. Total staff for FY 15/16 is projected to be 530 permanent positions and five limited positions. Budgeted expenses consist of Salaries & Wages, Overtime, Temporary Personnel, and Burden.

Salaries & Wages (not including Overtime or Temporary Personnel) is budgeted at \$46.5M, an increase of \$598k, or 1.3%, primarily due to an increase in staffing as explained above.

Overtime and Temporary Personnel will both remain flat from the prior fiscal year.

Burden is budgeted at \$30.6M, an increase of \$257k, or 0.8%. This increase is primarily due to an increase in healthcare costs of \$248k, or 3.8%.

### Non-Personnel Expense

Overall, Non-Personnel Expense (NPE) is budgeted at \$53.4M, an increase of \$189k, or 0.4%, from the prior fiscal year. Large budget-to-budget variances are projected in the following NPE accounts:

Other Miscellaneous Operating Expenses is budgeted at \$1.1M, an increase of \$655k, or 161.7%, mainly due to an increase to the operating expense contingency budget for unplanned expenditures.

Retiree Health Benefits (Paid) is budgeted at \$3.6M, an increase of \$353k, or 10.9%. This increase is mainly due to the rising cost of healthcare.

Joint Programs/Studies Assistance is budgeted at \$1.0M, an increase of \$279k, or 37.3%. This increase is mainly due to an increase in cost associated with the SDG&E Energy Efficiency Program.

Facilities Management Services is budgeted at \$2.2M, an increase of \$222k, or 11.5%. This increase is mainly due to a projected increase in parking revenue. Facility management service fees are based on a percentage of parking revenues collected.

Equipment & Systems is budgeted at \$1.1M, an increase of \$205k, or 22.9%. This increase is primarily due to increases in infrastructure and cloud software services, information technology security program subscriptions, and cargo and cruise terminal equipment.

Eligible Environmental Fund Expenditures is budgeted at \$792k, an increase of \$172k, or 27.7%. This increase is mainly due to increases in environmental education and mitigation banking efforts.

Services – Professional & Other is budgeted at \$11.4M, a decrease of \$124k, or 1.1%. Maritime will decrease by \$481k mainly due to lower security cost at the cruise ship terminal as a result of fewer cruise ship calls and from the new scope of work related to inspection of the marine terminal oil transfer system. Real Estate will decrease by \$437k due to lower needs for outside consulting services for major development projects and for a benchmarking study. The decrease will be partially offset by increases in the following departments: Environmental & Land Use

Management will increase by \$527k due to a compilation of long-range planning efforts, environmental support for maritime and tidelands activation projects, and additional on-call consultant support that will lead to future revenue generation and optimization of maritime operations. Harbor Police Department will increase by \$114k primarily due to an increase in security cost at North Embarcadero. Human Resources will increase by \$92k mainly due to a compensation and benefit survey that will be conducted. Office of the District Clerk will increase by \$50k due to the outsourcing of copy center services, which resulted in an extra position being redeployed to a different function within the District.

Technology Strategic Plan – Projects will decrease \$383k due to a shift of technology projects in FY 15/16 from expense to technology projects that are capital in nature.

Services – Operator Retention is budgeted at \$3.0M, a decrease of \$417k, or 12.1%. This decrease is mainly due to a downward adjustment in growth projections in automobile throughput as a result of space constraints at the National City Marine Terminal (NCMT).

Major Maintenance Expense is budgeted at \$596k, a decrease of \$874k, or 59.4%. This decrease is mainly due to a shift of projects in FY 15/16 from expense to maintenance projects that are capital in nature.

### **Capitalized Labor**

Capital labor is budgeted at \$2.4M, an increase of \$248k, or 11.5%, from the prior fiscal year. Capitalized labor is internal labor costs (personnel and overhead) that are directly incurred in the development or construction of approved capital projects. 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 15/16 is included in the CIP and Major Maintenance capital project budgets.

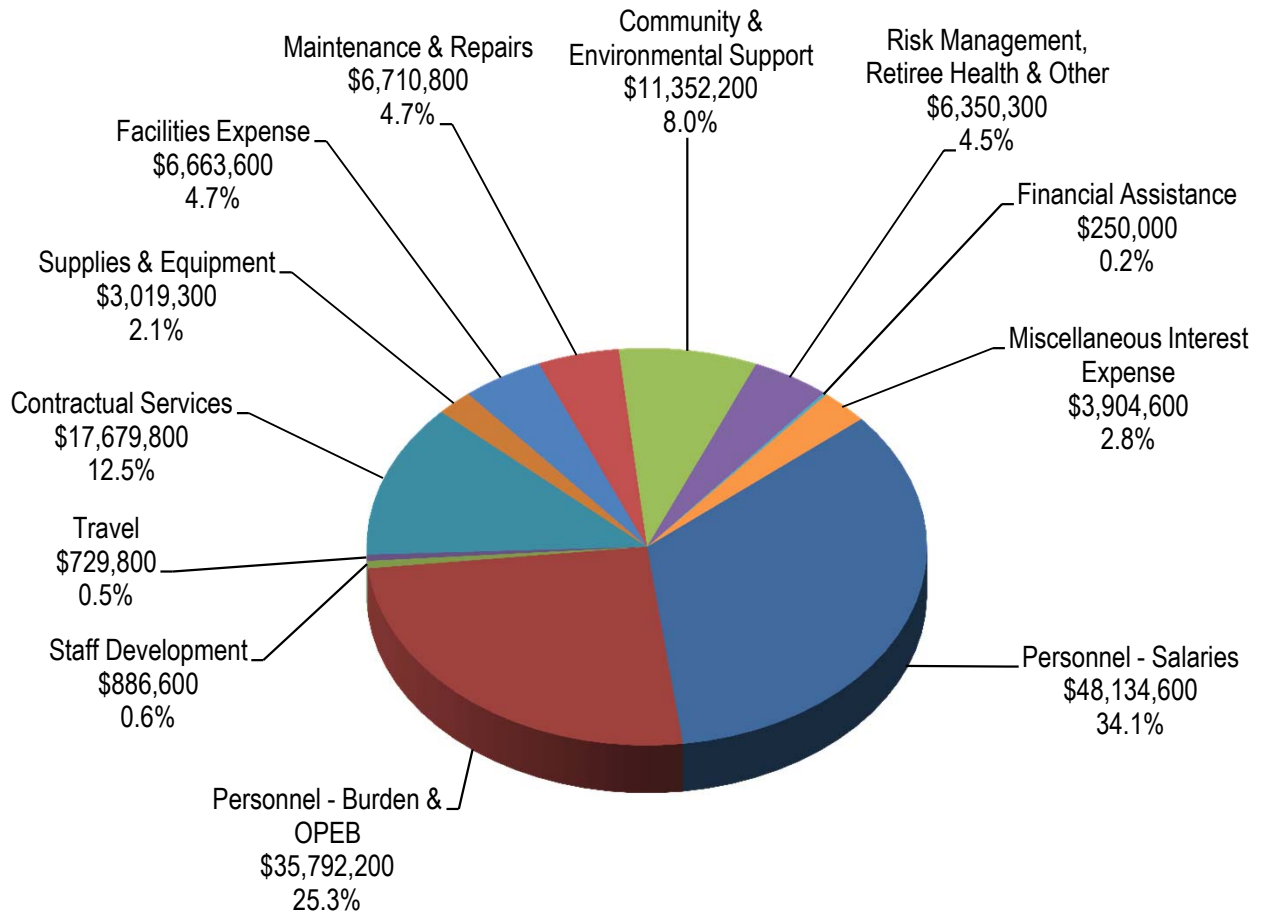
## EXPENSE BY ACCOUNT

LINE ITEM	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries & Wages	\$ 43,140,480	\$ 45,885,350	\$ 46,483,400	\$ 598,050	1.3%
Overtime	1,539,752	1,561,200	1,561,200	-	0.0%
Temporary Personnel	88,552	90,000	90,000	-	0.0%
<b>Salaries &amp; Wages Expense</b>	<b>\$ 44,768,784</b>	<b>\$ 47,536,550</b>	<b>\$ 48,134,600</b>	<b>\$ 598,050</b>	<b>1.3%</b>
Burden Expense	\$ 27,513,044	\$ 30,315,550	\$ 30,572,600	\$ 257,050	0.8%
OPEB Annual Required Contribution (GASB)	4,752,232	5,219,600	5,219,600	-	0.0%
<b>Subtotal Personnel Expense</b>	<b>\$ 77,034,060</b>	<b>\$ 83,071,700</b>	<b>\$ 83,926,800</b>	<b>\$ 855,100</b>	<b>1.0%</b>
Awards - Service	\$ 3,909	\$ 2,500	\$ 3,600	\$ 1,100	44.0%
Books & Periodicals	44,008	45,800	48,300	2,500	5.5%
Employee Recognition	23,310	27,100	62,200	35,100	129.5%
Memberships & Dues	224,596	285,700	326,500	40,800	14.3%
Health and Wellness	4,616	6,000	1,500	(4,500)	-75.0%
Recruiting	-	-	50,000	50,000	-
Seminars & Training	176,064	277,100	334,500	57,400	20.7%
Tuition Reimbursement Program	47,299	60,000	60,000	-	0.0%
<b>Staff Development</b>	<b>\$ 523,802</b>	<b>\$ 704,200</b>	<b>\$ 886,600</b>	<b>\$ 182,400</b>	<b>25.9%</b>
Mileage Reimbursement	\$ 190,786	\$ 198,500	\$ 216,900	\$ 18,400	9.3%
Travel	302,873	468,700	512,900	44,200	9.4%
<b>Travel</b>	<b>\$ 493,660</b>	<b>\$ 667,200</b>	<b>\$ 729,800</b>	<b>\$ 62,600</b>	<b>9.4%</b>
Services - Professional & Other	\$ 9,060,368	\$ 11,563,800	\$ 11,440,200	\$ (123,600)	-1.1%
Services - Legal - Port Attorney	1,912,640	3,201,600	3,201,600	-	0.0%
Services - Legal - Business Division	1,193,329	-	-	-	-
Services - Operator Retention	2,910,369	3,455,400	3,038,000	(417,400)	-12.1%
<b>Contractual Services</b>	<b>\$ 15,076,705</b>	<b>\$ 18,220,800</b>	<b>\$ 17,679,800</b>	<b>\$ (541,000)</b>	<b>-3.0%</b>
Breakage & Obsolescence	\$ 610	\$ -	\$ -	\$ -	-
Equipment & Systems	494,745	894,100	1,098,900	204,800	22.9%
Technology Strategic Plan - Projects	312,822	383,200	-	(383,200)	-100.0%
Equipment Rental/Leasing	204,844	276,300	252,400	(23,900)	-8.7%
Office & Operating Supplies	248,914	292,400	290,600	(1,800)	-0.6%
Postage & Shipping	25,577	44,300	36,800	(7,500)	-16.9%
Safety Equipment & Supplies	194,816	258,000	230,700	(27,300)	-10.6%
Small Tools	33,445	37,200	37,500	300	0.8%
Fuel & Lubricants	711,503	777,000	802,000	25,000	3.2%
Parking Meter Supplies	11,069	12,900	14,200	1,300	10.1%
Blueprints	162	500	700	200	40.0%
Uniforms	234,924	246,400	255,500	9,100	3.7%
<b>Supplies &amp; Equipment</b>	<b>\$ 2,473,430</b>	<b>\$ 3,222,300</b>	<b>\$ 3,019,300</b>	<b>\$ (203,000)</b>	<b>-6.3%</b>
Space Rental	\$ 271,597	\$ 338,100	\$ 335,900	\$ (2,200)	-0.7%
Telephone & Communications	763,684	815,100	844,900	29,800	3.7%
Utilities-Gas & Electric	1,476,357	1,958,800	2,017,600	58,800	3.0%
Utilities-Water	1,228,116	1,170,600	1,309,700	139,100	11.9%
Facility Management Services	2,068,063	1,933,200	2,155,500	222,300	11.5%
<b>Facilities Expense</b>	<b>\$ 5,807,816</b>	<b>\$ 6,215,800</b>	<b>\$ 6,663,600</b>	<b>\$ 447,800</b>	<b>7.2%</b>

## EXPENSE BY ACCOUNT

LINE ITEM	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Facilities Maintenance-Supplies	\$ 432,938	\$ 481,300	\$ 494,300	\$ 13,000	2.7%
Facilities Maintenance-Outside Services	2,330,648	3,093,400	2,960,200	(133,200)	-4.3%
Major Maintenance Expense	1,017,302	1,470,000	596,200	(873,800)	-59.4%
Equipment Maintenance-Supplies	192,609	244,200	233,300	(10,900)	-4.5%
Equipment Maintenance-Outside Services	598,494	1,141,700	1,016,400	(125,300)	-11.0%
As - Needed Maintenance	412,302	622,700	592,900	(29,800)	-4.8%
Software Maintenance	886,301	823,200	817,500	(5,700)	-0.7%
<b>Maintenance &amp; Repairs</b>	<b>\$ 5,870,595</b>	<b>\$ 7,876,500</b>	<b>\$ 6,710,800</b>	<b>\$ (1,165,700)</b>	<b>-14.8%</b>
Advertising	\$ 306,305	\$ 34,100	\$ 40,900	\$ 6,800	19.9%
Marketing/Outreach	-	1,195,000	1,175,000	(20,000)	-1.7%
Promotional Services	202,107	246,900	257,700	10,800	4.4%
Promotional Materials	10,799	29,800	54,000	24,200	81.2%
Svcs - Fire, Police, Rescue, Emergency	7,228,114	7,391,500	7,446,600	55,100	0.7%
Eligible Environmental Fund Expenditures	165,902	620,000	792,000	172,000	27.7%
Grant Funded Expenditures	407,379	271,100	90,500	(180,600)	-66.6%
Remediation	38,000	75,000	75,000	-	0.0%
Refuse & Hazardous Waste Disposal	106,132	103,000	75,000	(28,000)	-27.2%
Joint Programs/Studies Assistance	441,110	749,200	1,028,500	279,300	37.3%
Public Art Program	-	317,000	317,000	-	0.0%
<b>Community &amp; Environmental Support</b>	<b>\$ 8,905,848</b>	<b>\$ 11,032,600</b>	<b>\$ 11,352,200</b>	<b>\$ 319,600</b>	<b>2.9%</b>
Bank & Credit Card Fees	\$ -	\$ -	\$ 64,000	\$ 64,000	-
Insurance	1,184,715	1,275,000	1,251,400	(23,600)	-1.9%
Insurance Claims	-	10,000	10,000	-	0.0%
Permits/Certificates/License	118,413	73,600	86,200	12,600	17.1%
Legal Settlements	2,700,949	-	-	-	-
Retiree Health Benefits (Paid)	2,839,637	3,240,800	3,593,700	352,900	10.9%
Preservation of Benefits Plan (POB)	237,000	260,000	285,000	25,000	9.6%
Other Miscellaneous Operating Expenses	169,283	405,100	1,060,000	654,900	161.7%
Other Miscellaneous -Sub-Grantee's Expense	873,239	-	-	-	-
<b>Risk Management, Retiree Health &amp; Other</b>	<b>\$ 8,123,237</b>	<b>\$ 5,264,500</b>	<b>\$ 6,350,300</b>	<b>\$ 1,085,800</b>	<b>20.6%</b>
<b>Subtotal Non-Personnel Expense</b>	<b>\$ 47,275,093</b>	<b>\$ 53,203,900</b>	<b>\$ 53,392,400</b>	<b>\$ 188,500</b>	<b>0.4%</b>
<b>Capitalized Labor</b>	<b>\$ (2,962,951)</b>	<b>\$ (2,152,000)</b>	<b>(2,400,000)</b>	<b>\$ (248,000)</b>	<b>11.5%</b>
<b>Subtotal Operating Expense</b>	<b>\$ 121,346,202</b>	<b>\$ 134,123,600</b>	<b>\$ 134,919,200</b>	<b>\$ 795,600</b>	<b>0.6%</b>
Financial Assistance/Grants/Contributions	\$ -	\$ -	\$ 250,000	\$ 250,000	-
Convention Center Financial Assistance	4,500,000	-	-	-	-
<b>Financial Assistance</b>	<b>\$ 4,500,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>-</b>
Interest-SDCRAA, NEVP, & Other Misc	\$ 2,270,899	\$ 2,488,000	\$ 2,564,600	\$ 76,600	3.1%
Interest Expense - Series A 2004 Bonds	492,693	426,100	356,200	(69,900)	-16.4%
Interest Expense - Series B 2004 Bonds	492,579	-	-	-	-
Interest Expense - Series A 2013 Bonds	741,891	1,130,800	983,800	(147,000)	-13.0%
<b>Miscellaneous Interest Expense</b>	<b>\$ 3,998,061</b>	<b>\$ 4,044,900</b>	<b>\$ 3,904,600</b>	<b>\$ (140,300)</b>	<b>-3.5%</b>
Seized Asset/Forfeitures-Harbor Police	\$ 95,867	\$ -	\$ -	\$ -	-
Contingency	9,295	60,000	-	(60,000)	-100.0%
<b>Other Miscellaneous Expense</b>	<b>\$ 105,162</b>	<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ (60,000)</b>	<b>-100.0%</b>
<b>Subtotal Non-Operating Expense</b>	<b>\$ 8,603,223</b>	<b>\$ 4,104,900</b>	<b>\$ 4,154,600</b>	<b>\$ 49,700</b>	<b>1.2%</b>
<b>TOTAL EXPENSE</b>	<b>\$ 129,949,425</b>	<b>\$ 138,228,500</b>	<b>\$ 139,073,800</b>	<b>\$ 845,300</b>	<b>0.6%</b>

## EXPENSE BY ACCOUNT



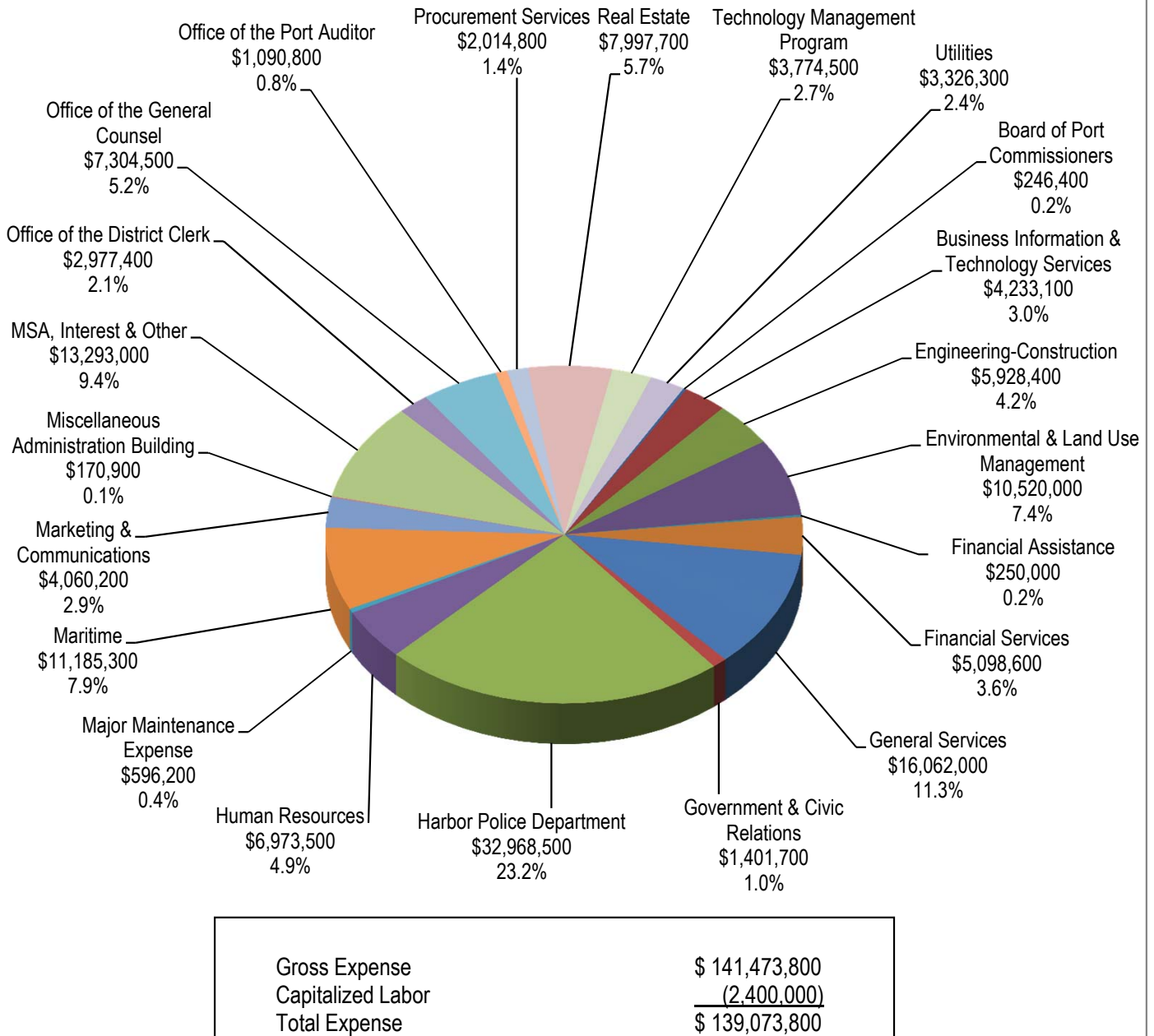
Gross Expense	\$ 141,473,800
Capitalized Labor	(2,400,000)
<b>Total Expense</b>	<b>\$ 139,073,800</b>



## EXPENSE BY DEPARTMENT/COST CENTER

DEPARTMENT/COST CENTER	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Board of Port Commissioners	\$ 221,318	\$ 201,600	\$ 246,400	\$ 44,800	22.2%
Business Information & Technology Services	4,036,176	4,213,452	4,233,100	19,648	0.5%
Engineering - Construction	5,445,027	5,946,454	5,928,400	(18,054)	-0.3%
Environmental & Land Use Management	7,310,174	9,441,620	10,520,000	1,078,380	11.4%
Financial Assistance	4,500,000	-	250,000	250,000	-
Financial Services	4,954,154	5,000,653	5,098,600	97,947	2.0%
General Services	14,351,935	16,303,421	16,062,000	(241,421)	-1.5%
Government & Civic Relations	1,035,729	1,097,627	1,401,700	304,073	27.7%
Harbor Police Department	29,282,187	31,858,491	32,968,500	1,110,009	3.5%
Human Resources	5,763,412	6,484,392	6,973,500	489,108	7.5%
Major Maintenance Expense	1,017,302	1,470,000	596,200	(873,800)	-59.4%
Maritime	10,318,320	12,061,029	11,185,300	(875,729)	-7.3%
Marketing & Communications	3,633,530	4,384,624	4,060,200	(324,424)	-7.4%
Miscellaneous Administration Building	170,820	170,900	170,900	-	0.0%
MSA, Interest & Other	15,788,925	12,711,100	13,293,000	581,900	4.6%
Office of the District Clerk	3,234,884	3,000,779	2,977,400	(23,379)	-0.8%
Office of the General Counsel	5,761,911	7,280,331	7,304,500	24,169	0.3%
Office of the Port Auditor	966,371	1,142,557	1,090,800	(51,757)	-4.5%
Procurement Services	1,718,678	1,942,342	2,014,800	72,458	3.7%
Real Estate	7,420,664	8,379,228	7,997,700	(381,528)	-4.6%
Technology Management Program	2,964,591	3,779,400	3,774,500	(4,900)	-0.1%
Technology Strategic Plan Expense	312,822	383,200	-	(383,200)	-100.0%
Utilities	2,703,445	3,127,300	3,326,300	199,000	6.4%
Subtotal Direct Expense	\$ 132,912,376	\$ 140,380,500	\$ 141,473,800	\$ 1,093,300	0.8%
Capitalized Labor	\$ (2,962,951)	\$ (2,152,000)	\$ (2,400,000)	\$ (248,000)	11.5%
<b>TOTAL EXPENSE</b>	<b>\$ 129,949,425</b>	<b>\$ 138,228,500</b>	<b>\$ 139,073,800</b>	<b>\$ 845,300</b>	<b>0.6%</b>

## EXPENSE BY DEPARTMENT/COST CENTER



## DEBT MANAGEMENT HIGHLIGHTS

**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 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 maturity dates ranging from September 1, 2014 to September 1, 2029.

**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.

**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 each. The first amendment provides for Civic San Diego to advance or loan the District its share of capital contribution up to approximately \$8.6M. The District commenced repaying Civic San Diego \$850,000 annually on July 1, 2013 at an interest rate of 4.77% per annum.

**Debt Service Payments FY 15/16.** Payments are estimated at \$7.9M (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 15/16
SDCRAA Promissory Note	\$ 1,609,000	\$ 2,075,500	\$ 3,684,500
2004 Revenue Bonds (Series A)	1,725,000	393,100	2,118,100
2013 Revenue Bonds (Series A)	-	1,236,900	1,236,900
Civic San Diego	360,900	489,100	850,000
<b>TOTAL</b>	<b>\$ 3,694,900</b>	<b>\$ 4,194,600</b>	<b>\$ 7,889,500</b>

## EQUIPMENT OUTLAY

DEPARTMENT	DESCRIPTION	QTY	BUDGET FY 15/16
Environmental & Land Use Management	SOUTH BAY POWER PLANT MONUMENT <sup>(1)</sup>	1	\$ 200,000
General Services	AERIAL LIFT TRUCK	1	\$ 160,000
General Services	FRONT MOUNTED DECK MOWER	1	28,000
General Services	FULL-SIZE PANEL VAN	1	30,000
General Services	FULL-SIZE PANEL VAN WITH LOCKSMITH EQUIPMENT	1	37,000
General Services	HALF-TON PICKUP TRUCK	3	75,000
General Services	HYDRAULIC PRESS, 55-TON	1	5,500
General Services	ON VEHICLE BRAKE LATHE	1	20,000
General Services	ONE-TON CREW CAB UTILITY BODY TRUCK	1	38,000
General Services	RIDE-ON REEL MOWER	1	32,000
General Services	ROADWAY LINE STRIPER	1	16,600
General Services	SIDE LOADER REFUSE TRUCK	1	110,000
General Services	TRAILER MOUNTED GENERATOR	1	25,000
General Services	TRUCK MOUNTED CRANE	1	9,000
		15	\$ 586,100
Government & Civic Relations	GRANT MATCHING FUND		\$ 150,000
Harbor Police	4 X 4 PICK UP TRUCK & EQUIPMENT <sup>(2)</sup>	1	\$ 46,000
Harbor Police	9-1-1 TEXTING SYSTEM <sup>(1)</sup>	1	10,000
Harbor Police	BUILDOUT FOR PICK UP TRUCKS	2	22,800
Harbor Police	CANINE KENNELS	2	13,600
Harbor Police	FULL SIZED PICK UP TRUCK	2	52,000
Harbor Police	HANDHELD DIGITAL VIDEO LIDAR	2	20,000
Harbor Police	MID-SIZED SEDAN, EQUIPPED FOR RSVP	2	64,000
Harbor Police	PERSONAL WATERCRAFT & EQUIPMENT <sup>(2)</sup>	1	16,000
Harbor Police	POLICE COMMAND VEHICLE BUILDOUT	1	41,400
Harbor Police	POLICE COMMAND VEHICLE, SUV	1	37,000
Harbor Police	POLICE PATROL VEHICLE BUILDOUT	4	133,600
Harbor Police	POLICE PATROL VEHICLE, SUV	5	190,000
Harbor Police	POLICE TRAFFIC VEHICLE BUILDOUT	1	50,400
Harbor Police	REVOLVE AIR BLAST CABINET	1	14,000
		26	\$ 710,800
Maritime	MEDIUM SIZED PICK UP TRUCK	2	\$ 58,000
Technology Management Program	CISCO ADV SVCS INTERNET ROUTER	1	\$ 35,000
TOTAL EQUIPMENT OUTLAY			\$ 1,739,900

**Notes:**

<sup>(1)</sup> Items carried over from FY 14/15 budget.

<sup>(2)</sup> Per the Municipal Services Agreement with the City of Imperial Beach, the District provides equipment for lifeguard services.

## PUBLIC ART FUND HIGHLIGHTS

The District's vision for public art is to build and maintain a critically acclaimed collection of public artworks that embodies the essence of the District's maritime, environmental, and civic character. To realize this vision, the Public Art Program provides leadership, advocacy, and stewardship of the collection to enhance the visual excitement, aesthetic appeal, and cultural richness of the tidelands.

For FY 15/16, the Public Art Program will focus on stewardship of the District-owned Tidelands Collection, which includes the on-going annual conservation and maintenance efforts and inventory and records. In addition, staff will continue to professionally oversee and manage public art projects funded under the District's two unique percent-for-art programs: CIP percent for art pursuant to BPC Policy No. 609 – Public Art (see Section 5 Appendix) and tenant percent for art, pursuant to BPC Policy No. 608 – Tenant Percent for Art (see Section 5 Appendix).

A 13-member Public Art Committee serves in an advisory capacity, making recommendations to staff and the Board on matters relating to the development and stewardship of public art on tidelands.

### SUMMARY OF PUBLIC ART FUND

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Beginning Balance	\$ 2,403,765	\$ 956,900	\$ 960,900
<u>Income Sources</u>			
Public Art Set-Aside <sup>(1)</sup>	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Public Art Set-Aside Reduction <sup>(2)</sup>	(600,000)	(850,000)	(850,000)
Interest Income <sup>(3)</sup>	5,799	4,000	5,600
Tenant Contribution	30,870	-	-
Total Income:	\$ 636,669	\$ 354,000	\$ 355,600
<u>Expenditures</u>			
Public Art	\$ 553,943	\$ 317,000	\$ 317,000
Transfer Costs <sup>(4)</sup>	24,031	30,700	28,700
Transfer to Operating Budget <sup>(5)</sup>	1,500,000	-	-
Depreciation <sup>(6)</sup>	5,602	2,300	4,300
Total Expenditures:	\$ 2,083,576	\$ 350,000	\$ 350,000
Ending Balance	\$ 956,858	\$ 960,900	\$ 966,500

**Notes:**

- <sup>(1)</sup> In May 2008, BPC Policy No. 609 was amended to establish an annual appropriation of \$1.2M for the Public Art Fund (see Section 5 Appendix).
- <sup>(2)</sup> The BPC waived BPC Policy No. 609 and authorized a reduction in the FY 13/14 annual deposit for the Public Art Fund from \$1.2M to \$600k and a reduction in the FY 14/15 annual deposit from \$1.2M to \$350k.
- <sup>(3)</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>(4)</sup> Primarily include support services from General Services and Engineering - Construction and insurance allocations.
- <sup>(5)</sup> In May 2013, the BPC authorized the transfer of \$1.5M from the Public Art Fund to fund the FY 13/14 budget.
- <sup>(6)</sup> Depreciation is for the renovation of the Public Art conference room, office equipment, and the Bob Hope Tribute audio and

## ENVIRONMENTAL FUND HIGHLIGHTS

The mission of the District's Environmental Policy, BPC Policy No. 730 (see Section 5 Appendix) is to provide the funding and decision-making direction that is necessary to select and execute projects aimed at improving the condition of the bay and surrounding tidelands. In approving the policy, the Board of Port Commissioners created both the Environmental Advisory Committee (Committee) and the Environmental Fund (Fund). A key component of the Committee and Fund is to support a variety of projects that are beneficial to the bay and meet the District's goal of being an environmental steward. Projects of the Fund specifically address habitat restoration, environmental education, research and monitoring, air quality and conservation, water and sediment quality, and endangered species.

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.

Since the inception of the Fund in June 2006, 72 projects have been funded, of which 58 have been completed.

	BUDGET FY 15/16
Clapper Rail Propagation Program	\$ 22,000
Chula Vista School District Education Program	13,000
Eelgrass Surveys	15,000
Electric Vehicles	21,000
Emory Cove	5,000
Environmental Education	67,000
Fish Survey - Baywide	25,000
Living Coast Discovery Center	75,000
Mitigation Banking	300,000
New Environmental Projects	87,000
School Storm Water Education	72,000
Shoreline Erosion Study	60,000
Wildlife Advisory Committee	30,000
<b>TOTAL ENVIRONMENTAL FUND</b>	<b>\$ 792,000</b>



## SUMMARY OF ENVIRONMENTAL FUND

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Beginning Balance	\$ 2,286,389	\$ 2,275,500	\$ 4,287,400
<u>Income Sources</u>			
Port Revenues for Environmental Fund <sup>(1)</sup>	\$ 124,210,900	\$ 124,684,100	\$ 130,573,000
Set-Aside Percentage	0.5%	0.5%	0.5%
Total Set-Aside	\$ 621,100	\$ 623,400	\$ 652,900
Funding from FY 13/14 budget surplus <sup>(2)</sup>	-	2,000,000	-
Interest Income <sup>(3)</sup>	10,655	8,500	21,400
Total Income:	\$ 631,755	\$ 2,631,900	\$ 674,300
<u>Expenditures</u>			
Non-Capital Project Costs <sup>(4)</sup>	\$ 118,684	\$ 620,000	\$ 792,000
Deferred MM Projects <sup>(5)</sup>	524,000	-	-
Capital Project Costs <sup>(6)</sup>	-	-	500,000
Total Expenditures:	\$ 642,684	\$ 620,000	\$ 1,292,000
Ending Balance	\$ 2,275,460	\$ 4,287,400	\$ 3,669,700

### 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> On December 9, 2014, the Board approved Ordinance No. 2792 to increase funding for the Environmental Fund by \$2.0M from FY 13/14 budget surplus.
- <sup>(3)</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>(4)</sup> Refer to Section 4, Page 23 for Environmental & Land Use Planning's Expense Budget Breakdown account "660135 Eligible Environmental Fund Expenditures" for details.
- <sup>(5)</sup> In FY 13/14, the BPC deferred Major Maintenance projects which included two projects totaling \$524k funded from the Environmental Fund.
- <sup>(6)</sup> Include a Major Maintenance capital project.

## MARITIME INDUSTRIAL IMPACT FUND HIGHLIGHTS

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 \$500,000 with additional funds to be set aside annually starting in FY 10/11. 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). The actual amount of the funding will be posted after the end of the each fiscal year when the gross revenues from each terminal are known.

In March 2015, BPC Policy No. 773 was adopted (see Section 5 Appendix). The name of the Marine Terminal Impact Fund was changed to Maritime Industrial Impact Fund (MIIF).

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Beginning Balance	\$ 780,587	\$ 872,600	\$ 1,362,600
<u>Income Sources</u>			
TAMT & NCMT Revenues	\$ 18,400,000	\$ 18,000,000	\$ 18,000,000
Set-Aside Percentage	0.5%	0.5%	0.5%
Total Set-Aside	\$ 92,000	\$ 90,000	\$ 90,000
Additional set-aside <sup>(2)</sup>	-	-	60,000
Funding from FY 13/14 budget surplus <sup>(1)</sup>	-	500,000	-
Expenditures	-	100,000	250,000
Ending Balance	\$ 872,587	\$ 1,362,600	\$ 1,262,600

**Notes:**

<sup>(1)</sup> On December 9, 2014, the Board approved Ordinance No. 2792 to increase funding for the MIIF by \$500,000 from FY 13/14 budget surplus.

<sup>(2)</sup> On April 27, 2015, at the FY 15/16 budget workshop, the Board directed an additional funding of \$60,000 for MIIF.

## CAPITAL IMPROVEMENT PROGRAM HIGHLIGHTS

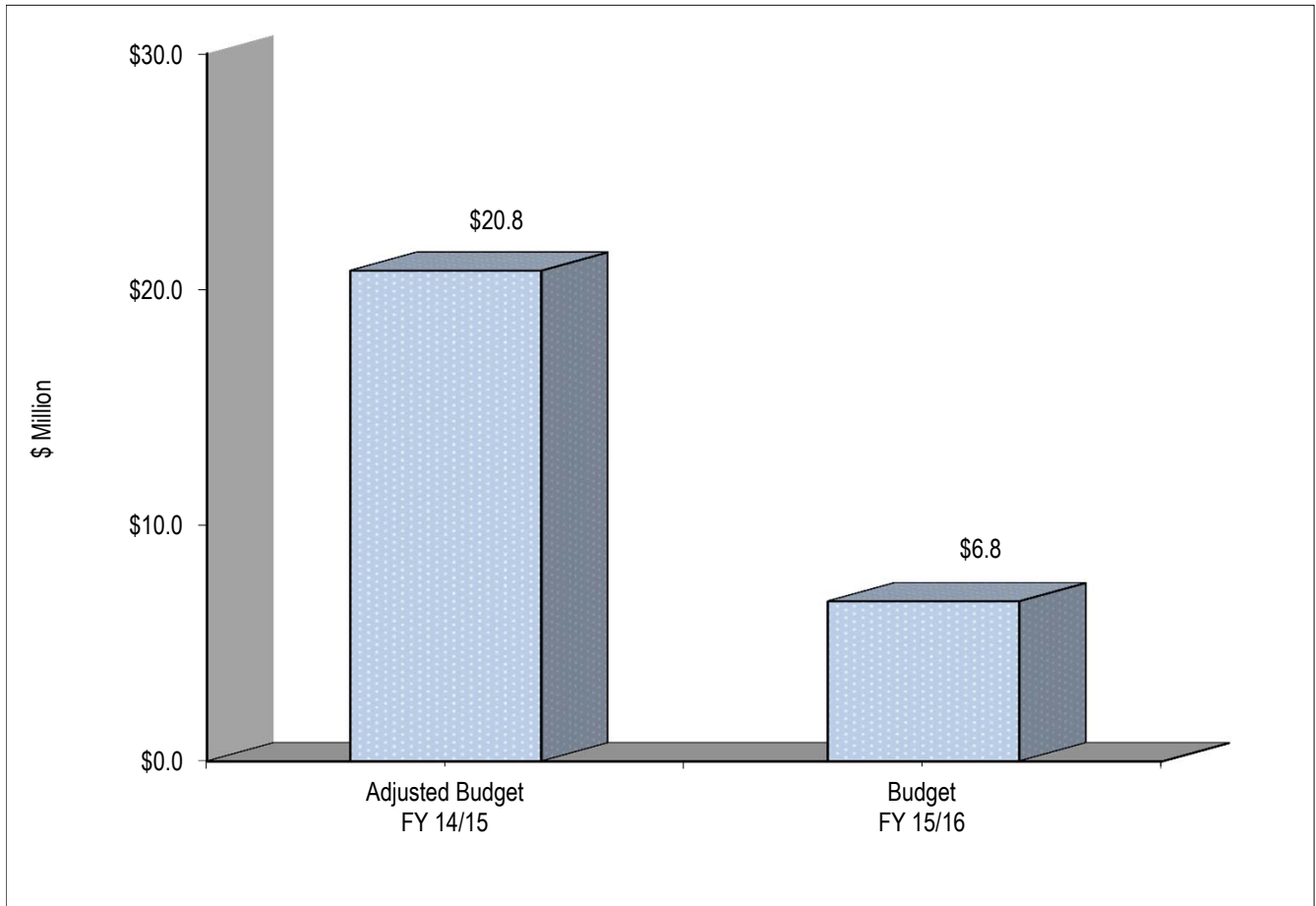
Capital Improvement projects for FY 15/16 are shown below. Refer to the District's Capital Improvement Program (CIP) book (available from the Office of the District Clerk), for a complete list and description of each project. The total approved CIP project budgets span multiple fiscal years. The amounts shown represent the estimated expenditures for FY 15/16.

Project Name	Budget FY 15/16
Chula Vista Bayfront - Pre-Design	\$ 1,411,900
National City Adventure Center	1,300,000
B Street Pier Mooring Dolphin	921,800
America's Cup Harbor Improvements - Phase I, North Harbor Drive Realignment	785,200
Public Viewing Platform	530,000
TAMT Phase II Demolition - Transit Shed #1, Bay A, B & C Design	350,000
Directional Sign/Way Finding	200,000
Cruise Ship Terminal Shore Power	150,000
B Street Terminal Baggage Facility - Pre-Design	100,000
Imperial Beach Remaining Street End Improvements	62,100
Shelter Island Boat Ramp Rehabilitation	37,600
South Seacoast Restroom Feasibility Study	36,900
Capital Labor	900,000
<b>TOTAL CAPITAL IMPROVEMENT PROGRAM <sup>(1)</sup></b>	<b>\$ 6,785,500</b>

**Note:**

<sup>(1)</sup> The FY 2014-2018 CIP total remaining budget balance is \$24,764,500 as of December 31, 2014.

## CAPITAL IMPROVEMENT PROGRAM



## MAJOR MAINTENANCE PROGRAM HIGHLIGHTS

The following list of Major Maintenance projects for FY 15/16 will be implemented in accordance with BPC Policy No. 130 (see Section 5 Appendix).

PROJECT NAME	FY15/16 PROPOSED PHASE	BUDGET FY15/16
Major Maintenance Capital Projects		
NCMT Berth 24-10 Structural and Mooring Repair	Construction	\$ 2,733,800
Administration Building Elevator Repairs	Construction	1,200,000
B Street Pier West End Fender Pile and Whaler Replacement	Construction	1,200,000
B Street Pier Cruise Ship Terminal Photovoltaic Installation <sup>(1)</sup>	Design & Construction	500,000
Harbor Police Headquarters Investigations Building Replacement <sup>(2)</sup>	Design & Construction	500,000
TAMT Berths 10-1 and 10-2 Fender System Upgrades	Design & Construction	420,000
Shelter Island Fishing Pier Ramp and Float Repair Phase II	Construction	300,000
Coral Tree Management FY 15/16	Design & Construction	285,000
TAMT Berths 10-3 thru 10-8 Yokohama Fender Replacement	Design & Construction	255,000
LED Street Lighting Retrofit Project FY 15/16	Construction	250,000
Administration Building 4th and 5th Floors Electrical Panels Upgrade	Construction	230,000
TAMT High Mast Lighting Installation	Construction	130,000
TAMT High Voltage Electrical Switch Replacement in Vault No. 18	Design & Construction	50,000
Harbor Police Administration Building Window Replacement and Shelter Island Harbor Control Building Doors and Windows Replacement	Construction	40,000
City of San Diego - Harbor Drive Americans with Disabilities Act (ADA) Improvements (District Share Only)	Construction	10,000
Major Maintenance Capital Contingency	N/A	400,000
Capital Labor	N/A	1,500,000
TOTAL MAJOR MAINTENANCE CAPITAL		\$ 10,003,800

## MAJOR MAINTENANCE PROGRAM HIGHLIGHTS

PROJECT NAME	FY15/16 PROPOSED PHASE	BUDGET FY15/16
Major Maintenance Expense Projects		
NCMT 24-1 Roof Repair	Design & Construction	\$ 270,000
Harbor Police Administration Building, Roof Leak Repair	Design & Construction	150,000
Broadway Pier North and West Bull Rail Mounting Hardware Repair	Design & Construction	75,000
NCMT 24B Roof Repair	Design & Construction	1,200
Major Maintenance Expense Contingency	N/A	100,000
TOTAL MAJOR MAINTENANCE EXPENSE		\$ 596,200
TOTAL MAJOR MAINTENANCE PROGRAM		\$ 10,600,000

**Notes:**

<sup>(1)</sup> Funded by the Environmental Fund.

<sup>(2)</sup> Funded by the Asset Forfeiture Program.

# TECHNOLOGY STRATEGIC PLAN

FY 15/16 marks the fourth year of the five-year Technology Strategic Plan (TSP). The TSP, authorized by the Board of Port Commissioners on August 9, 2011, allows the District to leverage the effective investment in business systems and other information technologies while supporting the District's core values and COMPASS Strategic Plan. Objectives of the TSP include:

- Utilize technology to increase operational efficiency by leveraging and consolidating existing solutions, replacing aging solutions, and introducing new technology
- Protect District technology assets and data through business continuity and disaster recovery plans and processes
- Enhance the public's access to District information both static and real time
- Integrate business and technology
- Lower the total cost of ownership
- Enhance the end-user experience through automation and innovative solutions

## 1<sup>st</sup> Year Completed Projects:

- BITS Project Management Office
- Desktops upgraded to Windows 7
- GroupWise email replaced with Microsoft Exchange in the cloud
- Information Technology Governance

## 2<sup>nd</sup> Year Completed Projects:

- Automated Board Agenda Application - Phase I
- Board Room Equipment Replacement
- E-Government Website/Portal
- Enterprise Content Management System (ECMS) - Document Management
- Maritime Operations Information System (MOIS) Replacement

## 3<sup>rd</sup> Year Completed Projects:

- Automated Board Agenda Application - Phase II
- Audit Management Software
- Customer Relationship Management - Requirements
- Disaster Recovery Plan
- E-Gov Internet Enhancement
- Enterprise Project & Task Management
- IT Security Program Services
- Lease Management Solution - Requirements
- Public Records Request - Requirements
- Reporting and Data Warehouse

Project Name	Budget FY 15/16
<b>TSP Capital Projects</b>	
Lease Management Solution - Implementation	\$ 360,000
Disaster Recovery	320,000
Electronic Discovery	280,000
SAP Enhancements	250,000
Accounts Payable Electronic Approval	240,000
Enhanced Planned Maintenance	125,000
<b>Total TSP Capital Projects</b>	<b>\$ 1,575,000</b>
<b>Total TSP Non-Capital Projects</b>	<b>\$ -</b>
<b>TOTAL</b>	<b>\$ 1,575,000</b>



## TECHNOLOGY MANAGEMENT PROGRAM

The Technology Management Program (TMP) is a strategic, operationally responsive, and fiscally responsible approach to manage District technologies. It allows the District to standardize systems and leverage cost savings 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.

	Budget FY 15/16
<b>Non-Personnel Expense</b>	
Services - Professional & Other	\$ 1,389,700
Equipment & Systems	724,300
Telephone & Communications	511,600
Equipment Maintenance-Outside Services	407,500
Software Maintenance	741,400
<b>Total Non-Personnel Expense</b>	<b>\$ 3,774,500</b>
<b>Equipment Outlay</b>	
Cisco Advanced Services Internet Router	\$ 35,000
<b>Total Equipment Outlay</b>	<b>\$ 35,000</b>
<b>TMP Capital Projects</b>	
San Diego Bay Regional Fiber Optic Infrastructure Phase 9 <sup>(1)</sup>	\$ 1,082,700
San Diego North Bay Wide Area View Cameras <sup>(1)</sup>	720,000
Major Maintenance Asset Management Program	500,000
Cisco Voice over Internet Protocol V10 Upgrade	300,000
Geographic Information System Enhancement <sup>(1)</sup>	174,000
Dell Compellent Storage Area Network Upgrade	125,000
<b>Total TMP Capital Projects</b>	<b>\$ 2,901,700</b>
<b>TOTAL</b>	<b>\$ 6,711,200</b>

Note:

<sup>(1)</sup> Partially grant funded project

## SPONSORSHIPS & GRANTS

### 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 Port Tidelands waterfront to recreate and on educating the public in regards to the District and its mission.

Signature events support major public events that give title sponsorship or similarly valuable consideration to the District, attract large numbers of people to the Port Tidelands, and generate significant, documented levels of financial and/or promotional return to the District.

Event sponsorships through the TAP are 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 15/16, the Marketing & Communications department has budgeted a total of \$650k for event sponsorships, which includes \$145k each for the Big Bay Balloon Parade and Big Bay Boom fireworks show, and \$872k in waived fees for parks and facilities plus in-kind services like the use of the District stage.

### 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. Some grants are omitted from the budget because the grant application is pending and receipt of the grant is uncertain. Grants that are expected to be received in FY 15/16 include the following:

**Grants for Information Technology Capital Projects.** The District will receive grant funds from the Department of Homeland Security for San Diego Bay Regional Fiber Optic Infrastructure project, Geographical Information Systems Enhancement, and San Diego North Bay Wide Area View Cameras.

**Grants for Harbor Police Operations.** The District will 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) San Diego County Operation Stonegarden program, and 6) Department of Homeland Security for Maritime Law Enforcement Training, Maritime Intelligence Coordinator, and Fast Boat Maintenance.

**Grants for Environmental Projects.** The District will receive grant funds from US Fish & Wildlife Service for predator control.

**Grants for Maritime.** The District will receive grant funds from the Department of Fish and Game for Harbor Safety Committee Secretariat program.

Anticipated Grants	Budget FY 15/16
Capital Grants – Information Technology	\$ 1,426,500
Non - Operating Grants – Harbor Police	782,800
Non - Operating Grants – Environmental	36,500
Non - Operating Grants – Maritime	26,000
<b>TOTAL</b>	<b>\$2,271,800</b>

Partnership/Cost Sharing Reimbursement for Environmental Projects. The District will receive reimbursements from: SDG&E for Efficiency Partnership program to enhance the District's capacity to incorporate energy efficiency throughout the District; Regional Harbor Monitoring Program for a coordinated monitoring program among San Diego Region; and San Diego Bay Watershed Program for studying bacteria and Chollas Total Maximum Daily Load.

Partnership/Cost Sharing Reimbursement	Budget FY 15/16
SDG&E	\$698,100
Regional Harbor Monitoring Program	61,200
San Diego Bay Watershed Program	19,400
<b>TOTAL</b>	<b>\$778,700</b>

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# 4 | DEPARTMENTS/COST CENTERS

In this section, departments and cost centers are organized alphabetically.

Departments include mission, vision, objectives, and current services followed by a detailed list of positions, summary of departmental expense, equipment outlay, and expense budget breakdown. The cost centers include a summary of departmental expenses and expense budget breakdown.

	Page
Board of Port Commissioners	3
Business Information & Technology Services	5
Engineering – Construction	9
Environmental & Land Use Management	15
Financial Assistance	25
Financial Services	27
General Services	35
Government & Civic Relations	43
Harbor Police Department	49
Human Resources	59
Maritime	67
Marketing & Communications	77
Miscellaneous Administration Building	83
MSA, Interest & Other	85
Office of the District Clerk	89
Office of the General Counsel	97
Office of the Port Auditor	103
Procurement Services	109
Real Estate	117
Technology Management Program	125
Utilities	129

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# Board of Port Commissioners

## SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ -	\$ -	\$ -	\$ -	-
Non-Personnel Expense	221,318	201,600	246,400	44,800	22.2%
<b>Total Direct Expense</b>	<b>\$ 221,318</b>	<b>\$ 201,600</b>	<b>\$ 246,400</b>	<b>\$ 44,800</b>	<b>22.2%</b>
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 221,318</b>	<b>\$ 201,600</b>	<b>\$ 246,400</b>	<b>\$ 44,800</b>	<b>22.2%</b>



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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
610140 Seminars & Training SEMINARS & TRAINING		\$ 9,000		\$ 20,000		
<b>Total:</b>	\$ 15,803	\$ 9,000	\$ 9,000	\$ 20,000	\$ 11,000	122.2%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 60,000		\$ 84,000		
<b>Total:</b>	\$ 66,376	\$ 60,000	\$ 60,000	\$ 84,000	\$ 24,000	40.0%
615110 Travel TRAVEL		\$ 51,400		\$ 60,000		
<b>Total:</b>	\$ 56,843	\$ 51,400	\$ 51,400	\$ 60,000	\$ 8,600	16.7%
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHE		\$ 40,000		\$ 40,000		
<b>Total:</b>	\$ 41,289	\$ 40,000	\$ 40,000	\$ 40,000	\$ -	0.0%
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 1,431	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 500		\$ 500		
<b>Total:</b>	\$ 231	\$ 500	\$ 500	\$ 500	\$ -	0.0%
640110 Telephone & Communications TELEPHONE & COMMUNICATIONS		\$ 7,700		\$ 8,900		
<b>Total:</b>	\$ 7,200	\$ 7,700	\$ 7,700	\$ 8,900	\$ 1,200	15.6%
660110 Promotional Services PROMOTIONAL SERVICES		\$ 30,000		\$ 30,000		
<b>Total:</b>	\$ 30,465	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	0.0%
660120 Promotional Materials PROMOTIONAL MATERIALS		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ 1,679	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	0.0%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 221,318	\$ 201,600	\$ 201,600	\$ 246,400	\$ 44,800	22.2%
<b>GRAND TOTAL:</b>	\$ 221,318	\$ 201,600	\$ 201,600	\$ 246,400	\$ 44,800	22.2%

# BUSINESS INFORMATION & TECHNOLOGY SERVICES

## Mission Statement

Partner with stakeholders to improve business processes by planning and implementing the best information technology solutions available.

## Vision Statement

Strategic partners with our customers; providing innovative and sustainable solutions.

## Objectives

- Create and sustain positive relationships with District staff and external stakeholders
- Deliver customer-focused services in an effective, timely, and courteous manner
- Serve as internal consultants to adapt business systems to meet changing service needs
- Function as a strategic arm of our customers by leveraging technologies to support District strategic goals and business objectives
- Manage District project priorities to match business goals with appropriate technology solutions and provide increased resource utilization across the organization by matching skills to project needs
- Support departments to enhance their operations through technology
- Provide a reliable and secure information technology environment for all users
- Identify and provide guidance on technology risk management and business system continuity
- Budget, plan, and maintain sustainable and effective technology solutions and services
- Provide effective communication and change management throughout all processes and projects
- Effectively operate all business and security systems including data, voice, video, security, and wireless services

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

- Design, implement, and manage enterprise technology solutions and services throughout the District
- Connect strategy and operational requirements with sound business processes and the use of enterprise information systems
- Maximize and leverage the use of business systems in order to optimize the organization's performance
- Project management of technology projects
- Provide cost effective technology equipment, systems, and solutions
- Responsibly manage grant-funded technology solutions
- Implement a performance-driven, reliable, secure, and stable computing infrastructure
- Develop business requirements and process maps to drive process improvements and utilize technologies that enhance productivity

The Business Information & Technology Services department currently has 29 permanent positions.

## Business Information & Technology Services

Reclass: 1 Business Systems Technician to Business Systems Analyst  
 1 Systems Support Analyst II to System Administrator  
 1 Business Systems Supervisor to Senior System Administrator  
 1 Technology Services Supervisor to Infrastructure Supervisor  
 1 Program Manager to System Administration Supervisor  
 Retitle: 1 Quality Assurance Technician to Technical Training Specialist

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Business Intelligence Supervisor	1	1
Business Systems Analyst	2	3
Business Systems Supervisor	2	1
Business Systems Technician	1	0
Director, Business Information & Technology Services	1	1
Executive Assistant I (Unclassified)	1	1
GIS Analyst	1	1
Information Systems Supervisor	1	1
Information Technology Security Analyst	1	1
Infrastructure Supervisor	0	1
Lead Support Services	1	1
Management Analyst	1	1
Manager, Business Information & Technology Services	1	1
Network Systems Analyst	2	2
Program Manager	1	0
Quality Assurance Technician	1	0
Senior Applications Developer	1	1
Senior Business Intelligence Analyst	1	1
Senior Business Systems Analyst	2	2
Senior Management Analyst	1	1
Senior System Administrator	0	1
System Administration Supervisor	0	1
System Administrator	0	1
Systems Support Analyst I	1	1
Systems Support Analyst II	3	2
Technical Training Specialist	0	1
Technology Security Supervisor	1	1
Technology Services Supervisor	1	0
<b>TOTAL</b>	<b>29</b>	<b>29</b>

### INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Intern	5	5
<b>TOTAL</b>	<b>5</b>	<b>5</b>

## Business Information & Technology Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 4,002,435	\$ 4,168,352	\$ 4,188,000	\$ 19,648	0.5%
Non-Personnel Expense	33,741	45,100	45,100	-	0.0%
Total Direct Expense	\$ 4,036,176	\$ 4,213,452	\$ 4,233,100	\$ 19,648	0.5%
Less: Capitalized Expense	-	(14,800)	(16,500)	(1,700)	11.5%
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 4,036,176</b>	<b>\$ 4,198,652</b>	<b>\$ 4,216,600</b>	<b>\$ 17,948</b>	<b>0.4%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 2,404,438	\$ 2,466,411	\$ 2,542,800	\$ 76,389	3.1%
Overtime	166	-	-	-	-
Burden	1,321,501	1,416,341	1,362,800	(53,541)	-3.8%
OPEB Annual Expense	276,330	285,600	282,400	(3,200)	-1.1%
Temporary Personnel	-	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 4,002,435</b>	<b>\$ 4,168,352</b>	<b>\$ 4,188,000</b>	<b>\$ 19,648</b>	<b>0.5%</b>

# Business Information & Technology Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14		ORIGINAL BUDGET FY 14/15		ADJUSTED BUDGET FY 14/15		BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
								dollars	pct
600110 Overtime									
Total: \$		166	\$	-	\$	-	\$	-	N/A
SUBTOTAL: OVERTIME & TEMPS							\$	-	N/A
610110 Books & Periodicals									
Total: \$		34	\$	-	\$	-	\$	-	N/A
610115 Employee Recognition EMPLOYEE RECOGNITION							\$	900	
Total: \$		913	\$	900	\$	900	\$	900	\$ - 0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES							\$	10,000	
Total: \$		9,639	\$	10,000	\$	10,000	\$	10,000	\$ - 0.0%
610140 Seminars & Training SEMINARS & TRAINING							\$	18,200	
Total: \$		11,214	\$	18,200	\$	18,200	\$	18,200	\$ - 0.0%
615100 Mileage Reimbursement MILEAGE AND PARKING							\$	3,900	
Total: \$		3,202	\$	3,900	\$	3,900	\$	3,900	\$ - 0.0%
615110 Travel TRAVEL							\$	4,400	
Total: \$		875	\$	4,400	\$	4,400	\$	4,400	\$ - 0.0%
630110 Equipment & Systems									
Total: \$		327	\$	-	\$	-	\$	-	N/A
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES							\$	7,400	
Total: \$		7,055	\$	7,400	\$	7,400	\$	7,400	\$ - 0.0%
630140 Postage & Shipping POSTAGE & SHIPPING							\$	300	
Total: \$		480	\$	300	\$	300	\$	300	\$ - 0.0%
SUBTOTAL: NON-PERSONNEL EXPENSE		\$ 33,741	\$	45,100	\$	45,100	\$	45,100	\$ - 0.0%
GRAND TOTAL:		\$ 33,907	\$	45,100	\$	45,100	\$	45,100	\$ - 0.0%

# ENGINEERING - CONSTRUCTION

## Mission Statement

To serve a diverse and dynamic community, we plan, design, implement, and monitor engineering solutions through excellence.

## Vision Statement

Building and supporting the World's Finest Port.

## Objectives

- Effectively manage project scope, schedule, and budget for all Capital Improvement Program (CIP) and Major Maintenance (MM) projects
- Create and sustain positive relationships with stakeholders and the community at large
- Control costs
- Maintain the District's infrastructure to prolong asset lifespan, reduce lifecycle costs, maintain public safety, and keep facilities operational
- Deliver customer-focused services in an effective, timely, and courteous manner
- Support other departments with Engineering related matters
- Develop Geographic Information System (GIS) reporting for CIP and MM projects and mapping of utilities
- Design and administer consulting agreements and public works contracts
- Conduct engineering studies and investigations
- Continuously evaluate and improve business systems and processes
- Retain the intellectual assets and corporate knowledge of the District
- Encourage an organizational culture of development, learning, and growth

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

- Provide program oversight and monitoring for the CIP and MM programs
- Administer the Asset Management Program (AMP)
- Conduct infrastructure asset inventories, condition assessments, and project development
- Manage and deliver public works projects (cradle to grave)
- Develop public works plans and specifications
- Administer and inspect construction contracts
- Conduct engineering studies and investigations
- Provide cost estimating and scheduling for projects
- Provide mapping services of sites and utilities
- Provide engineering support for development projects
- CIP and MM program and project reporting
- Maintain record drawings and project documentation
- Support Americans with Disabilities Act (ADA) improvement program

The Engineering - Construction department currently has 35 permanent positions.

## Engineering - Construction

Eliminate: 1 Project Estimator

Reclass: 1 Civil Designer to Assistant Engineer

Replace: 1 Compliance Inspector with Construction Inspector

Transfer: 1 Compliance Inspector from Environmental & Land Use Management

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Assistant Engineer	2	3
Associate Engineer	5	5
Capital Project Manager I	2	2
Capital Project Manager II	3	3
Chief Engineer/Engineering-Construction	1	1
Civil Designer	3	2
Construction Inspector	1	2
Executive Assistant I (Classified)	1	1
GIS Analyst	1	1
Manager, Engineering-Construction	5	5
Project Estimator	1	0
Project Scheduler	1	1
Senior Administrative Asst (Classified)	1	1
Senior Construction Inspector	2	2
Senior Engineer	1	1
Senior Management Analyst	3	3
Staff Assistant II	1	1
Survey Technician II	1	1
<b>TOTAL</b>	<b>35</b>	<b>35</b>

### INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Intern	1	4
<b>TOTAL</b>	<b>1</b>	<b>4</b>



## Engineering - Construction

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 5,211,853	\$ 5,377,854	\$ 5,359,800	\$ (18,054)	-0.3%
Non-Personnel Expense	233,174	568,600	568,600	-	0.0%
Total Direct Expense	\$ 5,445,027	\$ 5,946,454	\$ 5,928,400	\$ (18,054)	-0.3%
Less: Capitalized Expense	(2,236,166)	(1,878,900)	(2,095,400)	(216,500)	11.5%
Major Maintenance	1,017,302	1,470,000	596,200	(873,800)	-59.4%
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 4,226,164	\$ 5,537,554	\$ 4,429,200	\$ (1,108,354)	-20.0%

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 3,085,039	\$ 3,174,413	\$ 3,200,300	\$ 25,887	0.8%
Overtime	71,741	52,000	52,000	-	0.0%
Burden	1,693,551	1,736,741	1,696,700	(40,041)	-2.3%
OPEB Annual Expense	361,523	344,700	340,800	(3,900)	-1.1%
Temporary Personnel	-	70,000	70,000	-	0.0%
TOTAL PERSONNEL EXPENSE	\$ 5,211,853	\$ 5,377,854	\$ 5,359,800	\$ (18,054)	-0.3%

# Engineering - Construction

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 52,000		\$ 52,000		
Total:	\$ 71,741	\$ 52,000	\$ 52,000	\$ 52,000	\$ -	0.0%
600120 Temporary Personnel RECORDS RETENTION		\$ 70,000		\$ 70,000		
Total:	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ -	0.0%
SUBTOTAL: OVERTIME & TEMPS	\$ 71,741	\$ 122,000	\$ 122,000	\$ 122,000	\$ -	0.0%
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 1,000		\$ 500		
Total:	\$ 101	\$ 1,000	\$ 1,000	\$ 500	\$ (500)	-50.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 1,100		\$ 1,100		
Total:	\$ 1,315	\$ 1,100	\$ 1,100	\$ 1,100	\$ -	0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 9,400		\$ 9,400		
Total:	\$ 2,980	\$ 9,400	\$ 9,400	\$ 9,400	\$ -	0.0%
610140 Seminars & Training COMPUTER TRAINING		\$ 400		\$ 400		
PROF DEVELOPMENT/REGULATORY		1,700		1,700		
PROFESSIONAL DEVELOPMENT		5,500		21,700		
PROJECT MANAGEMENT		1,000		1,000		
Total:	\$ 7,259	\$ 8,600	\$ 8,600	\$ 24,800	\$ 16,200	188.4%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 23,000		\$ 23,000		
Total:	\$ 24,977	\$ 23,000	\$ 23,000	\$ 23,000	\$ -	0.0%
615110 Travel TRAVEL		\$ -		\$ 2,000		
Total:	\$ 1,979	\$ -	\$ -	\$ 2,000	\$ 2,000	N/A
620100 Services - Professional & Other BEST MANAGEMENT PRACTICES		\$ 3,000		\$ -		
CIP WORKSHOP - PROJECT ASSESSMENTS		90,000		120,000		
CIP WORKSHOP CONSULTANTS		25,000		25,000		
INTERDEPARTMENT PLANNING SUP		22,900		-		

# Engineering - Construction

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
MAJOR MAINT ASSET MANAGEMENT		320,000		322,300		
MAJOR MAINT WORKSHOP FACILITATION		25,000		-		
SURVEYING (NON-PROJECT AND RE)		14,000		14,000		
<b>Total:</b>	<b>\$ 166,081</b>	<b>\$ 499,900</b>	<b>\$ 499,900</b>	<b>\$ 481,300</b>	<b>\$ (18,600)</b>	<b>-3.7%</b>
630110 Equipment & Systems						
<b>Total:</b>	<b>\$ 3,921</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES		\$ 22,000		\$ 22,000		
TWIC CARDS		100		300		
<b>Total:</b>	<b>\$ 20,780</b>	<b>\$ 22,100</b>	<b>\$ 22,100</b>	<b>\$ 22,300</b>	<b>\$ 200</b>	<b>0.9%</b>
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 500		\$ 500		
<b>Total:</b>	<b>\$ 336</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ -</b>	<b>0.0%</b>
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES		\$ 1,600		\$ 1,600		
<b>Total:</b>	<b>\$ 1,870</b>	<b>\$ 1,600</b>	<b>\$ 1,600</b>	<b>\$ 1,600</b>	<b>\$ -</b>	<b>0.0%</b>
630160 Small Tools						
SMALL TOOLS		\$ -		\$ 300		
<b>Total:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>N/A</b>
630190 Blueprints						
BLUEPRINTS		\$ 500		\$ 700		
<b>Total:</b>	<b>\$ 162</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ 700</b>	<b>\$ 200</b>	<b>40.0%</b>
650130 Equipment Maintenance-Outside Services						
<b>Total:</b>	<b>\$ 550</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
660110 Promotional Services						
ASSOCIATION GENERAL CONTRACTORS		\$ 200		\$ 200		
<b>Total:</b>	<b>\$ 288</b>	<b>\$ 200</b>	<b>\$ 200</b>	<b>\$ 200</b>	<b>\$ -</b>	<b>0.0%</b>
670130 Permits/Certificates/License						
PERMITS CERTIFICATES LICENSE		\$ 700		\$ 900		
<b>Total:</b>	<b>\$ 575</b>	<b>\$ 700</b>	<b>\$ 700</b>	<b>\$ 900</b>	<b>\$ 200</b>	<b>28.6%</b>
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	<b>\$ 233,174</b>	<b>\$ 568,600</b>	<b>\$ 568,600</b>	<b>\$ 568,600</b>	<b>\$ -</b>	<b>0.0%</b>
<b>GRAND TOTAL:</b>	<b>\$ 304,915</b>	<b>\$ 690,600</b>	<b>\$ 690,600</b>	<b>\$ 690,600</b>	<b>\$ -</b>	<b>0.0%</b>

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# ENVIRONMENTAL & LAND USE MANAGEMENT

## Mission Statement

Environmental & Land Use Management (ELUM) is a high performing department that creates and supports a well-planned and integrated waterfront through integrated planning, sustainable development and port operations, protection of natural resources, and creative place making with public artworks that celebrate tidelands and waterfront life.

## Vision Statement

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

## Objectives

### ELUM

- Integrate new development and redevelopment opportunities for District and tenant projects into a holistic Master Plan
- Provide for the environmental protection and improvement of San Diego Bay and District Tidelands
- Create and sustain positive relationships with stakeholders and the community at large on environmental and planning matters
- Foster environmentally responsible behavior among District staff, tenants, and the public to minimize environmental impacts
- Meet all mandated regulatory requirements

### Public Art

- Embrace professional best practices and continuously improve the management of public art projects and programs; ensure state, local, and federal laws are followed
- Provide professional stewardship of the Tidelands Collection through current conservation, maintenance, and collections management programs
- Enhance the visual excitement of tidelands by exhibiting critically acclaimed artworks that embody the essence of the District's maritime, environmental, and civic character
- Create a unique sense of place by enabling residents and visitors the ability to interact with art in the public realm

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

### ELUM

- California Environmental Quality Act, National Environmental Policy Act, and California Coastal Act compliance
- Coastal development permit processing
- Integrated land use planning
- Climate mitigation and adaptation planning
- Endangered species and natural resources management
- Hazardous waste management
- Stormwater management and regulatory compliance
- Community outreach and stakeholder collaboration
- Administer Green Port Program
- Environmental Advisory Committee support
- Manage the Environmental Fund and its reserves

- Provide environmental education
- Wildlife Advisory Group/Bayfront Cultural Design Committee support

#### Public Art

- Manage the Public Art Fund and its reserves
- Administer the Public Art Master Plan
- Facilitate the multi-year Curatorial Strategy that outlines the temporary public art projects that will be commissioned in each creative direction
- Administer BPC Policy No. 608 – Tenant Percent for Art (see Section 5 Appendix)
- Administer BPC Policy No. 609 – Public Art (see Section 5 Appendix)
- Manage the Tidelands Collection as a regional cultural asset
- Develop collateral materials, programs, and initiatives to inform and engage audiences about public art
- Oversee the work of the Public Art Committee

The ELUM department currently has 33 permanent positions.

## Environmental & Land Use Management

Addition: 1 Program Manager  
           1 Environmental Compliance Inspector  
 Convert: 1 Senior Redevelopment Planner (Limited) to Senior Redevelopment Planner  
 Reclass: 1 Associate Environmental Specialist to Senior Environmental Specialist  
           1 Administrative Assistant II (Classified) to Staff Assistant II  
 Replace: 1 Program Manager with Department Manager, ELUM  
 Transfer: 1 Compliance Inspector to Engineering-Construction

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	2	1
Assistant Environmental Specialist	3	3
Assistant Redevelopment Planner	2	2
Associate Environmental Specialist	3	2
Associate Redevelopment Planner	2	2
Compliance Inspector	1	0
Department Manager, ELUM	4	5
Director, Environmental & Land Use Management	1	1
Environmental Compliance Inspector	0	1
Executive Assistant I (Classified)	1	1
GIS Analyst	1	1
Program Manager	4	4
Project Manager, Public Art	1	1
Senior Environmental Specialist	2	3
Senior Redevelopment Planner	2	3
Staff Assistant II	2	3
<b>TOTAL</b>	<b>31</b>	<b>33</b>

### LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Senior Redevelopment Planner	1	0
Senior Environmental Specialist	1	1
<b>TOTAL</b>	<b>2</b>	<b>1</b>



## Environmental & Land Use Management

### INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Intern	2	2
TOTAL	2	2

**Note:**

In FY 14/15, the Board approved the addition of 3 new positions, 1 Assistant Environmental Specialist, 1 Assistant Redevelopment Planner, and 1 Senior Environmental Specialist (Limited). These changes are reflected in the Adjusted Budget FY 14/15 column above.

## Environmental & Land Use Management

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 3,265,720	\$ 4,155,020	\$ 4,474,600	\$ 319,580	7.7%
Non-Personnel Expense	4,044,454	5,286,600	6,045,400	758,800	14.4%
Total Direct Expense	\$ 7,310,174	\$ 9,441,620	\$ 10,520,000	\$ 1,078,380	11.4%
Less: Capitalized Expense	(42,772)	(50,600)	(56,400)	(5,800)	11.5%
Equipment Outlay	-	-	200,000	200,000	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 7,267,402</b>	<b>\$ 9,391,020</b>	<b>\$ 10,663,600</b>	<b>\$ 1,272,580</b>	<b>13.6%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 1,906,047	\$ 2,469,862	\$ 2,764,000	\$ 294,138	11.9%
Overtime	(84)	3,000	3,000	-	0.0%
Burden	1,119,469	1,376,858	1,376,500	(358)	0.0%
OPEB Annual Expense	240,288	305,300	331,100	25,800	8.5%
Temporary Personnel	-	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 3,265,720</b>	<b>\$ 4,155,020</b>	<b>\$ 4,474,600</b>	<b>\$ 319,580</b>	<b>7.7%</b>

## Environmental & Land Use Management

### EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 15/16
SOUTH BAY POWER PLANT MONUMENT	1	200,000	\$ 200,000
TOTAL	1		\$ 200,000

**Note:**

This item is carried over from FY 14/15 amended budget due to the timing of the fabrication and installation which will be completed in FY 15/16. The acquisition of the South Bay Power Plant Monument was approved at the August 12, 2014, Board meeting.

# Environmental & Land Use Management

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 3,000		\$ 3,000		
Total: \$	(84)	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	0.0%
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	<b>\$ (84)</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>0.0%</b>
610110 Books & Periodicals PROFESSIONAL PUBLICATIONS		\$ 400		\$ 400		
Total: \$	-	\$ 400	\$ 400	\$ 400	\$ -	0.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 900		\$ 900		
Total: \$	1,701	\$ 900	\$ 900	\$ 900	\$ -	0.0%
610120 Memberships & Dues CLEAN TECH MEMBERSHIPS & DUES SD CLEAN FUELS COALITION		\$ 10,000 4,600 100		\$ - 3,000 -		
Total: \$	11,630	\$ 14,700	\$ 14,700	\$ 3,000	\$ (11,700)	-79.6%
610140 Seminars & Training SEMINARS & TRAINING		\$ 8,000		\$ 12,500		
Total: \$	1,260	\$ 8,000	\$ 8,000	\$ 12,500	\$ 4,500	56.3%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 6,400		\$ 5,800		
Total: \$	1,829	\$ 6,400	\$ 6,400	\$ 5,800	\$ (600)	-9.4%
615110 Travel TRAVEL		\$ 10,000		\$ 12,500		
Total: \$	3,937	\$ 10,000	\$ 10,000	\$ 12,500	\$ 2,500	25.0%
620100 Services - Professional & Other ARMY CORPS WRDA PERMIT ASSISTANCE B STREET MOORING DOLPHIN CEQA CIRCULAR SHUTTLE PRORATA STUDY CV BAYFRONT ENVIRON INVESTIGATION CV BAYFRONT SETTLEMENT AGMT STUDIES DESIGN & BUILD OFFICE RECONFIGURE ENDANGERED SPECIES MANAGEMENT ENVIRONMENTAL INVESTIGATIONS FIREWORKS ENVIRONMENTAL REVIEW GREEN PORT CLEAN AIR GREEN PORT CLIMATE PLAN		\$ 40,000 15,200 15,000 137,000 200,000 50,000 33,500 45,000 - 39,000 140,000		\$ 40,000 - 40,000 - 50,000 5,000 35,000 45,000 250,000 35,000 143,000		

# Environmental & Land Use Management

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
GREEN PORT SUSTAIN PROGRAM		11,000		25,500		
HARBOR ISLAND PLANNING & ENV REVIEW		-		440,000		
INTEGRATED PLANNING		800,000		300,000		
LOW COST VISITOR ACCOM STUDY CEQA		-		200,000		
MARITIME PROJECTS ENVIRONMENTAL REV		-		382,000		
MISC CEQA REQUIREMENTS		75,000		-		
MS4 PERMIT - WATERSHED IMPLEMENT		417,000		41,000		
MS4 PERMIT WQIP REIMBURSABLE		-		20,000		
N EMBARCADERO PMPA EIR		80,000		-		
NORTH EMBARCADERO PARKING STUDY		-		35,000		
ON-CALL COASTAL CONSULTANT		45,000		70,000		
ON-CALL NATURAL RESOURCE CONSULTANT		-		56,000		
ON-CALL PLANNING CONSULTANT		280,000		476,000		
PARKING STUDY		25,000		-		
PLANNING/ENV GUIDELINES		-		130,000		
REGIONAL HARBOR MONITORING		150,000		125,000		
SOUTH BAY PLANNING & ENVIRON REVIEW		-		262,000		
STORMWATER MONITORING		35,000		-		
STORMWATER PROGRAM IMPLEMENTATION		404,400		359,000		
<b>Total:</b>	<b>\$ 2,703,027</b>	<b>\$ 3,037,100</b>	<b>\$ 3,037,100</b>	<b>\$ 3,564,500</b>	<b>\$ 527,400</b>	<b>17.4%</b>
630110 Equipment & Systems						
OFFICE RECONFIGURATION	\$	50,000		\$ 10,000		
<b>Total:</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 10,000</b>	<b>\$ (40,000)</b>	<b>-80.0%</b>
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$	14,500		\$ 14,500		
TWIC CARDS		700		700		
<b>Total:</b>	<b>\$ 8,373</b>	<b>\$ 15,200</b>	<b>\$ 15,200</b>	<b>\$ 15,200</b>	<b>\$ -</b>	<b>0.0%</b>
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$	4,000		\$ 2,500		
<b>Total:</b>	<b>\$ 2,437</b>	<b>\$ 4,000</b>	<b>\$ 4,000</b>	<b>\$ 2,500</b>	<b>\$ (1,500)</b>	<b>-37.5%</b>
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES	\$	700		\$ 700		
<b>Total:</b>	<b>\$ 117</b>	<b>\$ 700</b>	<b>\$ 700</b>	<b>\$ 700</b>	<b>\$ -</b>	<b>0.0%</b>
650110 Facilities Maintenance-Outside Services						
<b>Total:</b>	<b>\$ 151,056</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
650130 Equipment Maintenance-Outside Services						
EQUIPMENT MAINTENANCE	\$	5,500		\$ -		
<b>Total:</b>	<b>\$ -</b>	<b>\$ 5,500</b>	<b>\$ 5,500</b>	<b>\$ -</b>	<b>\$ (5,500)</b>	<b>-100.0%</b>

# Environmental & Land Use Management

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
660100 Advertising ADVERTISING		\$ 3,000		\$ 2,000		
Total: \$	2,759	\$ 3,000	\$ 3,000	\$ 2,000	\$ (1,000)	-33.3%
660110 Promotional Services CLEANUP DAY EVENTS		\$ 11,000		\$ 21,000		
Total: \$	10,057	\$ 11,000	\$ 11,000	\$ 21,000	\$ 10,000	90.9%
660120 Promotional Materials						
Total: \$	765	\$ -	\$ -	\$ -	\$ -	N/A
660135 Eligible Environmental Fund Expenditures						
CLAPPER RAIL PROPOGATION PROGRAM	\$ -			\$ 22,000		
CV SCHOOL DIST EDUCATION PROG		13,000		13,000		
CV WILDLIFE RESERVE		10,000		-		
EELGRASS SURVEYS		50,000		15,000		
ELECTRIC VEHICLES		21,000		21,000		
EMORY COVE		5,000		5,000		
ENVIRONMENTAL EDUCATION		-		67,000		
FISH SURVEY-BAYWIDE		25,000		25,000		
LIVING COAST DISCOVERY CENTER		20,000		75,000		
MITIGATION BANKING		75,000		300,000		
NEW ENVIRONMENTAL PROJECTS		224,000		87,000		
SCHOOL STORM WATER EDUCATION		72,000		72,000		
SHORELINE EROSION STUDY		30,000		60,000		
WILDLIFE ADVISORY COMMITTEE		75,000		30,000		
Total: \$	165,902	\$ 620,000	\$ 620,000	\$ 792,000	\$ 172,000	27.7%
660136 Grant Funded Expenditures						
319H REIMB	\$ 162,000			\$ -		
FISH & WILDLIFE SERVICE/SANDAG GRNT		33,500		36,500		
Total: \$	282,454	\$ 195,500	\$ 195,500	\$ 36,500	\$ (159,000)	-81.3%
660140 Remediation REMEDATION		\$ 75,000		\$ 75,000		
Total: \$	38,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	0.0%
660150 Refuse & Hazardous Waste Disposal						
HAZARDOUS WASTE MANAGEMENT	\$ -			\$ 75,000		
REFUSE & HAZARDOUS WASTE DISPOSAL		103,000		-		
Total: \$	103,857	\$ 103,000	\$ 103,000	\$ 75,000	\$ (28,000)	-27.2%
660170 Joint Programs/Studies Assistance						
BAYWIDE COLLABORATION	\$ -			\$ 55,000		
CLEAN-UP ORDERS - IMPLEMENTATION		57,000		-		

# Environmental & Land Use Management

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CO-PERMITTEE COST SHARE		40,000		48,000		
COPPER REDUCTION PROGRAM		123,000		90,000		
INTEGRATED PEST MANAGEMENT		10,000		10,000		
REGULATORY FEES		135,200		168,500		
SANDAG - IMPERIAL BEACH SAND		3,500		3,500		
SCHOOL STORM WATER TRAINING		-		10,000		
SDG&E EEP - GREEN PORT		265,000		519,000		
SHELTER ISLAND TMDL		90,000		90,000		
TMDL IMPLEMENTATION		25,500		34,500		
<b>Total:</b>	<b>\$ 441,110</b>	<b>\$ 749,200</b>	<b>\$ 749,200</b>	<b>\$ 1,028,500</b>	<b>\$ 279,300</b>	<b>37.3%</b>
660190 Public Art Program						
BRIDGE LIGHTING - PLANNING		\$ 50,000		\$ -		
CURATORIAL STRATEGY		125,000		-		
PUBLIC ART OPERATIONS/CONSERVATION		142,000		186,800		
PUBLIC ART PROJECTS		-		130,200		
<b>Total:</b>	<b>\$ -</b>	<b>\$ 317,000</b>	<b>\$ 317,000</b>	<b>\$ 317,000</b>	<b>\$ -</b>	<b>0.0%</b>
670130 Permits/Certificates/License						
PERMITS & LICENCES		\$ 60,000		\$ 70,400		
<b>Total:</b>	<b>\$ 114,184</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 70,400</b>	<b>\$ 10,400</b>	<b>17.3%</b>
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	<b>\$ 4,044,454</b>	<b>\$ 5,286,600</b>	<b>\$ 5,286,600</b>	<b>\$ 6,045,400</b>	<b>\$ 758,800</b>	<b>14.4%</b>
<b>GRAND TOTAL:</b>	<b>\$ 4,044,370</b>	<b>\$ 5,289,600</b>	<b>\$ 5,289,600</b>	<b>\$ 6,048,400</b>	<b>\$ 758,800</b>	<b>14.3%</b>



## Financial Assistance

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ -	\$ -	\$ -	\$ -	-
Non-Personnel Expense	4,500,000	-	250,000	250,000	-
<b>Total Direct Expense</b>	<b>\$ 4,500,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>-</b>
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 4,500,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>-</b>

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
660160 Financial Assistance/Grants/Contribution MARITIME INDUSTRIAL IMPACT FUND		\$ -		\$ 250,000		
Total:	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	N/A
660180 Convention Center Financial Assistance						
Total:	\$ 4,500,000	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 4,500,000	\$ -	\$ -	\$ 250,000	\$ 250,000	N/A
GRAND TOTAL:	\$ 4,500,000	\$ -	\$ -	\$ 250,000	\$ 250,000	N/A

# FINANCIAL SERVICES

## Mission Statement

To safeguard the District's financial assets, provide liquidity to fund its operations and capital requirements, and facilitate the District's business by providing expert financial planning and analysis, financial reporting, risk management and proper functioning of safe work practices, efficient processes that support our customers' needs, and excellent services to our customers and business partners.

## Vision Statement

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

## Objectives

- Issue timely invoicing of monies due to the District and timely payment of District obligations
- Prudently invest the District's funds
- Provide funds for the District's operations and capital requirements
- Build and maintain collaborative stakeholder relationships
- Deliver timely and accurate financial results
- Improve and document key processes and cross-train staff to reduce single points of failure
- Safeguard District assets, including the employees
- Reinforce a safe, open, and secure work environment for District employees
- Remain current on industry trends and accounting standards
- Recruit and retain a highly skilled and diverse workforce
- Reinforce District's safety program for all employees

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

### Financial Services

- General accounting that properly records financial transactions in compliance with applicable Government Accounting Standards Board (GASB) statements, and generally accepted accounting principles (GAAP)
- Timely and accurate processing of payments to vendors in compliance with IRS, State regulations, and District policies
- Timely and accurate invoicing and recording of District revenues
- Issuance of the Comprehensive Annual Financial Report, including the annual audited financial statements, Management Discussion and Analysis (MD&A) and note disclosures
- Financial planning, reporting, and analysis for cash flow forecasting, Series 2004 and 2013 Revenue Bonds continuing disclosure requirement, and other ad-hoc reports
- Administration of the District's annual budget
- Monthly financial reports
- Grants accounting, including billing, cost collection, and financial reporting in compliance with federal and non-federal grant requirements, including the single audit
- Manage District's fixed-income investment portfolio, banking relationships, and debt administration functions
- Perform daily cash management functions, including cash receipts and wire transfers
- Direct the investment of bond proceeds and administer debt activities
- Provide support for audits performed by the District's independent external auditor as well as audits performed by other agencies

## **Risk Management & Safety**

(Included in the Department for budgetary purposes)

- Management of the workers' compensation program
- Purchase and maintenance of the District's insurance policies
- Recovery of claim costs
- Project and contract review for safety and insurance requirements
- Tracking proof of insurance from District tenants and contractors
- Establishment of safety policies/procedures
- Tracking Occupational Safety and Health Administration regulations and determining their impact on the District
- Safety training
- Investigations of accidents and injuries

The Financial Services department currently has 23 permanent positions, including the CFO/Treasurer, Deputy Treasurer, and four Risk Management & Safety positions.

## Financial Services

Reclass: 1 Accountant to Senior Accountant

2 Financial Analysts to Senior Financial Analysts

Replace: 1 Manager, Financial Planning & Analysis to Department Manager, Financial Services

1 Manager, Financial Services to Department Manager, Financial Services

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Accountant	1	0
Accounting Supervisor	1	1
CFO/Treasurer	1	1
Department Manager, Financial Services	0	2
Deputy Treasurer	1	1
Director, Financial Services	1	1
Executive Assistant I (Unclassified)	1	1
Financial Analyst	3	1
Financial Technician	4	4
Lead Accounting Technician	1	1
Manager, Financial Planning & Analysis	1	0
Manager, Financial Services	1	0
Risk and Safety Manager	1	1
Risk Management Analyst	1	1
Safety Specialist II	2	2
Senior Accountant	1	2
Senior Financial Analyst	1	3
Senior Management Analyst	1	1
<b>TOTAL</b>	<b>23</b>	<b>23</b>

### INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Intern	1	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>

## Financial Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 3,162,660	\$ 3,313,553	\$ 3,411,500	\$ 97,947	3.0%
Non-Personnel Expense	1,791,494	1,687,100	1,687,100	-	0.0%
Total Direct Expense	\$ 4,954,154	\$ 5,000,653	\$ 5,098,600	\$ 97,947	2.0%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 4,954,154</b>	<b>\$ 5,000,653</b>	<b>\$ 5,098,600</b>	<b>\$ 97,947</b>	<b>2.0%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 1,844,772	\$ 1,901,899	\$ 1,892,100	\$ (9,799)	-0.5%
Overtime	2,344	-	-	-	-
Burden	1,110,208	1,185,154	1,295,400	110,246	9.3%
OPEB Annual Expense	205,336	226,500	224,000	(2,500)	-1.1%
Temporary Personnel	-	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 3,162,660</b>	<b>\$ 3,313,553</b>	<b>\$ 3,411,500</b>	<b>\$ 97,947</b>	<b>3.0%</b>

# Financial Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
Total: \$	2,344	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 2,344	\$ -	\$ -	\$ -	\$ -	N/A
610100 Awards - Service						
RISK - SAFETY AWARDS	\$	2,500		\$ 2,500		
Total: \$	-	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	0.0%
610110 Books & Periodicals						
PROFESSIONAL PUBLICATIONS	\$	1,000		\$ 1,000		
RISK - PUBLICATIONS		1,200		1,200		
Total: \$	2,133	\$ 2,200	\$ 2,200	\$ 2,200	\$ -	0.0%
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$	1,200		\$ 1,200		
Total: \$	675	\$ 1,200	\$ 1,200	\$ 1,200	\$ -	0.0%
610120 Memberships & Dues						
AMER INST OF CPA'S	\$	800		\$ 600		
ASSN FOR FINANCIAL PROF'LS		400		500		
CA MUNI TREASURERS ASSN		200		200		
CA SOC OF CPA'S		800		900		
CA SOC OF MUNI FINANCE OFFICER		400		400		
GOVT FINANCE OFFICERS ASSN		600		700		
MEMBERSHIPS & DUES		900		900		
RISK - RELATED		1,000		1,000		
SAN DIEGO CREDIT ASSOCIATION		400		400		
Total: \$	4,673	\$ 5,500	\$ 5,500	\$ 5,600	\$ 100	1.8%
610140 Seminars & Training						
ANNUAL GOVT GAAP UPDATE	\$	1,000		\$ 2,000		
AP/1099/SALES TAX TRAINING		600		600		
ASSN FOR FINANCIAL PROF'LS		1,400		1,400		
CA MUNI TREASURER'S ASSN		400		400		
CA SOC OF CPA'S		500		500		
CA SOC OF MUNI FINANCE OFFICER		2,500		2,500		
CFO TRAINING (GFOA, AAPA)		-		7,500		
GOVT FINANCE OFFICERS ASSN		3,000		3,000		
REGULATORY TRAINING		3,300		3,200		
RISK - RELATED		1,500		3,000		
Total: \$	4,218	\$ 14,200	\$ 14,200	\$ 24,100	\$ 9,900	69.7%



# Financial Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 6,000		\$ 4,500		
RISK - RELATED		300		300		
Total: \$	3,013	\$ 6,300	\$ 6,300	\$ 4,800	\$ (1,500)	-23.8%
615110 Travel						
ASSN FOR FINANCIAL PROF'LS		\$ 1,500		\$ 1,500		
CA SOC OF MUNI FINANCE OFFICER		1,800		1,800		
CFO TRAVEL		6,500		12,500		
GOVT FINANCE OFFICERS ASSN		3,000		3,000		
Total: \$	1,763	\$ 12,800	\$ 12,800	\$ 18,800	\$ 6,000	46.9%
620100 Services - Professional & Other						
ACTUARIAL VALUATION SERVICES		\$ 34,000		\$ 14,000		
ARBITRAGE FEES - BONDS		7,000		2,000		
BLOOMBERG FINANCE LP		28,400		30,000		
COST RECOVERY ANALYSIS		20,000		-		
FINANCIAL ADVISOR		86,000		80,000		
GOVT FINANCE & RESEARCH GROUP		3,900		-		
INTERACTIVE DATA(PORTFOLIO PR)		1,600		1,700		
PROCESS ENHANCEMENT/IMPROVE		-		50,000		
RATING AGENCY SURVEILLANCES		15,000		15,000		
REVENUE BONDS TRUSTEE		1,200		1,400		
RISK - ACCIDENT INVESTIGATIONS		5,000		5,000		
RISK - AED PROGRAM		600		600		
RISK - HEARING CONSERVATION		2,500		2,500		
RISK - INSURANCE CERT TRACKING		12,000		12,000		
RISK - MARINE SURVEYS		1,900		1,000		
RISK - PHYSICALS		17,500		16,000		
UNION BANK OF CA TRUST ACCT		9,600		10,500		
US BANK (ESCROW AGNT DEP FEE)		1,300		1,400		
Total: \$	362,642	\$ 247,500	\$ 247,500	\$ 243,100	\$ (4,400)	-1.8%
620115 Services - Legal - Business Division						
Total: \$	122,000	\$ -	\$ -	\$ -	\$ -	N/A
630110 Equipment & Systems						
EQUIPMENT & SYSTEMS		\$ -		\$ 4,500		
RISK - RELATED		10,000		12,000		
Total: \$	19,693	\$ 10,000	\$ 10,000	\$ 16,500	\$ 6,500	65.0%
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 16,200		\$ 16,200		
Total: \$	11,214	\$ 16,200	\$ 16,200	\$ 16,200	\$ -	0.0%

# Financial Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 5,700		\$ 5,700		
Total: \$	4,600	\$ 5,700	\$ 5,700	\$ 5,700	\$ -	0.0%
630150 Safety Equipment & Supplies RISK - RELATED		\$ 3,000		\$ 5,500		
Total: \$	6,351	\$ 3,000	\$ 3,000	\$ 5,500	\$ 2,500	83.3%
650110 Facilities Maintenance-Outside Services						
Total: \$	19,999	\$ -	\$ -	\$ -	\$ -	N/A
650120 Equipment Maintenance-Supplies RISK - RELATED		\$ 1,200		\$ 1,200		
Total: \$	289	\$ 1,200	\$ 1,200	\$ 1,200	\$ -	0.0%
650130 Equipment Maintenance-Outside Services RISK - RELATED		\$ 3,500		\$ 2,000		
Total: \$	1,949	\$ 3,500	\$ 3,500	\$ 2,000	\$ (1,500)	-42.9%
660110 Promotional Services CFO PROMOTIONAL SERVICES PROMOTIONAL SERVICES RISK - RELATED		\$ - 1,000 1,000		\$ 6,500 1,000 1,500		
Total: \$	69	\$ 2,000	\$ 2,000	\$ 9,000	\$ 7,000	350.0%
670105 Bank & Credit Card Fees BANK FEES CREDIT CARD FEES		\$ - -		\$ 47,000 17,000		
Total: \$	-	\$ -	\$ -	\$ 64,000	\$ 64,000	N/A
670110 Insurance RISK - BROKER FEES RISK - INSURANCE PREMIUMS		\$ 41,000 1,234,000		\$ 41,000 1,210,400		
Total: \$	1,184,715	\$ 1,275,000	\$ 1,275,000	\$ 1,251,400	\$ (23,600)	-1.9%
670120 Insurance Claims RISK - RELATED		\$ 10,000		\$ 10,000		
Total: \$	-	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	0.0%
670130 Permits/Certificates/License PERMITS/CERTIFICATES/LICENSE RISK - RELATED		\$ 900 3,000		\$ 300 3,000		
Total: \$	756	\$ 3,900	\$ 3,900	\$ 3,300	\$ (600)	-15.4%

# Financial Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
670190 Other Miscellaneous Operating Expenses						
BANK FEES		\$ 47,600		\$ -		
CREDIT CARD FEES		16,800		-		
Total:	\$ 40,742	\$ 64,400	\$ 64,400	\$ -	\$ (64,400)	-100.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,791,494	\$ 1,687,100	\$ 1,687,100	\$ 1,687,100	\$ -	0.0%
GRAND TOTAL:	\$ 1,793,838	\$ 1,687,100	\$ 1,687,100	\$ 1,687,100	\$ -	0.0%

# GENERAL SERVICES

## Mission Statement

To prolong the service life of District equipment and infrastructure through a systematic approach to planned maintenance, to perform corrective maintenance and repairs to equipment and infrastructure as necessary, and to provide support services that enhance the public's experience in using District facilities.

## Vision Statement

General Services is a diverse and talented work group who add value to the business of the District today and into the future.

## Objectives

- Create and sustain positive relationships with stakeholders and the San Diego community
- Develop and maintain District infrastructure to support business and economic goals
- Reduce and prevent safety mishaps/accidents
- Improve customer-focused services to our customers, stakeholders, and the public
- Continuously evaluate and improve business systems and processes
- Educate our customers about department services
- Reflect and support a constructive culture
- Control costs through systematic approaches to maintenance and repairs

## Current Services

To achieve General Services' Mission and Vision statements, staff is committed to providing the following services:

- Preventive maintenance (motive equipment, HVAC/electrical/sewer/rail-road, landscaping, custodial, etc.)
- Corrective maintenance (repair infrastructure and equipment based on work request and priority)
- New construction (limited to \$45,000 and below by law)
- Support services (pest control, special events support, trash and debris removal, furniture/equipment moves, etc.)
- Maintenance services agreement management
- Utilities management support
- Project management support
- Focus on preventive maintenance to achieve long term goal of reduction in corrective maintenance actions
- Additional event management support through marketing/business development programs
- Inspection and maintenance of District's assets
- Centralized fleet asset management program
- Support services for cruise ship and maritime terminal operations

General Services currently has 93 permanent positions, and provides support from three locations: District's General Services Maintenance Facility located at National City, Shelter Island – Vessel Maintenance Shop, and the Administration Building.

# General Services

## PERMANENT POSITIONS

Replace: 1 Department Administrative Manager with Assistant Director, General Services  
 1 Director, General Services & Procurement with Director, General Services

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	2	2
Assistant Director, General Services	0	1
Carpenter	1	1
Department Administrative Manager	1	0
Department Business Manager	2	2
Director, General Services	0	1
Director, General Services & Procurement	1	0
Electrician	4	4
Equipment Operator	4	4
Executive Assistant I (Classified)	1	1
Financial Technician	1	1
Fleet Maintenance Technician	3	3
Gardener	10	10
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
Lighting Technician	1	1
Locksmith	1	1
Maintenance Mechanic	1	1
Maintenance Planner/Inspector	3	3
Maintenance Planning Supervisor	1	1
Maintenance Supervisor	3	3
Maintenance Worker I	15	15
Maintenance Worker II	13	13
Manager, Maintenance Systems	1	1
Marine Mechanic	2	2
Painter	2	2
Parking Meter Repair/Collector	2	2
Plumber	2	2
<b>TOTAL</b>	<b>93</b>	<b>93</b>

## General Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 10,975,619	\$ 11,671,421	\$ 11,570,000	\$ (101,421)	-0.9%
Non-Personnel Expense	3,376,316	4,632,000	4,492,000	(140,000)	-3.0%
Total Direct Expense	\$ 14,351,935	\$ 16,303,421	\$ 16,062,000	\$ (241,421)	-1.5%
Less: Capitalized Expense	(170,002)	(201,900)	(225,200)	(23,300)	11.5%
Equipment Outlay	246,062	1,029,000	586,100	(442,900)	-43.0%
TOTAL DEPARTMENTAL EXPENSE	\$ 14,427,995	\$ 17,130,521	\$ 16,422,900	\$ (707,621)	-4.1%

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 5,881,741	\$ 6,348,726	\$ 6,326,900	\$ (21,826)	-0.3%
Overtime	126,013	125,000	125,000	-	0.0%
Burden	4,138,872	4,281,795	4,212,500	(69,295)	-1.6%
OPEB Annual Expense	828,993	915,900	905,600	(10,300)	-1.1%
Temporary Personnel	-	-	-	-	-
TOTAL PERSONNEL EXPENSE	\$ 10,975,619	\$ 11,671,421	\$ 11,570,000	\$ (101,421)	-0.9%

## General Services

### EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 15/16
AERIAL LIFT TRUCK	1	160,000	\$ 160,000
FRONT MOUNTED DECK MOWER	1	28,000	28,000
FULL-SIZE PANEL VAN	1	30,000	30,000
FULL-SIZE PANEL VAN W/ LOCKSMITH EQ	1	37,000	37,000
HALF-TON PICKUP TRUCK	3	25,000	75,000
HYDRAULIC PRESS, 55-TON	1	5,500	5,500
ON VEHICLE BRAKE LATHE	1	20,000	20,000
ONE-TON CREW CAB UTILITY BODY TRUCK	1	38,000	38,000
RIDE-ON REEL MOWER	1	32,000	32,000
ROADWAY LINE STRIPER	1	16,600	16,600
SIDE LOADER REFUSE TRUCK	1	110,000	110,000
TRAILER MOUNTED GENERATOR	1	25,000	25,000
TRUCK MOUNTED CRANE	1	9,000	9,000
<b>TOTAL</b>	<b>15</b>		<b>\$ 586,100</b>

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 125,000		\$ 125,000		
Total: \$	126,013	\$ 125,000	\$ 125,000	\$ 125,000	\$ -	0.0%
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	<b>\$ 126,013</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ -</b>	<b>0.0%</b>
610110 Books & Periodicals TRADE RELATED		\$ 2,200		\$ 2,200		
Total: \$	61	\$ 2,200	\$ 2,200	\$ 2,200	\$ -	0.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 2,800		\$ 2,800		
Total: \$	1,228	\$ 2,800	\$ 2,800	\$ 2,800	\$ -	0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 1,700		\$ 1,900		
Total: \$	1,550	\$ 1,700	\$ 1,700	\$ 1,900	\$ 200	11.8%
610140 Seminars & Training IFMA CERTIFICATION SKILLS TRAINING		\$ - 9,000		\$ 2,000 20,000		
Total: \$	32,342	\$ 9,000	\$ 9,000	\$ 22,000	\$ 13,000	144.4%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 3,200		\$ 3,200		
Total: \$	1,793	\$ 3,200	\$ 3,200	\$ 3,200	\$ -	0.0%
615110 Travel						
Total: \$	9,156	\$ -	\$ -	\$ -	\$ -	N/A
630120 Equipment Rental/Leasing CNG VEHICLE LEASE CRANE RENTAL HEAVY EQUIPMENT PORTABLE TOILET RENTAL		\$ 26,000 10,000 60,000 30,000		\$ - 10,000 60,000 30,000		
Total: \$	128,159	\$ 126,000	\$ 126,000	\$ 100,000	\$ (26,000)	-20.6%
630130 Office & Operating Supplies SUPPLIES TWIC-TRANSPORTATION WORKER ID		\$ 16,700 600		\$ 16,700 1,100		
Total: \$	16,122	\$ 17,300	\$ 17,300	\$ 17,800	\$ 500	2.9%



# General Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 300		\$ 300		
Total: \$	633	\$ 300	\$ 300	\$ 300	\$ -	0.0%
630150 Safety Equipment & Supplies FIRE EXTINGUISHERS SAFETY INCENTIVE SAFETY SHOES SAFETY SUPPLIES & EQUIPMENT		\$ 5,000 8,800 13,200 14,000		\$ 5,000 8,800 13,200 14,000		
Total: \$	37,732	\$ 41,000	\$ 41,000	\$ 41,000	\$ -	0.0%
630160 Small Tools SMALL TOOLS FOR MAINT OPERS		\$ 37,200		\$ 37,200		
Total: \$	33,445	\$ 37,200	\$ 37,200	\$ 37,200	\$ -	0.0%
630170 Fuel & Lubricants CNG/PROPANE GAS/DIESEL MOTOR OIL		\$ 3,000 766,500 7,500		\$ 5,000 789,500 7,500		
Total: \$	711,259	\$ 777,000	\$ 777,000	\$ 802,000	\$ 25,000	3.2%
630180 Parking Meter Supplies BATTERIES METER REPAIR PARTS STICKERS		\$ 2,000 10,000 900		\$ 2,400 10,000 1,800		
Total: \$	11,069	\$ 12,900	\$ 12,900	\$ 14,200	\$ 1,300	10%
630200 Uniforms UNIFORM JACKET UNIFORM SERVICE		\$ 2,100 33,600		\$ 2,100 33,600		
Total: \$	32,371	\$ 35,700	\$ 35,700	\$ 35,700	\$ -	0.0%
650100 Facilities Maintenance-Supplies ALL CREWS RUOCCO PARK FIXTURE CONTINGENCY TAMT BACKFLOW REPLACE WAY FINDING SIGNAGE		\$ 450,000 14,300 - 12,000		\$ 450,000 14,300 25,000 -		
Total: \$	431,346	\$ 476,300	\$ 476,300	\$ 489,300	\$ 13,000	2.7%
650110 Facilities Maintenance-Outside Services ANIMAL AND PEST CONTROL CARPET AND CHAIR CLEANING CUSTODIAL SERVICES DUMPSTER SERVICE ELEVATOR MAINT FIRE ALARMS MONITORING		\$ 31,800 8,600 382,500 90,000 100,000 35,500		\$ 31,800 8,600 389,000 115,000 55,000 35,500		

# General Services

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
GRAFFITI REMOVAL		66,200		66,200		
H STREET MAINTENANCE		25,000		-		
HARBOR DRIVE LANDSCAPE		180,000		160,600		
HVAC OTHER LOCATIONS		139,700		143,800		
LANE FIELD PARK/PLAZA MAINTENANCE		100,000		50,000		
NEVP MAINTENANCE CONTRACT		500,000		450,000		
POINT LOMA MEDIAN MAINTENANCE		125,000		125,000		
RECYCLING SERVICES		25,000		-		
RUOCCO PARK MAINTENANCE		179,000		187,500		
SPRINKLER HEAD REPLACE/CERT		-		35,000		
STREET LIGHTING		20,000		15,000		
WINDOW CLEANING		25,000		25,000		
<b>Total:</b>	<b>\$ 1,153,342</b>	<b>\$ 2,033,300</b>	<b>\$ 2,033,300</b>	<b>\$ 1,893,000</b>	<b>\$ (140,300)</b>	<b>-6.9%</b>
<b>650120 Equipment Maintenance-Supplies</b>						
AUTOMOTIVE EQ/BOATS	\$	155,000		\$ 165,000		
FAST BOAT MAINTENANCE		24,900		-		
FORD PARTS		15,300		15,300		
GRANT RND 14 - HPD		-		30,000		
HPD FIRESTORM MONITORS		17,000		-		
TIRES		20,000		20,000		
<b>Total:</b>	<b>\$ 188,704</b>	<b>\$ 232,200</b>	<b>\$ 232,200</b>	<b>\$ 230,300</b>	<b>\$ (1,900)</b>	<b>-0.8%</b>
<b>650130 Equipment Maintenance-Outside Services</b>						
BOAT HULL MAINTENANCE	\$	20,000		\$ 30,000		
BOAT REPAIR		15,000		-		
EMISSION ANALYZER MAINT		3,600		3,600		
EQUIPMENT CERTIFICATION AND INSPECT		3,500		3,500		
FIRE EXTINGUISHER HYDROTEST		5,000		5,000		
HPD AUTO BODY REPAIRS		18,000		9,000		
METER PAINTING		5,000		5,000		
MOWER REEL MAINTENANCE		30,000		-		
OTHER EQUIPMENT SERVICE/MAINT		60,000		60,000		
PARTS CLEANER		2,000		2,000		
TRANSFORMER TESTING		-		40,000		
VEHICLE DETAILING		-		3,500		
VEHICLE PAINTING		30,000		30,000		
VESSEL FIRE SUPPRESSION SYS		1,600		4,600		
<b>Total:</b>	<b>\$ 169,818</b>	<b>\$ 193,700</b>	<b>\$ 193,700</b>	<b>\$ 196,200</b>	<b>\$ 2,500</b>	<b>1.3%</b>
<b>650131 As - Needed Maintenance</b>						
ABANDONED & DERELICT VESSEL	\$	180,000		\$ 180,000		
ADMIN ROOF EPOXY INJECTIONS		5,000		-		
BROADWAY PAVILION LIGHTING		-		2,500		
BRUSH AND WEED REMOVAL		15,000		20,000		
CARPET/FLOOR COVERING REPAIR		-		15,000		
CST SPRUNG STRUCTURE/WINDOW CL		31,600		31,600		

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
DOORS (ROLL UP) MAINTENANCE		18,500		18,500		
DOORS AND GATES, ELECTRIC		3,700		3,700		
DUMPSTER SERVICE TRANSFER		45,600		45,600		
FENCE AND GATE MAINTENANCE		10,000		10,000		
HARBOR POLICE CARPET REPLACEMENT		15,000		10,000		
HOLIDAY LITTER PICKUP		5,000		5,000		
IRRIGATION SYSTEM REPLACEMENT		-		40,000		
MISC SMALL OUTSIDE SERVICES		57,700		70,000		
PAINTING MAINTENANCE		20,000		-		
PAVEMENT MAINT		40,000		-		
PLANT MAINTENANCE		3,000		3,000		
ROOF MAINTENANCE		10,000		-		
STREET SWEEPING MAINT		25,000		-		
TREE TRIMMING		125,000		125,000		
UNDERGROUND SERVICE ALERT		1,600		2,000		
UTILITY LEAK DETECTION		5,000		5,000		
VESSEL SURVEYING		6,000		6,000		
<b>Total:</b>	<b>\$ 412,302</b>	<b>\$ 622,700</b>	<b>\$ 622,700</b>	<b>\$ 592,900</b>	<b>\$ (29,800)</b>	<b>-4.8%</b>
<b>660150 Refuse &amp; Hazardous Waste Disposal</b>						
<b>Total:</b>	<b>\$ 2,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
<b>670130 Permits/Certificates/License</b>						
PERMIT/CERT/LICENSE		\$ 7,500		\$ 10,000		
<b>Total:</b>	<b>\$ 1,610</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>	<b>\$ 10,000</b>	<b>\$ 2,500</b>	<b>33.3%</b>
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	<b>\$ 3,376,316</b>	<b>\$ 4,632,000</b>	<b>\$ 4,632,000</b>	<b>\$ 4,492,000</b>	<b>\$ (140,000)</b>	<b>-3.0%</b>
<b>GRAND TOTAL:</b>	<b>\$ 3,502,329</b>	<b>\$ 4,757,000</b>	<b>\$ 4,757,000</b>	<b>\$ 4,617,000</b>	<b>\$ (140,000)</b>	<b>-2.9%</b>

## GOVERNMENT & CIVIC RELATIONS

### Mission Statement

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

### Vision Statement

Increase effectiveness in executing District priorities and initiatives through relationship building and understanding.

### Objectives

- Advise and advocate on District public policy issues
- Cultivate relationships and build partnerships with elected officials, agencies and entities which are aligned with the District's mission to the San Diego region
- Develop an annual legislative platform and strategies that support the goals of the District
- Enhance District priorities, projects and programs with grant funded opportunities
- Manage BPC Policy No. 773, Maritime Industrial Impact Fund (MIIF) (see Section 5 Appendix), to manage funding for off-tidelands, Board approved projects
- Increase effectiveness of the business of the District by providing project management support

### Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

- Communicate with outside stakeholders, agencies, and our communities to raise the transparency of the District to an exemplary level
- Track, monitor, and communicate external issues and events that may impact the District, such as regular meetings of local, state, and federal agencies, as well as other organizations (i.e., environmental groups' research initiatives)
- Advocate for District initiatives at the local, state, and federal levels
- Work with internal District staff and Board on priorities and projects, including policy design, analysis and implementation
- Advance the District's legislative and policy priorities through the District's legislative consultants in Sacramento and Washington, D.C.
- Provide consultation and insight regarding future regulatory issues
- Provide business support for projects
- Communicate with elected officials and community groups on initiatives/projects consistent with the District's mission and goals
- Research, administration, and management of District grant funded programs
- Management of the District's grant project management office

The Government & Civic Relations Department currently has seven permanent positions.

## Government & Civic Relations

Replace: 1 Chief Policy Advisor with Director, Government Relations

1 Staff Assistant II with Management Analyst

Transfer: 1 Executive Assistant I (Classified) from Marketing & Communications

1 Staff Assistant II from Office of the District Clerk

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Chief Policy Advisor	1	0
Director, Government Relations	0	1
Executive Assistant I (Classified)	0	1
Legislative Policy Administrator	1	1
Management Analyst	1	2
Program Manager	1	1
Senior Manager, Public Policy	1	1
<b>TOTAL</b>	<b>5</b>	<b>7</b>

## Government & Civic Relations

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 718,375	\$ 726,027	\$ 980,400	\$ 254,373	35.0%
Non-Personnel Expense	317,354	371,600	421,300	49,700	13.4%
<b>Total Direct Expense</b>	<b>\$ 1,035,729</b>	<b>\$ 1,097,627</b>	<b>\$ 1,401,700</b>	<b>\$ 304,073</b>	<b>27.7%</b>
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	150,000	150,000	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,035,729</b>	<b>\$ 1,097,627</b>	<b>\$ 1,551,700</b>	<b>\$ 454,073</b>	<b>41.4%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 446,660	\$ 467,833	\$ 606,700	\$ 138,867	29.7%
Overtime	227	-	-	-	-
Burden	209,626	208,994	305,500	96,506	46.2%
OPEB Annual Expense	53,518	49,200	68,200	19,000	38.6%
Temporary Personnel	8,344	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 718,375</b>	<b>\$ 726,027</b>	<b>\$ 980,400</b>	<b>\$ 254,373</b>	<b>35.0%</b>

## Government & Civic Relations

### EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 15/16
GRANT MATCHING FUND		150,000	\$ 150,000
TOTAL			\$ 150,000

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
Total: \$	227	\$ -	\$ -	\$ -	\$ -	N/A
600120 Temporary Personnel						
Total: \$	8,344	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 8,570	\$ -	\$ -	\$ -	\$ -	N/A
610110 Books & Periodicals GOV/PROFESSIONAL PUBLICATIONS		\$ 1,000		\$ 2,000		
Total: \$	313	\$ 1,000	\$ 1,000	\$ 2,000	\$ 1,000	100.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 200		\$ 200		
Total: \$	168	\$ 200	\$ 200	\$ 200	\$ -	0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 123,500		\$ 204,300		
Total: \$	83,039	\$ 123,500	\$ 123,500	\$ 204,300	\$ 80,800	65.4%
610140 Seminars & Training PORT-RELATED CONFERENCES		\$ 8,000		\$ 5,500		
Total: \$	8,062	\$ 8,000	\$ 8,000	\$ 5,500	\$ (2,500)	-31.3%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 3,600		\$ 500		
Total: \$	1,210	\$ 3,600	\$ 3,600	\$ 500	\$ (3,100)	-86.1%
615110 Travel MEXICO OTHER TRIPS SACRAMENTO TRAINING SEMINARS WASHINGTON DC		\$ 5,500 9,500 15,000 5,000 15,000		\$ - 12,200 12,000 - 15,000		
Total: \$	18,001	\$ 50,000	\$ 50,000	\$ 39,200	\$ (10,800)	-21.6%
620100 Services - Professional & Other LEGISLATIVE SERVICES - SACRAMENTO SANDAG GOODS MOVEMENT POLICY		\$ 105,000 60,000		\$ 105,000 55,000		
Total: \$	198,751	\$ 165,000	\$ 165,000	\$ 160,000	\$ (5,000)	-3.0%



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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 7,000		\$ 5,000		
TWIC CARDS		200		-		
Total: \$	4,328	\$ 7,200	\$ 7,200	\$ 5,000	\$ (2,200)	-30.6%
630140 Postage & Shipping						
OUTREACH POSTAGE		\$ 3,500		\$ -		
POSTAGE		600		200		
Total: \$	130	\$ 4,100	\$ 4,100	\$ 200	\$ (3,900)	-95.1%
650130 Equipment Maintenance-Outside Services						
MAINTENANCE		\$ 500		\$ -		
Total: \$	-	\$ 500	\$ 500	\$ -	\$ (500)	-100.0%
660110 Promotional Services						
COMMUNITY AND STAKEHOLDER OUTREACH		\$ 5,500		\$ 4,000		
EVENT AND SEMINAR SPONSORSHIPS		3,000		-		
Total: \$	3,353	\$ 8,500	\$ 8,500	\$ 4,000	\$ (4,500)	-52.9%
670130 Permits/Certificates/License						
PROF. CERT & LICENSES		\$ -		\$ 400		
Total: \$	-	\$ -	\$ -	\$ 400	\$ 400	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 317,354	\$ 371,600	\$ 371,600	\$ 421,300	\$ 49,700	13.4%
GRAND TOTAL: \$	325,925	\$ 371,600	\$ 371,600	\$ 421,300	\$ 49,700	13.4%

# HARBOR POLICE DEPARTMENT

## Mission Statement

To provide the highest standard of public safety and homeland security through a dedicated team of highly trained professionals.

## Vision Statement

The Harbor Police Department is a dynamic public service organization and national leader in public safety and homeland security.

## Objectives

- Public Safety arm of the District is charged with the responsibility of implementing and coordinating public safety and homeland security measures on Port Tidelands, San Diego Bay, and the SDCRAA
- Provide all aspects of community oriented policing, vehicle and vessel patrol, marine firefighting, airport security, and homeland security operations
- Foster a culture of service through collaboration, integrity, and professionalism
- Achieve a high performance department by maximizing the potential of all personnel
- Provide highly effective and efficient public safety and homeland security services as a regional asset
- Promote a multi-disciplined public safety and homeland security function as a regional resource
- Strengthen the Harbor Police Department's financial performance
- To assess, pursue, and implement functional technology for the current and future needs of the Department
- Develop and maintain an appropriate level of resources and infrastructure

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

- Port/Seaport Law Enforcement/Security
- Tidelands Law Enforcement/Patrol
- Marine Firefighting and Patrol
- Maritime Firefighting Training Barge
- Airport Law Enforcement Services
- 911 Capable Public Safety Dispatching
- Investigations and Intelligence
- Police Records Management
- Explosive Detection Canine Unit
- Narcotics Detection Canine Unit
- Retired Senior Volunteer Program (RSVP)
- Dive Team/Water Rescue
- Rifle Team
- Bike Team
- Honor Guard Team
- Emergency Medical Services
- Permitting
- Mutual Aid
- Contract for Services
- Fast Response Vessel Operations
- Enhanced Regional Communications System Interoperability (RCS)

- Partner with the United States Coast Guard, United States Navy, Customs Border Protection, and the California National Guard in a multi-agency command center known as Joint Harbor Operations Center (JHOC), the first of its kind in the nation
- Participation in the Federal and State Port Security Grant Programs
- Participation in three task forces: the FBI Joint Terrorism Task Force (JTTF), the Homeland Security Investigations San Diego Air and Marine Task Force (MTF) and the Drug Enforcement Administration Narcotic Task Force (DEA-NTF)

The Harbor Police Department currently has 157 permanent positions.

## Harbor Police Department

Transfer: 1 Document Management Assistant from Office of the District Clerk  
 Replace: 1 Document Management Assistant with Police Records Assistant  
 1 Harbor Police Sergeant with Harbor Police Lieutenant

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	1	1
Assistant Chief of Harbor Police	1	1
Assistant to Vice President	1	1
Community Service Officer	3	3
Community Service Officer Supervisor	1	1
Facility Security Coordinator	1	1
Harbor Police Captain	1	1
Harbor Police Corporal	15	15
Harbor Police Lieutenant	5	6
Harbor Police Officer	86	86
Harbor Police Sergeant	17	16
Homeland Security Intelligence Coordinator	1	1
Human Resources Technician (Unclassified)	1	1
Lead Public Safety Dispatcher	4	4
Office Assistant (Classified)	1	1
Police Records Assistant	3	4
Police Records Supervisor	1	1
Public Safety Dispatch Supervisor	2	2
Public Safety Dispatcher	8	8
Senior Police Records Assistant	1	1
Staff Assistant II	1	1
Vice President, Public Safety/Chief of HP	1	1
<b>TOTAL</b>	<b>156</b>	<b>157</b>

**Note:**

In FY 14/15, the Board approved the addition of three Harbor Police Officer positions. These changes are reflected in the Adjusted Budget FY 14/15 column above.

### LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Community Service Officer	0	1
Harbor Police Officer	0	3
<b>TOTAL</b>	<b>0</b>	<b>4</b>

# Harbor Police Department

## SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 27,780,329	\$ 30,158,391	\$ 31,160,600	\$ 1,002,209	3.3%
Non-Personnel Expense	1,501,858	1,700,100	1,807,900	107,800	6.3%
Total Direct Expense	\$ 29,282,187	\$ 31,858,491	\$ 32,968,500	\$ 1,110,009	3.5%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	787,791	1,974,800	710,800	(1,264,000)	-64.0%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 30,069,977</b>	<b>\$ 33,833,291</b>	<b>\$ 33,679,300</b>	<b>\$ (153,991)</b>	<b>-0.5%</b>

## PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 14,778,451	\$ 15,407,530	\$ 15,766,500	\$ 358,970	2.3%
Overtime	1,310,175	1,330,900	1,330,900	-	0.0%
Burden	10,318,787	11,913,161	12,495,300	582,139	4.9%
OPEB Annual Expense	1,372,916	1,506,800	1,567,900	61,100	4.1%
Temporary Personnel	-	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 27,780,329</b>	<b>\$ 30,158,391</b>	<b>\$ 31,160,600</b>	<b>\$ 1,002,209</b>	<b>3.3%</b>

# Harbor Police Department

## EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 15/16
4 X 4 PICK UP TRUCK & EQUIPMENT <sup>(2)</sup>	1	46,000	\$ 46,000
9-1-1 TEXTING SYSTEM <sup>(1)</sup>	1	10,000	10,000
BUILDOUT FOR PICK UP TRUCKS	2	11,400	22,800
CANINE KENNELS	2	6,800	13,600
FULL SIZED PICK UP TRUCK	2	26,000	52,000
HANDHELD DIGITAL VIDEO LIDAR	2	10,000	20,000
MID-SIZED SEDAN, EQUIPPED FOR RSVP	2	32,000	64,000
PERSONAL WATERCRAFT & EQUIPMENT <sup>(2)</sup>	1	16,000	16,000
POLICE COMMAND VEHICLE BUILDOUT	1	41,400	41,400
POLICE COMMAND VEHICLE, SUV	1	37,000	37,000
POLICE PATROL VEHICLE BUILDOUT	4	33,400	133,600
POLICE PATROL VEHICLE, SUV	5	38,000	190,000
POLICE TRAFFIC VEHICLE BUILDOUT	1	50,400	50,400
REVOLVE AIR BLAST CABINET	1	14,000	14,000
TOTAL	26		\$ 710,800

### Notes:

<sup>(1)</sup> Items carried over from FY 14/15 budget.

<sup>(2)</sup> Per the Municipal Services Agreement with the City of Imperial Beach, the District provides equipment for lifeguard services.

# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
ADMINISTRATIVE SUPPORT		\$ 5,000		\$ 5,000		
DISPATCH		33,000		33,000		
DIVE TEAM		125,000		125,000		
LAW ENFORCEMENT OPERATIONS		200,000		200,000		
RECRUITING		7,500		7,500		
REIMBURSED EVENTS		73,400		73,400		
SPECIAL EVENTS		92,000		92,000		
SWORN MANDATORY STAFFING		300,000		300,000		
TRAINING DISPATCH		10,000		10,000		
TRAINING SWORN		485,000		485,000		
Total:	\$ 1,310,175	\$ 1,330,900	\$ 1,330,900	\$ 1,330,900	\$ -	0.0%
SUBTOTAL: OVERTIME & TEMPS	\$ 1,310,175	\$ 1,330,900	\$ 1,330,900	\$ 1,330,900	\$ -	0.0%
610110 Books & Periodicals						
LEGAL MANUALS		\$ 1,400		\$ 1,400		
POST ACADEMY TRAINING BOOKS		-		700		
PROFESSIONAL DEVELOPMENT BOOKS		700		-		
STATE & FEDERAL CODE		4,000		4,000		
Total:	\$ 5,192	\$ 6,100	\$ 6,100	\$ 6,100	\$ -	0.0%
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 6,100		\$ 6,100		
Total:	\$ 5,652	\$ 6,100	\$ 6,100	\$ 6,100	\$ -	0.0%
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 3,000		\$ 3,000		
Total:	\$ 3,449	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	0.0%
610140 Seminars & Training						
CLERICAL SUPPORT TRAINING		\$ 1,500		\$ -		
CSO TRAINING		2,000		-		
DEFENSIVE TACTICS COURSE		2,000		-		
DISPATCH TRAINING COURSES		2,500		-		
FIREARMS ARMORER & INSTRUCTOR		1,000		-		
HOMELAND SECURITY TRAINING		2,500		-		
LEXIPOL DAILY TRAINING BULLETINS		9,000		-		
MANDATED TRAINING (POST)		1,000		-		
MGMT/SUPRVR/LEADERSHIP TRNG		1,500		-		
RANGE USE FEES		5,000		6,000		
SEMINARS AND TRAINING		1,000		53,000		
TACTICAL TRAINING		5,000		-		
Total:	\$ 38,473	\$ 34,000	\$ 34,000	\$ 59,000	\$ 25,000	73.5%

# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 18,000		\$ 18,000		
Total: \$	22,461	\$ 18,000	\$ 18,000	\$ 18,000	\$ -	0.0%
615110 Travel						
AIRPORT SPECIFIC TRAVEL		\$ 5,000		\$ -		
CHIEFS' & SHERIFF'S ASSOC. RET		1,000		-		
COMMAND STAFF TRAVEL		1,000		-		
DISPATCH TRAINING COURSES		2,000		-		
HOMELAND SECURITY TRAINING		1,500		-		
MARITIME LAW ENFORCEMENT TRNG CTR		28,100		-		
MGMT/SUPRVR/LEADERSHIP TRNG		2,500		-		
RECRUITING/BACKGROUNDS		2,000		-		
TRAINING RELATED TRAVEL		5,000		60,000		
Total: \$	67,920	\$ 48,100	\$ 48,100	\$ 60,000	\$ 11,900	24.7%
620100 Services - Professional & Other						
ALPHA PROJECT - HOMELESS OUTREACH		\$ 110,000		\$ 110,000		
COMPUTER SVCS-SUN, ARJIS, ETC		47,700		56,300		
DIVE PHYSICALS		11,300		11,300		
FINGERPRINT CHECKS-EMPLOYMENT		2,000		2,000		
HEARING CONSERVATION		3,100		3,100		
MEDICAL EXAMS (SART)		3,000		3,000		
NEVP SECURITY		75,000		175,000		
PROFESSIONAL SERVICES		16,900		27,000		
RESPIRATOR PHYSICALS		7,200		7,200		
SHERIFF'S DEPT. PROPERTY RETEN		3,000		3,000		
TB SCREENING		5,700		5,700		
VESSEL TOWING SERVICES		25,000		20,000		
VETERINARIAN SERVICES		5,000		5,000		
Total: \$	151,816	\$ 314,900	\$ 314,900	\$ 428,600	\$ 113,700	36.1%
630110 Equipment & Systems						
AEDS		\$ 2,000		\$ 2,000		
COMPUTER HARDWARE		30,100		36,000		
DEFENSIVE TACTICS TRNG EQPT		500		-		
DISPATCH EQUIPMENT		3,300		1,100		
DIVE TEAM EQUIPMENT		27,200		27,200		
ENCRYPTED AND NON-ENCRYPTED RADIOS		17,000		-		
EQPT FOR IMP BEACH (NON CAPITAL)		54,000		46,000		
FURNITURE		5,000		5,400		
HOMELAND SECURITY EOC EQPT		500		-		
OFFICE EQUIPMENT		1,500		1,500		
POLICE EQUIPMENT		18,100		19,900		
POWER SOURCES (BATTERIES, UPS)		2,000		2,000		
RSVP PROGRAM		800		800		



# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
TRAFFIC TEAM EQUIPMENT		-		2,200		
VESSELS/FIRE		22,000		26,200		
WEAPONS TRAINING UNIT EQPT		2,500		500		
<b>Total:</b>	<b>\$ 132,255</b>	<b>\$ 186,500</b>	<b>\$ 186,500</b>	<b>\$ 170,800</b>	<b>\$ (15,700)</b>	<b>-8.4%</b>
630120 Equipment Rental/Leasing						
JULY 4TH EQUIPMENT	\$ 2,200			\$ 2,200		
TRAILERS		36,700		32,000		
<b>Total:</b>	<b>\$ 36,482</b>	<b>\$ 38,900</b>	<b>\$ 38,900</b>	<b>\$ 34,200</b>	<b>\$ (4,700)</b>	<b>-12.1%</b>
630130 Office & Operating Supplies						
OFFICE SUPPLIES	\$ 13,000			\$ 13,000		
OPERATING SUPPLIES		31,000		32,600		
PRINTING		17,500		13,300		
<b>Total:</b>	<b>\$ 65,791</b>	<b>\$ 61,500</b>	<b>\$ 61,500</b>	<b>\$ 58,900</b>	<b>\$ (2,600)</b>	<b>-4.2%</b>
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$ 7,000			\$ 7,000		
<b>Total:</b>	<b>\$ 6,165</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	\$ 80,000			\$ 13,000		
AMMUNITION - .40		30,000		24,000		
AMMUNITION - .45 AND 9MM		10,000		7,300		
AMMUNITION - 12 GA. BUCKSHOT		5,000		3,200		
CSO SAFETY EQUIPMENT		-		3,100		
FIRE TURNOUT GEAR		18,300		15,500		
FIRST AID SUPPLIES		1,900		1,500		
FORCE TACTICS UNIT EQUIPMENT		500		500		
PROTECTIVE VESTS		15,000		46,000		
RAIN GEAR		-		2,000		
SAFETY SHOES (PER MOU)		200		200		
TASER EQUIPMENT & REPLACEMENT		33,000		48,100		
WEAPONS/PARTS		8,700		4,600		
<b>Total:</b>	<b>\$ 147,326</b>	<b>\$ 202,600</b>	<b>\$ 202,600</b>	<b>\$ 169,000</b>	<b>\$ (33,600)</b>	<b>-16.6%</b>
630170 Fuel & Lubricants						
<b>Total:</b>	<b>\$ 244</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
630200 Uniforms						
BADGES, PINS, PATCHES	\$ 5,900			\$ 5,900		
REPLACE DAMAGED UNIFORM ITEMS		1,000		1,000		
UNIFORM FOR RSVPS		1,500		1,500		
UNIFORM SHIRTS - NON-SWORN		1,100		-		
UNIFORMS - COMMUNITY SERV OFFICERS		5,800		5,800		

# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
UNIFORMS - DISPATCH (PER MOU)		5,600		5,600		
UNIFORMS - SWORN (PER MOU)		187,500		198,000		
UNIFORMS FOR HONOR GUARD		800		800		
<b>Total:</b>	<b>\$ 201,506</b>	<b>\$ 209,200</b>	<b>\$ 209,200</b>	<b>\$ 218,600</b>	<b>\$ 9,400</b>	<b>4.5%</b>
640100 Space Rental						
SPACE RENTAL	\$ -	-		\$ 3,100		
<b>Total:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,100</b>	<b>\$ 3,100</b>	<b>N/A</b>
640110 Telephone & Communications						
3CS DATA LINES	\$ 7,500			\$ 7,500		
CDPD LINES (WIRELESS CONNECT)	30,000			30,000		
CELLULAR SERVICE	15,300			15,300		
DIRECTV MONTHLY SERVICE	2,000			2,000		
MOBILE LOCK SERVICES	1,000			1,000		
RCS RADIO FEES	75,000			75,600		
SATELLITE PHONES	8,000			8,000		
TELEPHONE EQUIPMENT	5,000			5,000		
TELEPHONE SERVICE	152,000			180,000		
<b>Total:</b>	<b>\$ 273,058</b>	<b>\$ 295,800</b>	<b>\$ 295,800</b>	<b>\$ 324,400</b>	<b>\$ 28,600</b>	<b>9.7%</b>
650120 Equipment Maintenance-Supplies						
TONER	\$ 8,000			\$ -		
<b>Total:</b>	<b>\$ -</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	<b>\$ -</b>	<b>\$ (8,000)</b>	<b>-100.0%</b>
650130 Equipment Maintenance-Outside Services						
DIVE TEAM EQUIPMENT	\$ 10,000			\$ 10,000		
FIRE EQUIPMENT	19,900			32,200		
GEN EQPT MAINTENANCE	3,000			3,000		
MAINT CAR/VESSEL AUDIO/VIDEO SYSTEM	15,000			15,000		
MAINTENANCE CONTRACTS & EQUIP	56,000			46,000		
TRAFFIC SIGNS MAINT & REPAIRS	2,500			2,500		
<b>Total:</b>	<b>\$ 48,650</b>	<b>\$ 106,400</b>	<b>\$ 106,400</b>	<b>\$ 108,700</b>	<b>\$ 2,300</b>	<b>2.2%</b>
650140 Software Maintenance						
DISPATCH PACKET CLUSTER LICENS	\$ 15,000			\$ 15,000		
LOGISYS CONTRACT	59,300			59,300		
NETRMS ANNUAL FEES	1,800			1,800		
<b>Total:</b>	<b>\$ 70,178</b>	<b>\$ 76,100</b>	<b>\$ 76,100</b>	<b>\$ 76,100</b>	<b>\$ -</b>	<b>0.0%</b>
660110 Promotional Services						
PROMO SERVICES, GENERAL	\$ 600			\$ 600		
RECRUITING ACTIVITIES	200			200		
RSVP APPRECIATION	500			500		
<b>Total:</b>	<b>\$ 4,303</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>	<b>\$ -</b>	<b>0.0%</b>

# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
660120 Promotional Materials						
PROMOTIONAL & RECRUITING SUPPL		\$ 1,000		\$ 1,000		
Total:	\$ 146	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
660136 Grant Funded Expenditures						
EQUIPMENT - SHSGP		\$ 15,700		\$ 19,000		
FUEL-OPERATION STONEGARDEN		25,000		30,000		
PORT SECURITY GRANT - 13		31,900		-		
SDCLEF GRANT		2,500		2,500		
TSA - SUPPLIES		500		2,500		
Total:	\$ 124,926	\$ 75,600	\$ 75,600	\$ 54,000	\$ (21,600)	-28.6%
680100 Seized Asset/Forfeitures-Harbor Police						
Total:	\$ 95,867	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,501,858	\$ 1,700,100	\$ 1,700,100	\$ 1,807,900	\$ 107,800	6.3%
GRAND TOTAL:	\$ 2,812,033	\$ 3,031,000	\$ 3,031,000	\$ 3,138,800	\$ 107,800	3.6%

# HUMAN RESOURCES

## Mission Statement

The Human Resources department serves as a strategic partner with management in supporting the roles of the organization. The Department takes a leadership role in creating a work environment of high productivity, continuous improvement, organizational renewal, and exceptional customer service.

Human Resources is a resource for employees, management and the District, enabling all to contribute towards the success of the District. Success is earning the satisfaction of our customers, the respect and trust of those who govern us, support us, do business with us, and pride from our employees.

## Vision Statement

To be recognized as world class leaders in applying human resources best practices and innovations to make the District a place to achieve goals.

## Objectives

- Create and sustain positive relationships with stakeholders and the community at large
- Support other District departments in running their business
- Maintain the District's financial stability
- Participate visibly and collaboratively with communities in the region
- Deliver customer-focused services in an effective, timely, and courteous manner
- Recruit, retain, and develop a highly skilled, diverse workforce
- Reinforce a safe, open, and secure work environment for District employees
- Encourage an organizational culture of learning and growth
- Retain intellectual assets and corporate knowledge of the District
- Assist in safeguarding District's assets, including the employees
- Continuously evaluate and improve business systems and processes
- Track and implement new trends in the industry
- Focus on operational excellence
- Support management to implement improvements

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

### HR Operations

- Recruiting
- New hire orientation
- Intern program
- Desk audits
- Investigations
- Personnel file management
- Manage the progressive discipline process
- Performance management
- Employee appreciation programs
- Salary Ordinance maintenance
- District classification system maintenance
- Exit interview process

### **Labor Relations**

- Coordinate/facilitate labor and management collaboration opportunities
- Maintain and enforce personnel rules and regulations
- Maintain memorandum of understanding with unions
- Conduct labor negotiations

### **Benefits Management**

- Overall administration for all employee benefits
- Wellness program
- Deferred compensation
- Tuition reimbursement
- Retiree interface
- Open enrollment
- COBRA administration
- Fit-for-Duty management
- Americans with Disabilities Act compliance
- Leave administration
- Retirement

### **Payroll**

- Timely and accurate processing of employee payroll in compliance with IRS, state regulations, and District policies

### **Training**

- Regulatory training
- Human resources training as outlined in the District's five-year training plan
- Diagnostics
- Process improvement
- Change management
- Teambuilding
- Group facilitation
- Career development
- Coaching
- Succession planning

### **Equal Opportunity Employment and Non-Discrimination**

- Diversity awareness
- District's Americans with Disability Act Coordinator
- Community outreach

The Human Resources department currently has 18 permanent positions.

## Human Resources

Reclass: 1 Staff Assistant II (Unclassified) to Equal Opportunity Technician

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Asst I (Unclassified)	1	1
Benefits Analyst	1	1
Benefits Manager	1	1
Director, Human Resources	1	1
Equal Opportunity Technician	0	1
Executive Assistant I (Unclassified)	1	1
Executive Vice President	1	1
Human Resources Analyst	2	2
Human Resources Assistant (Unclassified)	1	1
Human Resources Technician (Unclassified)	3	3
Manager, Equal Opportunity	1	1
Manager, Human Resources	1	1
Payroll Specialist	1	1
Senior Human Resources Analyst	1	1
Senior Training&Org. Dev. Specialist	1	1
Staff Assistant II (Unclassified)	1	0
<b>TOTAL</b>	<b>18</b>	<b>18</b>

### INTERN / STUDENT WORKER POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Student Worker (Summer Program)	0	20
Intern	1	3
<b>TOTAL</b>	<b>1</b>	<b>23</b>

## Human Resources

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 2,508,710	\$ 2,586,692	\$ 2,570,800	\$ (15,892)	-0.6%
Non-Personnel Expense	3,254,703	3,897,700	4,402,700	505,000	13.0%
<b>Total Direct Expense</b>	<b>\$ 5,763,412</b>	<b>\$ 6,484,392</b>	<b>\$ 6,973,500</b>	<b>\$ 489,108</b>	<b>7.5%</b>
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 5,763,412</b>	<b>\$ 6,484,392</b>	<b>\$ 6,973,500</b>	<b>\$ 489,108</b>	<b>7.5%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 1,363,061	\$ 1,431,043	\$ 1,489,500	\$ 58,457	4.1%
Overtime	1,178	3,000	3,000	-	0.0%
Burden	984,593	975,349	903,000	(72,349)	-7.4%
OPEB Annual Expense	151,818	177,300	175,300	(2,000)	-1.1%
Temporary Personnel	8,060	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 2,508,710</b>	<b>\$ 2,586,692</b>	<b>\$ 2,570,800</b>	<b>\$ (15,892)</b>	<b>-0.6%</b>

# Human Resources

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 3,000		\$ 3,000		
Total: \$	1,178	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	0.0%
600120 Temporary Personnel						
Total: \$	8,060	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 9,238	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	0.0%
610100 Awards - Service CERTIFICATES		\$ -		\$ 1,100		
Total: \$	3,800	\$ -	\$ -	\$ 1,100	\$ 1,100	N/A
610110 Books & Periodicals HR - PUBLICATIONS		\$ 2,200		\$ 2,200		
Total: \$	1,729	\$ 2,200	\$ 2,200	\$ 2,200	\$ -	0.0%
610115 Employee Recognition DIST EMPLOYEE RECOGNITION HR - EMPLOYEE RECOGNITION		\$ 5,000 2,400		\$ 40,000 2,400		
Total: \$	6,840	\$ 7,400	\$ 7,400	\$ 42,400	\$ 35,000	473.0%
610120 Memberships & Dues HR/EOM RELATED OD&L		\$ 3,000 600		\$ 3,000 600		
Total: \$	1,934	\$ 3,600	\$ 3,600	\$ 3,600	\$ -	0.0%
610125 Health and Wellness FLU SHOTS HEALTH & WELLNESS PROGRAMS		\$ 4,500 1,500		\$ - 1,500		
Total: \$	4,616	\$ 6,000	\$ 6,000	\$ 1,500	\$ (4,500)	-75.0%
610130 Recruiting RECRUITING		\$ -		\$ 50,000		
Total: \$	-	\$ -	\$ -	\$ 50,000	\$ 50,000	N/A
610140 Seminars & Training COMMISSIONER TRAINING HR - DISTRICT TRAINING OD&L - PORT LEARNING CENTER OD&L RELATED		\$ 50,000 10,000 15,000 1,000		\$ - 10,000 13,200 2,000		
Total: \$	23,280	\$ 76,000	\$ 76,000	\$ 25,200	\$ (50,800)	-66.8%



# Human Resources

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
610150 Tuition Reimbursement Program TUITION		\$ 60,000		\$ 60,000		
Total: \$	47,299	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	0.0%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 2,400		\$ 2,400		
Total: \$	1,222	\$ 2,400	\$ 2,400	\$ 2,400	\$ -	0.0%
615110 Travel TRAVEL		\$ 28,600		\$ 28,600		
Total: \$	8,303	\$ 28,600	\$ 28,600	\$ 28,600	\$ -	0.0%
620100 Services - Professional & Other						
401(A) & 457 PASSIVE TRUSTEE		\$ 1,000		\$ 1,000		
ASSESSMENT SERVICES		1,000		1,000		
COMPENSATION & BENEFIT SURVEY		-		100,000		
CONSULTANTS - DISTRICT		20,000		20,000		
EXECUTIVE MEDICALS		22,500		21,900		
FLEX PLAN		14,400		14,500		
OD&L CONSULTANTS		70,000		65,600		
PAB HEARINGS		3,000		3,000		
PHYSICALS/TESTS		1,200		3,000		
POLYGRAPHS - HP		600		-		
PRE.EMPLOY. MEDS: GS (GRP II)		2,000		2,000		
PRE.EMPLOY. MEDS: HP (GRP I)		2,600		-		
PSYCHOLOGICAL EXAMS: HP		1,500		-		
RETURN TO WORK MEDICALS		1,500		1,500		
Total: \$	43,252	\$ 141,300	\$ 141,300	\$ 233,500	\$ 92,200	65.3%
630110 Equipment & Systems						
FURNITURE		\$ 5,500		\$ 7,500		
MISC. - EQUIPMENT		1,500		1,500		
Total: \$	1,214	\$ 7,000	\$ 7,000	\$ 9,000	\$ 2,000	28.6%
630130 Office & Operating Supplies						
GENERAL OFFICE SUPPLIES		\$ 13,000		\$ 13,000		
OD&L OFFICE SUPPLIES		2,000		2,000		
Total: \$	6,959	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	0.0%
630140 Postage & Shipping						
POSTAGE		\$ 5,000		\$ 3,200		
Total: \$	3,484	\$ 5,000	\$ 5,000	\$ 3,200	\$ (1,800)	-36.0%

# Human Resources

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630150 Safety Equipment & Supplies SAFETY- ERGONOMICS EQUIP		\$ 1,000		\$ 1,000		
Total: \$	-	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
640100 Space Rental RENTAL/TESTING		\$ 3,100		\$ -		
Total: \$	-	\$ 3,100	\$ 3,100	\$ -	\$ (3,100)	-100.0%
650120 Equipment Maintenance-Supplies EQUIPMENT SUPPLIES OD&L - EQUIPMENT SUPPLIES		\$ 1,800 1,000		\$ 1,800 -		
Total: \$	1,206	\$ 2,800	\$ 2,800	\$ 1,800	\$ (1,000)	-35.7%
650130 Equipment Maintenance-Outside Services HR COPIER/PRINTERS/FAX OD&L COPIER/PRINTER/FAX		\$ 2,000 1,000		\$ - -		
Total: \$	3,606	\$ 3,000	\$ 3,000	\$ -	\$ (3,000)	-100.0%
660100 Advertising ADVERTISEMENTS/MEDIA		\$ 10,000		\$ 12,000		
Total: \$	7,225	\$ 10,000	\$ 10,000	\$ 12,000	\$ 2,000	20.0%
660110 Promotional Services EMPLOYEE EVENT(S) EOM RELATED JOB FAIRS - OUTREACH INITIATIVE MEALS (EXTERNAL PARTICIPANTS) MISCELLANEOUS - DISTRICT RETIREMENT GIFTS/SENDOFF UNITED WAY		\$ 7,500 7,000 - 1,500 1,000 2,000 2,000		\$ 10,000 7,000 5,000 2,000 1,000 2,000 2,000		
Total: \$	3,501	\$ 21,000	\$ 21,000	\$ 29,000	\$ 8,000	38.1%
660120 Promotional Materials PROMOTIONAL MATERIALS		\$ 1,500		\$ 2,500		
Total: \$	-	\$ 1,500	\$ 1,500	\$ 2,500	\$ 1,000	66.7%
670150 Retiree Health Benefits (Paid) RETIREE HEALTH BENEFITS		\$ 3,240,800		\$ 3,593,700		
Total: \$	2,839,637	\$ 3,240,800	\$ 3,240,800	\$ 3,593,700	\$ 352,900	10.9%
670155 Preservation of Benefits Plan (POB) PRESERVATION OF BENEFITS PLAN		\$ 260,000		\$ 285,000		
Total: \$	237,000	\$ 260,000	\$ 260,000	\$ 285,000	\$ 25,000	9.6%

# Human Resources

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
670190 Other Miscellaneous Operating Expenses						
Total: \$	8,597	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 3,254,703	\$ 3,897,700	\$ 3,897,700	\$ 4,402,700	\$ 505,000	13.0%
GRAND TOTAL: \$	3,263,940	\$ 3,900,700	\$ 3,900,700	\$ 4,405,700	\$ 505,000	12.9%

# MARITIME

## Mission Statement

To facilitate and maximize maritime commerce through the enhancement of the maritime cargo and cruise ship terminals, and provide a safe and secure work and recreation area for the betterment of the San Diego region.

To generate maritime cargo business, optimize utilization of the District's public goods movement infrastructure, maximize Maritime's positive economic impact to the San Diego region, and represent the interests of the District through presence and advocacy in industry, civic and community forums, in support of the District's goal to a thriving and modern maritime seaport.

To spearhead commercial business development, marketing, and sales to increase capacity and volume for the District's maritime cruise business.

## Strategies:

- Upgrade infrastructure, equipment, and facilities for a modernized, efficient, and safe working port
- Increase export and import potential through the identification of key target markets to maintain, grow, and capture new business
- Advocate for a national funding strategy for seaports as part of a goods movement network
- Practice environmentally smart and efficient goods movement
- Foster the economic growth and retention of shipbuilding and repair

## Vision Statement

To provide a stable environment in which economic growth of the working waterfront can occur to promote safe, secure, and vibrant marine terminals that enhance the San Diego region.

## Objectives

### Maritime Department

- Maintain the District's financial stability
- Have a positive economic impact on the region
- Enhance the regional movement of goods
- Preserve and enhance industrial uses and activities
- Encourage an organizational culture of learning and growth

### Maritime Operations

- Develop partnerships with customers and District tenants
- Deliver customer-focused services in an effective, timely, and courteous manner
- Create and sustain positive relationships with stakeholders and the community at large
- Participate visibly and collaboratively with communities in the region
- Proactively promote innovative programs to address specific environmental issues
- Facilitate, develop, and maintain District infrastructure to support businesses and economic activities
- Increase the capacity and volume of cruise ship business
- Reinforce a regional coordinated security and public safety program for all District operations, assets, and information exchange
- Continuously evaluate and improve business systems and processes
- Retain the intellectual assets and corporate knowledge of the District
- Recruit and retain a highly skilled, diverse workforce

### Maritime Trade

- Pursue new business opportunities in the cargo and cruise markets
- Retain and expand critical customer accounts
- Develop and maintain regional cargo transportation infrastructure to support businesses and economic activities
- Raise public and industry awareness of the benefits of maritime trade
- Diversify the District's revenue base
- Develop recommendations in cooperation with customers on terminal infrastructure improvements outlined in the Maritime Business Plan Update to enhance throughput and increase cargo volumes

### Maritime Properties

- Maximize potential of maritime property portfolio to generate additional capital, achieve competitive advantages, enhance revenue streams, and maximize the District's overall value
- Support infrastructure initiatives for an efficient and modern port
- Encourage investment that stimulates revenue, infrastructure, jobs, and other benefits to the District and its stakeholders
- Maintain and expand maritime tenant and stakeholder relationships
- Continuously evaluate and improve asset management systems and processes

### Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

### Maritime Operations

- Maritime cargo terminal management
- Cruise ship passenger terminal management
- Commercial and recreational infrastructure management of public piers, wharves, and docks
- Commercial fishing vessel slip and commercial pier management
- Community outreach on maritime issues
- Maritime transportation security administration compliance
- Military strategic seaport facilities
- Seaport security surveillance and intrusion detection system program management

### Maritime Trade

- Generate cargo and cruise business
- Build and maintain relationship with decision-makers and industry experts
- Develop and maintain contacts with cargo and transportation interests
- Constant market presence
- Market research and analysis
- Knowledge of numerous and diverse industries and markets
- Jointly market facilities and services with District tenants

### Maritime Properties

- Lease administration services
- Project management and development services
- Property valuation services
- Community and stakeholder interaction and outreach

The Maritime department currently has 29 permanent positions.

## Maritime

Eliminate: 1 Principal, Trade Development

Reclass: 1 Senior Asset Manager to Department Manager, Real Estate

1 Marine Terminal Superintendent to Manager, Maritime Operations

1 Staff Assistant II to Senior Management Analyst

Replace 1 Asset Manager with Program Manager, Real Estate

1 Area Real Estate Manager with Manager, Maritime Commercial Trade and Properties

Retitle: 1 Director, Maritime Operations to Director, Maritime

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	1	1
Area Real Estate Manager	1	0
Asset Manager	2	1
Department Manager, Real Estate	0	1
Director, Maritime	0	1
Director, Maritime Operations	1	0
Executive Assistant I (Classified)	1	1
Management Analyst	1	1
Manager, Maritime Commercial Trade and Properties	0	1
Manager, Maritime Operations	0	1
Manager, Maritime Trade Development	1	1
Marine Terminal Superintendent	1	0
Marine Terminal Supervisor	3	3
Principal, Trade Development	1	0
Program Manager	1	1
Program Manager, Real Estate	0	1
Senior Asset Manager	1	0
Senior Management Analyst	0	1
Senior Trade Account Representative	2	2
Staff Assistant II	2	1
Wharfinger	11	11
<b>TOTAL</b>	<b>30</b>	<b>29</b>

## Maritime

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 4,567,853	\$ 4,710,829	\$ 4,558,700	\$ (152,129)	-3.2%
Non-Personnel Expense	5,750,467	7,350,200	6,626,600	(723,600)	-9.8%
Total Direct Expense	\$ 10,318,320	\$ 12,061,029	\$ 11,185,300	\$ (875,729)	-7.3%
Less: Capitalized Expense	(103,333)	-	-	-	-
Equipment Outlay	137,484	59,000	58,000	(1,000)	-1.7%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 10,352,471</b>	<b>\$ 12,120,029</b>	<b>\$ 11,243,300</b>	<b>\$ (876,729)</b>	<b>-7.2%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 2,718,662	\$ 2,758,493	\$ 2,714,000	\$ (44,493)	-1.6%
Overtime	20,312	28,800	28,800	-	0.0%
Burden	1,543,811	1,627,536	1,533,500	(94,036)	-5.8%
OPEB Annual Expense	285,069	296,000	282,400	(13,600)	-4.6%
Temporary Personnel	-	-	-	-	-
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 4,567,853</b>	<b>\$ 4,710,829</b>	<b>\$ 4,558,700</b>	<b>\$ (152,129)</b>	<b>-3.2%</b>

## Maritime

### EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 15/16
MEDIUM SIZED PICK UP TRUCK	2	29,000	\$ 58,000
TOTAL	2		\$ 58,000



# Maritime

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
MO - WHARFINGERS, MARINE TERM		\$ 28,800		\$ 28,800		
Total:	\$ 20,312	\$ 28,800	\$ 28,800	\$ 28,800	\$ -	0.0%
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	<b>\$ 20,312</b>	<b>\$ 28,800</b>	<b>\$ 28,800</b>	<b>\$ 28,800</b>	<b>\$ -</b>	<b>0.0%</b>
610100 Awards - Service						
Total:	\$ 109	\$ -	\$ -	\$ -	\$ -	N/A
610110 Books & Periodicals						
MARITIME/INDUSTRY PERIODICALS		\$ 400		\$ 2,800		
Total:	\$ 185	\$ 400	\$ 400	\$ 2,800	\$ 2,400	600.0%
610115 Employee Recognition						
OPS & TRADE		\$ 900		\$ 900		
Total:	\$ 1,020	\$ 900	\$ 900	\$ 900	\$ -	0.0%
610120 Memberships & Dues						
MEMBERSHIP & DUES		\$ 35,800		\$ 50,400		
Total:	\$ 27,481	\$ 35,800	\$ 35,800	\$ 50,400	\$ 14,600	40.8%
610140 Seminars & Training						
AMERICAN ASSN OF PORT AUTHORIT		\$ 6,300		\$ -		
INTL CULTURAL COMMUNICATION		2,100		-		
LEADERSHIP PROGRAM		-		4,000		
PROFESSIONAL DEVELOPMENT		-		15,100		
SALES TRAINING		3,400		3,400		
TRAINING PROGRAMS		-		11,500		
Total:	\$ 2,372	\$ 11,800	\$ 11,800	\$ 34,000	\$ 22,200	188.1%
615100 Mileage Reimbursement						
MILEAGE		\$ 3,600		\$ 5,500		
Total:	\$ 4,332	\$ 3,600	\$ 3,600	\$ 5,500	\$ 1,900	52.8%
615110 Travel						
AAPA		\$ 5,300		\$ -		
BROOKING EXPORT INITIATIVE MISSION		-		5,000		
CLIA LEADERSHIP FORUM CONF		2,500		5,000		
CRUISE 3SIXTY CONFERENCE		3,500		7,000		
CRUISE SHIPPING MIAMI CONF		5,600		11,200		
DOMESTIC SALES TRIPS / CONF		44,000		30,000		
FL CARRIBEAN CRUISE ASSN CONF		4,500		9,000		
INTL SALES TRIPS - ASIA		22,500		22,500		
INTL SALES TRIPS - OTHER		27,600		22,000		

# Maritime

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
NORTHWEST & CANADA CRUISE CONF		2,500		5,000		
PROFESSIONAL DEVELOPMENT		-		13,900		
TRADE MISSIONS - DOMESTIC		2,800		-		
TRADE MISSIONS - EUROPE		24,700		24,700		
TRADE MISSIONS - HAWAII		-		5,000		
TRADE MISSIONS - SOUTH AMERICA		18,000		18,000		
<b>Total:</b>	<b>\$ 67,273</b>	<b>\$ 163,500</b>	<b>\$ 163,500</b>	<b>\$ 178,300</b>	<b>\$ 14,800</b>	<b>9.1%</b>
620100 Services - Professional & Other						
CARGO BROKER	\$ -			\$ 60,000		
CCTV WATCHSTANDER		260,000		260,000		
CONSULTING SERVICES		225,000		300,000		
EXPORT INITIATIVE		40,000		-		
FACILITY SEC PLAN AUDITS		18,500		18,500		
INDUSTRIAL INFO SUBSCRIPTIONS		10,000		-		
INT'L SALES TRIP/TRADE MISSION		15,000		25,000		
MARITIME STUDIES		200,000		-		
MOTEMS - 2015 AUDIT		8,000		-		
MOTEMS - DOCUMENTATION OF OIL TRANS		87,000		83,000		
MOTEMS - UNDERWATER INSPECTION		83,000		-		
PROFESSIONAL SERVICES		90,000		12,000		
SD REGIONAL ECON DEV CORP/WTC		-		105,000		
SECURITY SVCS - CARGO TERMINAL		423,200		405,900		
SECURITY SVCS - CRUISE/EVENTS		1,010,000		785,000		
TAMT SECURITY PLAN UPDATE		30,000		30,000		
TARIFF PEER REVIEW (PHASE II)		-		9,500		
WORLD TRADE CTR RESEARCH		75,000		-		
<b>Total:</b>	<b>\$ 1,916,580</b>	<b>\$ 2,574,700</b>	<b>\$ 2,574,700</b>	<b>\$ 2,093,900</b>	<b>\$ (480,800)</b>	<b>-18.7%</b>
620130 Services - Operator Retention						
PASHA	\$ 3,455,400			\$ 3,038,000		
<b>Total:</b>	<b>\$ 2,910,369</b>	<b>\$ 3,455,400</b>	<b>\$ 3,455,400</b>	<b>\$ 3,038,000</b>	<b>\$ (417,400)</b>	<b>-12.1%</b>
630110 Equipment & Systems						
CARGO/CRUISE TERMINAL EQUIPMT	\$ 36,000			\$ 160,000		
<b>Total:</b>	<b>\$ 19,717</b>	<b>\$ 36,000</b>	<b>\$ 36,000</b>	<b>\$ 160,000</b>	<b>\$ 124,000</b>	<b>344.4%</b>
630120 Equipment Rental/Leasing						
CRUISE EQUIPMT/TENT RENTAL	\$ 15,000			\$ 24,000		
LIGHTS RENTAL - TAMT T/S 1 DEMO	-			6,000		
MO - WATER DISP/COOLERS	1,000			1,800		
NOAA OFFICE TRAILER / MISC. EQUIPMT	25,000			-		
SECURITY/STAFF OFFICE TRAILERS	7,000			2,500		
TEMPORARY FENCE RENTAL (CSF)	2,100			1,400		
TENANT OFFICE TRAILER (METRO)	2,400			2,000		
<b>Total:</b>	<b>\$ 19,036</b>	<b>\$ 52,500</b>	<b>\$ 52,500</b>	<b>\$ 37,700</b>	<b>\$ (14,800)</b>	<b>-28.2%</b>

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
MO - SUPPLIES FOR 3 TERMINALS		\$ 15,000		\$ 17,200		
MP - BUSINESS CARDS		1,200		-		
TWIC CARDS NEW/REPLACE		500		3,900		
Total: \$	15,066	\$ 16,700	\$ 16,700	\$ 21,100	\$ 4,400	26.3%
630140 Postage & Shipping						
FEDEX (INT'L)		\$ 1,000		\$ 1,000		
POSTAGE		1,500		1,500		
Total: \$	843	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	0.0%
630150 Safety Equipment & Supplies						
TERMINAL SAFETY EQUIPMENT		\$ 2,100		\$ 2,100		
WHARFINGER SAFETY SUPPLIES		5,000		7,000		
Total: \$	965	\$ 7,100	\$ 7,100	\$ 9,100	\$ 2,000	28.2%
640100 Space Rental						
CALIF SLC RENT, MOORING AREAS		\$ 15,000		\$ 20,000		
CRUISE PERSONNEL PARKING		75,000		75,000		
HS - CORONADO HOA LEASE		14,400		7,200		
HS ONE AMERICA PLAZA LEASE		40,000		40,000		
Total: \$	73,873	\$ 144,400	\$ 144,400	\$ 142,200	\$ (2,200)	-1.5%
640130 Utilities-Water						
TERMINALS WATER METER/HYDRANT		\$ 2,100		\$ 1,000		
Total: \$	1,027	\$ 2,100	\$ 2,100	\$ 1,000	\$ (1,100)	-52.4%
640150 Facility Management Services						
B ST PIER PUBLIC PARKING LOT		\$ 46,500		\$ 35,700		
NATIONAL DISTRIBUTION CENTER		344,000		344,000		
Total: \$	398,852	\$ 390,500	\$ 390,500	\$ 379,700	\$ (10,800)	-2.8%
650100 Facilities Maintenance-Supplies						
CARGO/CRUISE TERMINALS		\$ 5,000		\$ 5,000		
Total: \$	1,593	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	0.0%
650110 Facilities Maintenance-Outside Services						
GRAVEL - TAMT FRONT DIRT LOT		\$ 3,300		\$ 3,300		
JANITORIAL - B ST & BDWY TERMINALS		119,300		119,300		
K-RAIL		2,800		2,800		
Total: \$	92,333	\$ 125,400	\$ 125,400	\$ 125,400	\$ -	0.0%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
650130 Equipment Maintenance-Outside Services						
OFFICE EQUIPMENT		\$ 10,600		\$ 10,600		
SHOREPOWER SYSTEMS - CST & TAMT		268,000		287,900		
TRAFFIC MESSAGE SIGNS		4,000		-		
<b>Total:</b>	<b>\$ 159,035</b>	<b>\$ 282,600</b>	<b>\$ 282,600</b>	<b>\$ 298,500</b>	<b>\$ 15,900</b>	<b>5.6%</b>
660110 Promotional Services						
BREAKBULK CONF - US & INTL		\$ 3,400		\$ 3,400		
CRUISE SEASON KICK OFF MTG		500		500		
CRUISE SHIPPING MIAMI CONF		-		1,000		
CRUISE TRADE SHOWS		6,500		6,500		
DOMESTIC & INTL PROMOTIONS		-		10,000		
DOMESTIC PROMOTIONS		10,000		-		
INDUSTRY / TRADE CONF - U.S. & INTL		6,100		6,000		
INDUSTRY EVENT SPONSORSHIPS		5,300		10,000		
INTERNATIONAL SALES CALLS		1,000		1,000		
MARITIME ALLIANCE SPONSORSHIP		5,000		-		
MARITIME RETREAT		-		1,200		
OPERATION CUSTOMER MTGS		500		1,000		
<b>Total:</b>	<b>\$ 37,545</b>	<b>\$ 38,300</b>	<b>\$ 38,300</b>	<b>\$ 40,600</b>	<b>\$ 2,300</b>	<b>6.0%</b>
660120 Promotional Materials						
<b>Total:</b>	<b>\$ 860</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
660130 Svcs - Fire, Police, Rescue, Emergency						
CRUISE TERMINALS - CITY POLICE		\$ 700		\$ -		
<b>Total:</b>	<b>\$ -</b>	<b>\$ 700</b>	<b>\$ 700</b>	<b>\$ -</b>	<b>\$ (700)</b>	<b>-100.0%</b>
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE		\$ 300		\$ -		
<b>Total:</b>	<b>\$ -</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ -</b>	<b>\$ (300)</b>	<b>-100.0%</b>
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	<b>\$ 5,750,467</b>	<b>\$ 7,350,200</b>	<b>\$ 7,350,200</b>	<b>\$ 6,626,600</b>	<b>\$ (723,600)</b>	<b>-9.8%</b>
<b>GRAND TOTAL:</b>	<b>\$ 5,770,778</b>	<b>\$ 7,379,000</b>	<b>\$ 7,379,000</b>	<b>\$ 6,655,400</b>	<b>\$ (723,600)</b>	<b>-9.8%</b>

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# MARKETING & COMMUNICATIONS

## Mission Statement

We provide integrated marketing and communications services and business development activities designed to meet the needs of the District's strategic goals, particularly "a Port that the public understands, trusts, and values" and "a vibrant waterfront destination where residents and visitors converge."

We are creative people working harmoniously in an atmosphere of openness, encouragement, innovation, professional growth, and high standards of service for a District that is regarded by our stakeholders, other agencies, and the public as an exemplary, transparent organization.

## Vision Statement

We advance the District's strategic goals and build productive, trusted relationships with visitors and residents of the region, our five member cities, stakeholders, District employees, and others by providing exceptional service and accurate information in a timely and transparent manner.

## Objectives

- Create and sustain positive relationships with stakeholders and the community at large by educating and informing the public and others in a timely way on District and related issues
- Develop marketing efforts to support the District's maritime, tourism, and real estate-related businesses
- Raise awareness of the District, its business lines, activities, and regional value
- Maintain professional media relations
- Provide effective community outreach
- Attract San Diegans and visitors through opportunities for public recreation, enjoyment of and access to the tidelands
- Attract new visitors to the San Diego Bay tidelands through activation efforts and community sponsorships
- Activate the tidelands through special events and cultural enrichment activities
- Support activities that generate promotional and economic benefit through marketing sponsorships and signature events
- Drive cruise, cargo, and tourism marketing and sales
- Foster opportunities for new business development

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

- Brand management and corporate identity
- Marketing and communications services to a wide range of stakeholders, locally, regionally, nationally, and internationally
- Tourism marketing
- Cruise marketing
- Cargo marketing
- Marketing for new business development and public private financing partnerships
- Media relations
- Community outreach on individual District projects
- Speakers bureau management
- Speech and presentation development
- Educational collateral materials
- Website development/management and social media distribution

- Employee/internal communications and graphic needs
- Public tours and delegation visits
- Special event management and marketing District wide services and events
- Rental and management of the Port Pavilion event center
- Tidelands Activation Program
- Activation activities
- Park permitting

The Marketing & Communications department currently has 17 permanent positions.

## Marketing & Communications

Convert: 1 Manager, Marketing & Communications (Limited) to Manager, Marketing & Communications

1 Web Content Specialist (Limited) to Multi-Media Specialist

Reclass: 1 Park Permit Coordinator to Special Events Associate

Replace: 1 Graphic Designer with Multi-Media Specialist

1 Senior Management Analyst with Marketing/Public Relations Representative

1 Photojournalist with Executive Assistant I (Classified)

Transfer: 1 Executive Assistant I to Government & Civic Relations

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	2	2
Director, Marketing & Communications	1	1
Executive Assistant I (Classified)	1	1
Graphic Designer	1	0
Manager, Business Development & Recreation Services	1	1
Manager, Marketing & Communications	0	1
Marketing/Public Relations Representative	3	4
Multi-Media Specialist	0	2
Park Permit Coordinator	1	0
Photojournalist	1	0
Principal Marketing/Public Relations Rep	2	2
Senior Management Analyst	1	0
Senior Web Developer	1	1
Special Events Associate	0	1
Vice President, Strategy & Business Dev	1	1
<b>TOTAL</b>	<b>16</b>	<b>17</b>

### LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Web Content Specialist	1	0
Manager, Marketing & Communications	1	0
<b>TOTAL</b>	<b>2</b>	<b>0</b>

### INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Intern	1	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>



## Marketing & Communications

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 2,253,794	\$ 2,611,624	\$ 2,295,200	\$ (316,424)	-12.1%
Non-Personnel Expense	1,379,736	1,773,000	1,765,000	(8,000)	-0.5%
Total Direct Expense	\$ 3,633,530	\$ 4,384,624	\$ 4,060,200	\$ (324,424)	-7.4%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,633,530</b>	<b>\$ 4,384,624</b>	<b>\$ 4,060,200</b>	<b>\$ (324,424)</b>	<b>-7.4%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 1,320,009	\$ 1,480,804	\$ 1,398,400	\$ (82,404)	-5.6%
Overtime	879	1,000	1,000	-	0.0%
Burden	785,457	932,520	710,300	(222,220)	-23.8%
OPEB Annual Expense	147,449	177,300	165,500	(11,800)	-6.7%
Temporary Personnel	-	20,000	20,000	-	0.0%
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 2,253,794</b>	<b>\$ 2,611,624</b>	<b>\$ 2,295,200</b>	<b>\$ (316,424)</b>	<b>-12.1%</b>

# Marketing & Communications

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 1,000		\$ 1,000		
Total: \$	879	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
600120 Temporary Personnel TEMPORARY PERSONNEL		\$ 20,000		\$ 20,000		
Total: \$	-	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.0%
SUBTOTAL: OVERTIME & TEMPS	\$ 879	\$ 21,000	\$ 21,000	\$ 21,000	\$ -	0.0%
610110 Books & Periodicals PROF & MEDIA PUBLICATIONS		\$ 1,000		\$ 1,000		
Total: \$	637	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 1,000		\$ 1,000		
Total: \$	1,040	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 51,000		\$ 7,600		
Total: \$	60,510	\$ 51,000	\$ 51,000	\$ 7,600	\$ (43,400)	-85.1%
610140 Seminars & Training SEMINARS & TRAINING		\$ 4,300		\$ 8,400		
Total: \$	4,200	\$ 4,300	\$ 4,300	\$ 8,400	\$ 4,100	95.3%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 8,400		\$ 7,500		
Total: \$	3,874	\$ 8,400	\$ 8,400	\$ 7,500	\$ (900)	-10.7%
615110 Travel TECHNICAL/TRNG/PROFESSIONAL		\$ 5,000		\$ 21,500		
Total: \$	13,192	\$ 5,000	\$ 5,000	\$ 21,500	\$ 16,500	330.0%
620100 Services - Professional & Other BROCHURE DISTRIBUTION		\$ 14,000		\$ 14,000		
ECONOMIC IMPACT REPORT		34,000		60,000		
PHOTOS, PRINTS, & DISPLAYS		6,000		40,000		
SERVICE CONTRACTS		150,000		130,000		
STRATEGIC PLANNING		100,000		100,000		
Total: \$	865,528	\$ 304,000	\$ 304,000	\$ 344,000	\$ 40,000	13.2%
630110 Equipment & Systems						
Total: \$	249	\$ -	\$ -	\$ -	\$ -	N/A

# Marketing & Communications

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630120 Equipment Rental/Leasing SPECIAL EVENT RENTALS		\$ 50,000		\$ 40,000		
Total: \$	18,902	\$ 50,000	\$ 50,000	\$ 40,000	\$ (10,000)	-20.0%
630130 Office & Operating Supplies OFFICE & GRAPHIC ART SUPPLIES		\$ 14,400		\$ 11,000		
Total: \$	8,566	\$ 14,400	\$ 14,400	\$ 11,000	\$ (3,400)	-23.6%
630140 Postage & Shipping POSTAGE		\$ 900		\$ 1,000		
Total: \$	252	\$ 900	\$ 900	\$ 1,000	\$ 100	11.1%
660100 Advertising						
Total: \$	290,665	\$ -	\$ -	\$ -	\$ -	N/A
660105 Marketing/Outreach BIG BAY BALLOON		\$ 145,000		\$ 145,000		
BIG BAY BOOM		145,000		145,000		
CORPORATE/COMMUNITY OUTREACH		235,000		165,000		
CRUISE		110,000		110,000		
EVENTS		50,000		30,000		
MARITIME		60,000		60,000		
MARKETING SERVICES		190,000		160,000		
TIDELANDS ACTIVATION PROGRAM		260,000		360,000		
Total: \$	-	\$ 1,195,000	\$ 1,195,000	\$ 1,175,000	\$ (20,000)	-1.7%
660110 Promotional Services TABLES/BOOTH SPONSORSHIPS		\$ 100,000		\$ 100,000		
TRADE SHOWS AND CONFERENCES		15,000		-		
Total: \$	103,486	\$ 115,000	\$ 115,000	\$ 100,000	\$ (15,000)	-13.0%
660120 Promotional Materials PROMOTIONAL ITEMS/MATERIALS		\$ 20,000		\$ 45,000		
SPECIAL EVENT EQUIPMENT		3,000		2,000		
Total: \$	7,349	\$ 23,000	\$ 23,000	\$ 47,000	\$ 24,000	104.3%
670130 Permits/Certificates/License						
Total: \$	1,287	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,379,736	\$ 1,773,000	\$ 1,773,000	\$ 1,765,000	\$ (8,000)	-0.5%
GRAND TOTAL:	\$ 1,380,615	\$ 1,794,000	\$ 1,794,000	\$ 1,786,000	\$ (8,000)	-0.4%

## Miscellaneous Administration Building

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ -	\$ -	\$ -	\$ -	-
Non-Personnel Expense	170,820	170,900	170,900	-	0.0%
Total Direct Expense	\$ 170,820	\$ 170,900	\$ 170,900	\$ -	0.0%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 170,820	\$ 170,900	\$ 170,900	\$ -	0.0%

**Miscellaneous Administration Building**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
640100 Space Rental						
CALTRANS-(ADMIN BLDG PARKING)		\$ 21,400		\$ 21,400		
SDCRAA LEASE (EE PARKING)		149,500		149,500		
Total:	\$ 170,820	\$ 170,900	\$ 170,900	\$ 170,900	\$ -	0.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 170,820	\$ 170,900	\$ 170,900	\$ 170,900	\$ -	0.0%
GRAND TOTAL:	\$ 170,820	\$ 170,900	\$ 170,900	\$ 170,900	\$ -	0.0%

## MSA, Interest & Other

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ -	\$ -	\$ -	\$ -	-
Non-Personnel Expense	15,788,925	12,711,100	13,293,000	581,900	4.6%
Total Direct Expense	\$ 15,788,925	\$ 12,711,100	\$ 13,293,000	\$ 581,900	4.6%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 15,788,925</b>	<b>\$ 12,711,100</b>	<b>\$ 13,293,000</b>	<b>\$ 581,900</b>	<b>4.6%</b>

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
620100 Services - Professional & Other						
Total:	\$ 69,760	\$ -	\$ -	\$ -	\$ -	N/A
650110 Facilities Maintenance-Outside Services						
IMPERIAL BEACH MAINTENANCE	\$ 934,700			\$ 941,800		
Total:	\$ 913,919	\$ 934,700	\$ 934,700	\$ 941,800	\$ 7,100	0.8%
660100 Advertising						
Total:	\$ (12,437)	\$ -	\$ -	\$ -	\$ -	N/A
660110 Promotional Services						
Total:	\$ (1,675)	\$ -	\$ -	\$ -	\$ -	N/A
660130 Svcs - Fire, Police, Rescue, Emergency						
MUNICIPAL SERVICE AGREEMENTS	\$ 7,390,800			\$ 7,446,600		
Total:	\$ 7,228,114	\$ 7,390,800	\$ 7,390,800	\$ 7,446,600	\$ 55,800	0.8%
670140 Legal Settlements						
Total:	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	N/A
670190 Other Miscellaneous Operating Expenses						
CONTINGENCY	\$ 240,700			\$ 1,000,000		
MARITIME INDUSTRIAL IMPACT FUND	100,000			-		
Total:	\$ 119,943	\$ 340,700	\$ 340,700	\$ 1,000,000	\$ 659,300	193.5%
670191 Other Miscellaneous -Sub-Grantee's Expen						
Total:	\$ 873,239	\$ -	\$ -	\$ -	\$ -	N/A
680120 Interest-SDCRAA, NEVP & Other Misc.						
CIVIC SAN DIEGO	\$ 332,000			\$ 489,100		
SDCRAA NOTE INTEREST	2,156,000			2,075,500		
Total:	\$ 2,270,899	\$ 2,488,000	\$ 2,488,000	\$ 2,564,600	\$ 76,600	3.1%
680621 Interest Expense - Series A 2004 Bonds						
INTEREST	\$ 464,300			\$ 393,100		
PREMIUM AMORTIZATION	(38,200)			(36,900)		
Total:	\$ 492,693	\$ 426,100	\$ 426,100	\$ 356,200	\$ (69,900)	-16.4%
680622 Interest Expense - Series B 2004 Bonds						
Total:	\$ 492,579	\$ -	\$ -	\$ -	\$ -	N/A

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
680623 Interest Expense - Series A 2013 Bonds						
DEFERRED OUTFLOW AMORT		\$ -		\$ (12,100)		
INTEREST		1,357,800		1,236,900		
PREMIUM AMORTIZATION		(227,000)		(241,000)		
Total:	\$ 741,891	\$ 1,130,800	\$ 1,130,800	\$ 983,800	\$ (147,000)	-13.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 15,788,925	\$ 12,711,100	\$ 12,711,100	\$ 13,293,000	\$ 581,900	4.6%
GRAND TOTAL:	\$ 15,788,925	\$ 12,711,100	\$ 12,711,100	\$ 13,293,000	\$ 581,900	4.6%



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# OFFICE OF THE DISTRICT CLERK

## Mission Statement

The Office of the District Clerk is comprised of Board Docket Management and Records Management and is dedicated to providing exceptional, precise, and timely management of information and services for our stakeholders.

## Vision Statement

The Office of the District Clerk is a regional model of excellence, providing leadership at every level, partnering to preserve District history, and anticipating the evolving needs of our stakeholders.

## Objectives

- Create and sustain positive relationships with stakeholders and the community at large
- Deliver customer-focused services in an effective, timely, and courteous manner
- Participate visibly and collaboratively with communities in the region
- Retain the intellectual assets and corporate knowledge of the District
- Secure and protect all security sensitive information
- Continuously evaluate and improve business systems and processes
- Educate other departments on the role of the District Clerk and departmental processes
- Recruit and retain a highly skilled, diverse workforce
- Encourage an organizational culture of learning and growth
- Control costs
- Represent the District while being the first point of contact for customers and stakeholders
- Promote a customer service culture throughout the organization that transfers to our external and internal stakeholders
- Enhance communication throughout District departments and the Customer Service Center

## Current Services

To achieve the Department's Mission and Vision statements, staff is committed to providing the following services:

### Office of the District Clerk

- Maintain the Port District Code and ensure compliance with the governances of the California Public Records Act, Brown Act, Political Reform Act, and Ethics Policy
- Maintain Board of Port Commissioners (BPC) policies, certify official records, perform other official duties as specified under the California Government Code, and is the official repository of District archives and records
- Develop, prepare, distribute, and maintain minutes of BPC meetings
- Prepare, distribute, post, and publish BPC and Committee meeting agendas
- Manage electronic access to BPC agenda, information items, agenda related memos (ARMS), and minutes
- Ensure proper administration of the District website by updating and distributing public documents
- Provide logistical support for BPC meetings
- Respond to all public records requests
- Administration of the Conflict of Interest Program
- Create and implement Records and Information Management Systems (RIMS)
- Administration of District-wide Records Retention Program
- Manage the Electronic Document Management System (EDMS)
- Maintain/update BPC Policies, Port District Code, and Administrative Procedures
- Provide central duplication services
- Provide District-wide mail delivery and handling
- Effectively operate the District front desk by handling customer inquiries via phone and e-mail, as well as face-to-face interactions

- Oversee daily operations of the Administration building's first floor, including directing visitors to meeting locations, issuing District vehicle keys to employees, regulating reserved and visitor parking, and posting all conference room schedules
- Assist internal and external customers by providing answers to general District questions and providing guidance to locations within our various facilities

#### **Commissioner and Executive Services**

(Included in the Department for budgetary purposes)

- Provide administrative support to the BPC and executive level staff
- Track BPC requests for information and direction to staff
- Manage executive sponsored programs
- Conduct research and provide analysis on special projects for executives
- Manage corporate travel services

The Office of the District Clerk currently has ten permanent positions.

Commissioner and Executive Services currently have ten permanent positions, including the Executive Director/President/CEO.

## Office of the District Clerk

Transfer: 1 Document Management Assistant to Harbor Police Department  
 1 Staff Assistant II (Unclassified) to Government & Civic Relations

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	2	2
Assistant to President/CEO	1	1
Assistant to Vice President	4	4
Commissioner Services Assistant	2	2
Customer Relations Assistant	1	1
Deputy District Clerk/Docket Coordinator	1	1
Deputy District Clerk/Records Manager	1	1
District Clerk	1	1
Document Management Assistant	2	1
Document Management Associate	2	2
Executive Assistant I (Classified)	1	1
Executive Director	1	1
Management Analyst	1	1
Manager, Commissioner & Executive Svcs	1	1
Staff Assistant II (Unclassified)	1	0
<b>TOTAL</b>	<b>22</b>	<b>20</b>

# Office of the District Clerk

## SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 3,092,562	\$ 2,752,779	\$ 2,665,200	\$ (87,579)	-3.2%
Non-Personnel Expense	142,322	248,000	312,200	64,200	25.9%
Total Direct Expense	\$ 3,234,884	\$ 3,000,779	\$ 2,977,400	\$ (23,379)	-0.8%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 3,234,884	\$ 3,000,779	\$ 2,977,400	\$ (23,379)	-0.8%

## PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 1,781,071	\$ 1,536,334	\$ 1,479,400	\$ (56,934)	-3.7%
Overtime	4,997	15,000	15,000	-	0.0%
Burden	1,092,418	984,845	966,300	(18,545)	-1.9%
OPEB Annual Expense	214,075	216,600	204,500	(12,100)	-5.6%
Temporary Personnel	-	-	-	-	-
TOTAL PERSONNEL EXPENSE	\$ 3,092,562	\$ 2,752,779	\$ 2,665,200	\$ (87,579)	-3.2%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 15,000		\$ 15,000		
Total: \$	4,997	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	0.0%
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	<b>\$ 4,997</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>0.0%</b>
610110 Books & Periodicals CEO		\$ 500		\$ 500		
Total: \$	131	\$ 500	\$ 500	\$ 500	\$ -	0.0%
610115 Employee Recognition CEO COMMISSIONER SERVICES EXECUTIVE OFFICES OFFICE OF THE DISTRICT CLERK		\$ 1,000 200 200 300		\$ 1,000 200 200 400		
Total: \$	973	\$ 1,700	\$ 1,700	\$ 1,800	\$ 100	5.9%
610120 Memberships & Dues CEO COMMISSIONER SERVICES EXECUTIVE OFFICES OFFICE OF THE DISTRICT CLERK		\$ 3,900 400 800 -		\$ 3,900 400 - 1,200		
Total: \$	4,537	\$ 5,100	\$ 5,100	\$ 5,500	\$ 400	7.8%
610140 Seminars & Training ARMA (MONTHLY MEETINGS) CEO COMMISSIONER SERVICES EXECUTIVE OFFICES OFFICE OF THE DISTRICT CLERK		\$ 500 4,700 1,500 - 3,700		\$ 200 4,700 1,500 1,800 5,300		
Total: \$	4,255	\$ 10,400	\$ 10,400	\$ 13,500	\$ 3,100	29.8%
615100 Mileage Reimbursement CEO MILEAGE REIMBURSEMENT		\$ 12,000 2,000		\$ 12,000 2,000		
Total: \$	15,093	\$ 14,000	\$ 14,000	\$ 14,000	\$ -	0.0%
615110 Travel CEO COMMISSIONER SERVICES EXECUTIVE OFFICES OFFICE OF THE DISTRICT CLERK		\$ 50,000 800 - 1,800		\$ 25,000 1,600 1,800 2,000		
Total: \$	31,746	\$ 52,600	\$ 52,600	\$ 30,400	\$ (22,200)	-42.2%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
620100 Services - Professional & Other						
COPY CENTER SERVICES		\$ -		\$ 50,000		
MICROFILMING		600		600		
OFF-SITE STORAGE		500		500		
OFFICE OF THE DISTRICT CLERK		2,500		2,500		
ON-CALL RECORDS RETENTION SERVICES		500		500		
SHREDDING		8,500		8,500		
TRANSCRIPTION SERVICES		2,000		2,000		
Total: \$	9,809	\$ 14,600	\$ 14,600	\$ 64,600	\$ 50,000	342.5%
630110 Equipment & Systems						
SHELVING		\$ -		\$ 1,600		
Total: \$	1,381	\$ -	\$ -	\$ 1,600	\$ 1,600	N/A
630120 Equipment Rental/Leasing						
OFFICE OF THE DISTRICT CLERK		\$ 7,800		\$ 25,800		
OFFSITE BOARD MEETINGS		-		14,200		
Total: \$	2,266	\$ 7,800	\$ 7,800	\$ 40,000	\$ 32,200	412.8%
630130 Office & Operating Supplies						
OFFICE OF THE DISTRICT CLERK		\$ 55,800		\$ 55,800		
Total: \$	49,209	\$ 55,800	\$ 55,800	\$ 55,800	\$ -	0.0%
630140 Postage & Shipping						
OFFICE OF THE DISTRICT CLERK		\$ 2,300		\$ 2,300		
Total: \$	519	\$ 2,300	\$ 2,300	\$ 2,300	\$ -	0.0%
650130 Equipment Maintenance-Outside Services						
OFFICE OF THE DISTRICT CLERK		\$ 3,000		\$ 3,000		
Total: \$	1,460	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	0.0%
660100 Advertising						
OFFICE OF THE DISTRICT CLERK		\$ 15,000		\$ 15,000		
Total: \$	9,375	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	0.0%
660110 Promotional Services						
CEO		\$ 4,000		\$ 3,000		
EXECUTIVE OFFICES		200		200		
OFFICE OF THE DISTRICT CLERK		500		500		
Total: \$	2,272	\$ 4,700	\$ 4,700	\$ 3,700	\$ (1,000)	-21.3%
660120 Promotional Materials						
OFFICE OF THE DISTRICT CLERK		\$ 500		\$ 500		
Total: \$	-	\$ 500	\$ 500	\$ 500	\$ -	0.0%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
670190 Other Miscellaneous Operating Expenses CEO		\$ -		\$ 60,000		
Total: \$	-	\$ -	\$ -	\$ 60,000	\$ 60,000	N/A
680999 Contingency CEO		\$ 60,000		\$ -		
Total: \$	9,295	\$ 60,000	\$ 60,000	\$ -	\$ (60,000)	-100.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 142,322	\$ 248,000	\$ 248,000	\$ 312,200	\$ 64,200	25.9%
GRAND TOTAL: \$	147,320	\$ 263,000	\$ 263,000	\$ 327,200	\$ 64,200	24.4%



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# OFFICE OF THE GENERAL COUNSEL

## Mission Statement

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

## Vision Statement

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

## Objectives

- Provide quality, efficient, and effective legal services to the District
- Implement legally defensible revenue generation streams
- Reduce outside counsel costs through the use of in-house counsel

## Current Services

To achieve our Mission and Vision statements, the Office of the General Counsel is committed to providing the following services:

- Advise the District on matters of legal compliance, including compliance with the Brown Act, Public Records Act, Public Contract Code, San Diego Unified Port District Act, Fair Employment and Housing Act, Americans with Disabilities Act, Board of Port Commissioners Policies, San Diego Unified Port District Code, California Environmental Quality Act, California Coastal Act, Public Trust Doctrine, and numerous other regulations and laws
- Assist in the negotiation and drafting of leases, permits, agreements, contracts, policies, and other transactional documents consistent with the Board's and District's direction, goals, and applicable law
- Represent the District in claims management, administrative proceedings, and litigation with the goal of achieving successful outcomes for the District
- Manage outside counsel to achieve cost effective and favorable outcomes for the Board and District
- Prepare Board resolutions and ordinances accurately memorializing Board action
- Review Board agenda sheets for legal compliance
- In conjunction with District staff, conduct legislative monitoring, draft proposed legislation, assist with lobbying efforts, and interface with bill sponsors as requested and appropriate
- Collaborate with member cities through their respective city attorneys on matters of mutual interest
- Research legal concerns and inquires in order to facilitate the accomplishment of Board and District goals and projects
- Implement proactive legal strategies to minimize legal exposure of the Board and District
- Assist District staff to appropriately analyze and apply legal principles
- Provide continuing legal education opportunities through presentations and seminars to Board and District staff
- Strategize avenues to enhance public entity attorney-client relations
- Review and analyze changes and additions to existing law and regulations affecting the Board and District

The Office of the General Counsel currently has 13 permanent positions.

## Office of the General Counsel

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Assistant General Counsel	1	1
Deputy General Counsel III	2	2
Deputy General Counsel IV	4	4
General Counsel	1	1
Legal Assistant	3	3
Manager, Office of General Counsel Admin	1	1
Paralegal	1	1
TOTAL	13	13

## Office of the General Counsel

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 2,165,122	\$ 2,849,831	\$ 2,874,000	\$ 24,169	0.8%
Non-Personnel Expense	3,596,789	4,430,500	4,430,500	-	0.0%
Total Direct Expense	\$ 5,761,911	\$ 7,280,331	\$ 7,304,500	\$ 24,169	0.3%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 5,761,911	\$ 7,280,331	\$ 7,304,500	\$ 24,169	0.3%

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 1,371,195	\$ 1,808,548	\$ 1,774,300	\$ (34,248)	-1.9%
Overtime	366	500	500	-	0.0%
Burden	670,084	912,783	972,600	59,817	6.6%
OPEB Annual Expense	107,037	128,000	126,600	(1,400)	-1.1%
Temporary Personnel	16,440	-	-	-	-
TOTAL PERSONNEL EXPENSE	\$ 2,165,122	\$ 2,849,831	\$ 2,874,000	\$ 24,169	0.8%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 500		\$ 500		
Total: \$	366	\$ 500	\$ 500	\$ 500	\$ -	0.0%
600120 Temporary Personnel						
Total: \$	16,440	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 16,806	\$ 500	\$ 500	\$ 500	\$ -	0.0%
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 27,200		\$ 27,200		
Total: \$	33,070	\$ 27,200	\$ 27,200	\$ 27,200	\$ -	0.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 500		\$ 500		
Total: \$	488	\$ 500	\$ 500	\$ 500	\$ -	0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 10,000		\$ 11,000		
Total: \$	6,812	\$ 10,000	\$ 10,000	\$ 11,000	\$ 1,000	10.0%
610140 Seminars & Training SEMINARS & TRAINING		\$ 20,000		\$ 22,000		
Total: \$	8,103	\$ 20,000	\$ 20,000	\$ 22,000	\$ 2,000	10.0%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 25,000		\$ 26,000		
Total: \$	23,933	\$ 25,000	\$ 25,000	\$ 26,000	\$ 1,000	4.0%
615110 Travel TRAVEL		\$ 22,000		\$ 23,000		
Total: \$	10,249	\$ 22,000	\$ 22,000	\$ 23,000	\$ 1,000	4.5%
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHE		\$ 1,095,000		\$ 1,095,000		
Total: \$	401,053	\$ 1,095,000	\$ 1,095,000	\$ 1,095,000	\$ -	0.0%
620110 Services - Legal - Port Attorney SERVICES - LEGAL		\$ 3,201,600		\$ 3,201,600		
Total: \$	1,912,640	\$ 3,201,600	\$ 3,201,600	\$ 3,201,600	\$ -	0.0%
620115 Services - Legal - Business Division						
Total: \$	1,071,329	\$ -	\$ -	\$ -	\$ -	N/A

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ -		\$ 2,000		
Total: \$	7,249	\$ -	\$ -	\$ 2,000	\$ 2,000	N/A
630120 Equipment Rental/Leasing EQUIPMENT RENTAL/LEASING		\$ 100		\$ -		
Total: \$	-	\$ 100	\$ 100	\$ -	\$ (100)	-100.0%
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES		\$ 10,000		\$ 11,300		
Total: \$	13,208	\$ 10,000	\$ 10,000	\$ 11,300	\$ 1,300	13.0%
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 1,000		\$ 1,000		
Total: \$	554	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.0%
630150 Safety Equipment & Supplies SAFETY EQUIPMENT & SUPPLIES		\$ 200		\$ -		
Total: \$	-	\$ 200	\$ 200	\$ -	\$ (200)	-100.0%
650130 Equipment Maintenance-Outside Services EQUIPMENT MAINTENANCE-OUTSIDE		\$ 8,000		\$ -		
Total: \$	-	\$ 8,000	\$ 8,000	\$ -	\$ (8,000)	-100.0%
660110 Promotional Services PROMOTIONAL SERVICES		\$ 9,900		\$ 9,900		
Total: \$	7,152	\$ 9,900	\$ 9,900	\$ 9,900	\$ -	0.0%
670140 Legal Settlements						
Total: \$	100,949	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 3,596,789	\$ 4,430,500	\$ 4,430,500	\$ 4,430,500	\$ -	0.0%
GRAND TOTAL: \$	3,613,595	\$ 4,431,000	\$ 4,431,000	\$ 4,431,000	\$ -	0.0%

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# OFFICE OF THE PORT AUDITOR

## Mission Statement

To provide independent, objective assurance, and advisory services that seek to improve the accountability, efficiency, and effectiveness of the District's operations and programs.

## Vision Statement

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

## Objectives

- Provide professional auditing services to assist the District in improving the effectiveness of internal control, governance processes, and risk management
- Report to the Board of Port Commissioners (BPC), conduct audits in accordance with current professional standards, and safeguard District assets against fraud, waste, and abuse
- Ensure the District's compliance with applicable laws, policies, procedures, and mandates
- Assist in maintaining the District's financial stability
- Deliver customer focused services in an effective, timely, and courteous manner
- Build and maintain collaborative stakeholder relationships
- Support the District's Strategic Goals
- Continuously evaluate and improve business systems and processes
- Remain current on professional auditing and accounting standards
- Recruit and retain a highly skilled, diverse workforce

## Current Services

To achieve our Mission and Vision statements, the Office of the Port Auditor is committed to providing the following services:

- Operational reviews
- Financial reviews
- Information systems review and quality assurance
- Program reviews (e.g., Capital Improvement Program)
- Contract reviews
- Tenant audits
- Leasehold improvement reviews
- Business consulting services (e.g., business risks and controls)
- Coordinate and support the external auditor engagement
- Provide support to the Audit Advisory Committee of the BPC
- Administration of the Fraud Prevention/Ethics Hotline

The Office of the Port Auditor currently has six permanent positions.



## Office of the Port Auditor

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Assistant to Port Auditor	1	1
Auditor	2	2
Manager, Audit Services	1	1
Port Auditor	1	1
Senior Auditor	1	1
TOTAL	6	6

# Office of the Port Auditor

## SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 747,351	\$ 846,157	\$ 794,400	\$ (51,757)	-6.1%
Non-Personnel Expense	219,021	296,400	296,400	-	0.0%
Total Direct Expense	\$ 966,371	\$ 1,142,557	\$ 1,090,800	\$ (51,757)	-4.5%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 966,371	\$ 1,142,557	\$ 1,090,800	\$ (51,757)	-4.5%

## PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 405,125	\$ 473,114	\$ 475,400	\$ 2,286	0.5%
Overtime	-	-	-	-	-
Burden	241,737	294,243	260,600	(33,643)	-11.4%
OPEB Annual Expense	44,781	78,800	58,400	(20,400)	-25.9%
Temporary Personnel	55,708	-	-	-	-
TOTAL PERSONNEL EXPENSE	\$ 747,351	\$ 846,157	\$ 794,400	\$ (51,757)	-6.1%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600120 Temporary Personnel						
Total: \$	55,708	\$ -	\$ -	\$ -	\$ -	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 55,708	\$ -	\$ -	\$ -	\$ -	N/A
610110 Books & Periodicals PROFESSIONAL PUBLICATION		\$ 400		\$ 400		
Total: \$	-	\$ 400	\$ 400	\$ 400	\$ -	0.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 300		\$ 300		
Total: \$	197	\$ 300	\$ 300	\$ 300	\$ -	0.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		2,200		2,200		
Total: \$	480	\$ 2,200	\$ 2,200	\$ 2,200	\$ -	0.0%
610140 Seminars & Training SEMINARS		\$ 11,600		\$ 11,600		
Total: \$	1,094	\$ 11,600	\$ 11,600	\$ 11,600	\$ -	0.0%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 13,700		\$ 13,700		
Total: \$	12,713	\$ 13,700	\$ 13,700	\$ 13,700	\$ -	0.0%
615110 Travel TRAVEL		\$ 5,300		\$ 6,800		
Total: \$	1,883	\$ 5,300	\$ 5,300	\$ 6,800	\$ 1,500	28.3%
620100 Services - Professional & Other EXTERNAL AUDITOR FRAUD/ETHICS HOTLINE OUTSOURCED AUDITS		\$ 102,700 2,500 150,000		\$ 102,700 2,500 150,000		
Total: \$	200,955	\$ 255,200	\$ 255,200	\$ 255,200	\$ -	0.0%
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ 2,700		\$ 1,200		
Total: \$	-	\$ 2,700	\$ 2,700	\$ 1,200	\$ (1,500)	-55.6%
630130 Office & Operating Supplies OFFICE SUPPLIES		\$ 4,600		\$ 4,600		
Total: \$	1,566	\$ 4,600	\$ 4,600	\$ 4,600	\$ -	0.0%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 300		\$ 300		
Total: \$	92	\$ 300	\$ 300	\$ 300	\$ -	0.0%
660110 Promotional Services PROMOTIONAL SERVICES		\$ 100		\$ 100		
Total: \$	40	\$ 100	\$ 100	\$ 100	\$ -	0.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 219,021	\$ 296,400	\$ 296,400	\$ 296,400	\$ -	0.0%
GRAND TOTAL: \$	274,728	\$ 296,400	\$ 296,400	\$ 296,400	\$ -	0.0%

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# PROCUREMENT SERVICES

## Mission Statement

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 Statement

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

## Objectives

- Add value to the District
- Create and sustain positive relationships with the stakeholders and the community at large
- Deliver customer-focused services in an effective, timely, and courteous manner
- Optimize proactive vendor relationship
- Maximize opportunities for Small Business Enterprise (SBE)
- Continuously evaluate and improve business system and process
- Retain the intellectual assets and corporate knowledge of the District
- Recruit and retain a highly skilled, diverse workforce
- Encourage an organizational culture of learning and growth
- Maximize the use of District funds
- Control costs

## Current Services

To achieve our Mission and Vision statements, Procurement Services is committed to providing the following services:

- Perform competitive solicitations for procurement of supplies, materials, equipment, services, and public works contracts
- Develop and administer professional and consulting services agreements, major maintenance contracts, and public works contracts
- Administer the District's procurement card program
- Maintain an effective database of vendors, suppliers, contractors, and service providers who are interested in doing business with the District
- Perform centralized receipt, inspection, acceptance, and distribution of material and equipment
- Process damaged goods and lost in shipment claims with freight carriers
- Prepare shipping documents and bills of lading to account for shipped materials
- 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 US mail to and from outlying facilities in support of the District's mailroom operations
- Manage District vehicle and vessel fleet title and registration documents
- Conduct business outreach events for current and potential vendors and contractors
- Conduct and/or sponsor technical assistance and vendor development workshops
- Review and provide Equal Opportunity Program language for solicitations and BPC agenda sheets
- Verify good faith efforts of apparent low bidders
- Assist potential Small Business Enterprise (SBE) vendors in registering with the District's Procurement Services department for bidding opportunities

- Provide internal training on District procurement processes and participate in training for requisitioning

The Procurement Services department currently has 17 permanent positions, and provides support from the District's General Services Maintenance Facility located at National City.

## Procurement Services

Eliminate: 1 Senior Equal Opportunity Analyst

Reclass: 1 Administrative Assistant II (Classified) to Procurement Analyst I

Replace: 1 Assistant Procurement Analyst with Procurement Analyst I

1 Contracts Supervisor with Procurement Supervisor

2 Contracts Administrators with Procurement Analysts II

1 Purchasing Analyst with Procurement Analyst I

1 Senior Purchasing Analyst with Procurement Analyst II

1 Manager, Procurement Services with Director, Procurement Services/Chief Procurement Officer

1 Purchasing Supervisor with Manager, Procurement Services

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	4	3
Assistant Procurement Analyst	1	0
Contracts Administrator	2	0
Contracts Supervisor	1	0
Director, Procurement Services/Chief Procurement Officer	0	1
Distribution & Storage Technician I	2	2
Distribution & Storage Technician II	1	1
Lead Distribution & Storage Technician	1	1
Manager, Distribution & Storage	1	1
Manager, Procurement Services	1	1
Procurement Analyst I	0	3
Procurement Analyst II	0	3
Procurement Supervisor	0	1
Purchasing Analyst	1	0
Purchasing Supervisor	1	0
Senior Equal Opportunity Analyst	1	0
Senior Purchasing Analyst	1	0
<b>TOTAL</b>	<b>18</b>	<b>17</b>

### INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Intern	0	1
<b>TOTAL</b>	<b>0</b>	<b>1</b>



## Procurement Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 1,689,400	\$ 1,890,142	\$ 1,944,000	\$ 53,858	2.8%
Non-Personnel Expense	29,278	52,200	70,800	18,600	35.6%
Total Direct Expense	\$ 1,718,678	\$ 1,942,342	\$ 2,014,800	\$ 72,458	3.7%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 1,718,678	\$ 1,942,342	\$ 2,014,800	\$ 72,458	3.7%

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 972,766	\$ 1,097,454	\$ 1,075,600	\$ (21,854)	-2.0%
Overtime	514	2,000	2,000	-	0.0%
Burden	555,564	613,388	700,900	87,512	14.3%
OPEB Annual Expense	160,555	177,300	165,500	(11,800)	-6.7%
Temporary Personnel	-	-	-	-	-
TOTAL PERSONNEL EXPENSE	\$ 1,689,400	\$ 1,890,142	\$ 1,944,000	\$ 53,858	2.8%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 2,000		\$ 2,000		
Total: \$	514	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	0.0%
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	<b>\$ 514</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>0.0%</b>
610110 Books & Periodicals TRADE RELATED		\$ 500		\$ 300		
Total: \$	-	\$ 500	\$ 500	\$ 300	\$ (200)	-40.0%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 500		\$ 500		
Total: \$	100	\$ 500	\$ 500	\$ 500	\$ -	0.0%
610120 Memberships & Dues CAPPO MEMBERSHIP MEMBERSHIPS & DUES MSDS ONLINE NAT CONTRACT MGT ASSN (NCMA)		\$ 1,200 1,400 400 1,000		\$ 1,500 1,000 - 1,000		
Total: \$	1,610	\$ 4,000	\$ 4,000	\$ 3,500	\$ (500)	-12.5%
610140 Seminars & Training ADDITIONAL PROCUREMENT TRAINING ANNUAL CAPPO CONFERENCE CMAA CONSTRUCTION LAW UPDATE MISC PROCUREMENT BASED TRAINING MONTHLY CAPPO MEETINGS SKILLS TRAINING		\$ - - - - - 4,000		\$ 4,700 600 900 2,500 1,200 -		
Total: \$	2,149	\$ 4,000	\$ 4,000	\$ 9,900	\$ 5,900	147.5%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT TRANSIT PASSES		\$ 300 1,700		\$ 1,000 1,100		
Total: \$	1,149	\$ 2,000	\$ 2,000	\$ 2,100	\$ 100	5.0%
615110 Travel TRAINING		\$ -		\$ 10,000		
Total: \$	-	\$ -	\$ -	\$ 10,000	\$ 10,000	N/A
630100 Breakage & Obsolescence						
Total: \$	610	\$ -	\$ -	\$ -	\$ -	N/A
630120 Equipment Rental/Leasing EQUIPMENT RENTAL/LEASING		\$ 1,000		\$ 500		
Total: \$	-	\$ 1,000	\$ 1,000	\$ 500	\$ (500)	-50.0%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies OPERATING SUPPLIES		\$ 16,000		\$ 15,000		
Total: \$	6,631	\$ 16,000	\$ 16,000	\$ 15,000	\$ (1,000)	-6.3%
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 6,900		\$ 6,500		
Total: \$	3,447	\$ 6,900	\$ 6,900	\$ 6,500	\$ (400)	-5.8%
630150 Safety Equipment & Supplies SAFETY SUPPLIES & EQUIPMENT		\$ 800		\$ 2,800		
Total: \$	397	\$ 800	\$ 800	\$ 2,800	\$ 2,000	250.0%
630200 Uniforms LOSS/DAMAGE ALLOWANCE UNIFORM SERVICE		\$ 300 1,200		\$ 200 1,000		
Total: \$	1,048	\$ 1,500	\$ 1,500	\$ 1,200	\$ (300)	-20.0%
650120 Equipment Maintenance-Supplies						
Total: \$	2,409	\$ -	\$ -	\$ -	\$ -	N/A
650130 Equipment Maintenance-Outside Services EQUIPMENT MAINTENANCE-OUTSIDE		\$ 2,000		\$ 500		
Total: \$	1,262	\$ 2,000	\$ 2,000	\$ 500	\$ (1,500)	-75.0%
660100 Advertising ADVERTISING		\$ 6,100		\$ 11,900		
Total: \$	8,018	\$ 6,100	\$ 6,100	\$ 11,900	\$ 5,800	95.1%
660110 Promotional Services CALTRANS PROCUREMENT VENDOR PROMOTIONAL SERVICES SD COUNTY WATER AUTH PATHS SD SUPPLIER DEV COUNCIL-ANNUAL SD SUPPLIER DEV COUNCIL-MONTHLY SMALL BUSINESS SYMPOSIUM		\$ 500 1,200 500 500 500 700		\$ 500 1,200 500 500 500 700		
Total: \$	450	\$ 3,900	\$ 3,900	\$ 3,900	\$ -	0.0%
660120 Promotional Materials PROMOTIONAL MATERIALS		\$ 1,800		\$ 1,000		
Total: \$	-	\$ 1,800	\$ 1,800	\$ 1,000	\$ (800)	-44.4%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
670130 Permits/Certificates/License PERMIT/CERT/LICENSE		\$ 1,200		\$ 1,200		
Total:	\$ -	\$ 1,200	\$ 1,200	\$ 1,200	\$ -	0.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 29,278	\$ 52,200	\$ 52,200	\$ 70,800	\$ 18,600	35.6%
GRAND TOTAL:	\$ 29,793	\$ 54,200	\$ 54,200	\$ 72,800	\$ 18,600	34.3%

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# REAL ESTATE

## Mission Statement

To develop and manage the District's public trust lands to their highest and best use within the District's planning and regulatory framework.

## Vision Statement

Creating America's finest waterfront.

## Objectives

- Maintain the District's financial stability
- Attract San Diegans and visitors through opportunities for public recreation and enjoyment of access to the tidelands
- Create and sustain positive relationships with stakeholders and the community at large
- Facilitate new development and redevelopment
- Effectively administer leases and permits
- Support other departments
- Recruit and retain a highly skilled, diverse workforce
- Encourage an organizational culture of learning and growth
- Continuously evaluate and improve business systems and processes
- Ensure the sustainability of major industrial waterfront tenants
- Identify new sources of revenue
- Promote vision for underutilized tidelands

## Current Services

To achieve the Department's Mission and Vision statements, staff provides the following services within one of three core departmental functions:

### Asset and Portfolio Management

- Asset management
- Lease renegotiation
- Lease administration
- Lease obligation monitoring and enforcement
- Tenant relationship management
- Rent reviews and rent arbitration
- Real estate consultation
- Leasehold inspection
- Special event coordination
- Cost recovery administration
- Lease information and financial data management
- Monthly and quarterly performance reporting
- Tenant improvement plan review

### Project Management and Development

- Feasibility studies
- Request for Qualifications (RFQ) and Request for Proposals (RFP) – solicitations for new development
- New development project monitoring and reporting

- Appraisals and review of outside appraisals
- Consultant management
- Market research/financial analysis
- Marketing of available properties
- Project management
- Property acquisition
- New lease negotiation
- Tenant redevelopment proposal review

#### Development Services

- Lease plat preparation and legal description review
- Tenant project improvement records maintenance
- Development plan and architectural drawing review
- Conformance with member city permitting standards
- Interdepartmental and interagency coordination
- Standards establishment and maintenance

The Real Estate department currently has 33 permanent positions.

## Real Estate

Replace: 7 Senior Asset Managers with Program Managers, Real Estate  
 5 Area Real Estate Managers with Department Managers, Real Estate  
 1 Assistant Asset Manager with Management Analyst

### PERMANENT POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Administrative Assistant II (Classified)	5	5
Architect	2	2
Area Real Estate Manager	5	0
Asset Manager	5	5
Assistant Asset Manager	1	0
Department Manager, Real Estate	0	5
Director, Real Estate	1	1
Executive Assistant II (Classified)	1	1
Executive Vice President	1	1
Management Analyst	0	1
Mapping Technician II	1	1
Office Manager	1	1
Program Manager, Real Estate	0	7
Senior Asset Manager	7	0
Senior Management Analyst	1	1
Senior Project Architect	2	2
<b>TOTAL</b>	<b>33</b>	<b>33</b>

### LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16
Principal, Special Projects	1	0
<b>TOTAL</b>	<b>1</b>	<b>0</b>



## Real Estate

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ 4,892,278	\$ 5,253,028	\$ 5,079,600	\$ (173,428)	-3.3%
Non-Personnel Expense	2,528,386	3,126,200	2,918,100	(208,100)	-6.7%
Total Direct Expense	\$ 7,420,664	\$ 8,379,228	\$ 7,997,700	\$ (381,528)	-4.6%
Less: Capitalized Expense	-	(5,800)	(6,500)	(700)	12.1%
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 7,420,664	\$ 8,373,428	\$ 7,991,200	\$ (382,228)	-4.6%

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Salaries and Wages	\$ 2,861,442	\$ 3,062,886	\$ 2,977,500	\$ (85,386)	-2.8%
Overtime	925	-	-	-	-
Burden	1,727,367	1,855,842	1,780,700	(75,142)	-4.0%
OPEB Annual Expense	302,544	334,300	321,400	(12,900)	-3.9%
Temporary Personnel	-	-	-	-	-
TOTAL PERSONNEL EXPENSE	\$ 4,892,278	\$ 5,253,028	\$ 5,079,600	\$ (173,428)	-3.3%

# Real Estate

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
Total:	\$ 925	\$ -	\$ -	\$ -	\$ -	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	<b>\$ 925</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
610110 Books & Periodicals						
BOOKS & PERIODICALS	\$ 700	\$ 700		\$ 500		
Total:	\$ 419	\$ 700	\$ 700	\$ 500	\$ (200)	-28.6%
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$ 1,600	\$ 1,600		\$ 1,600		
Total:	\$ 1,000	\$ 1,600	\$ 1,600	\$ 1,600	\$ -	0.0%
610120 Memberships & Dues						
AMERICAN INSTITUTE OF ARCHITECTS	\$ 800			\$ 800		
ASSOCIATIONS	400			500		
CERT COM'L INVEST MEMBER INSTITUTE	1,200			1,200		
HOTEL MOTEL ASSOCIATION	500			500		
INT'L RIGHT OF WAY ASSOCIATION	200			300		
NAT'L ASSOC OF IND AND OFFICE PROP	1,000			1,000		
PROPELLER CLUB	500			-		
SD MILITARY ADVISORY COUNCIL	300			-		
URBAN LAND INSTITUTE	1,300			1,200		
Total:	\$ 4,272	\$ 6,200	\$ 6,200	\$ 5,500	\$ (700)	-11.3%
610140 Seminars & Training						
ADA TRAINING	\$ -			\$ 100		
AMER INST OF ARCHITECHS CONT EDUC	-			500		
AMERICAS LODGING INVESTMENT SUMMIT	-			2,500		
ARCGIS TRAINING	-			1,000		
CERT COM'L INVEST MEMBER INST 101	-			1,600		
CERT COM'L INVEST MEMBER INST CLASS	-			1,600		
COURSES & SEMINARS	30,000			-		
LEED CONTINUING EDUCATION	-			300		
LODGING CONFERENCE	-			2,500		
MARINA RECREATION ASSOC CONFERENCE	-			1,000		
MICROSOFT OFFICE SUITE TRAINING	-			1,400		
REAL ESTATE CONFERENCE	-			4,000		
SEMINARS & TRAINING	-			6,300		
SMARTSHEET TRAINING	-			1,000		
Total:	\$ 11,982	\$ 30,000	\$ 30,000	\$ 23,800	\$ (6,200)	-20.7%
615100 Mileage Reimbursement						
MILEAGE & PARKING	\$ 5,000	\$ 5,000		\$ 2,500		
Total:	\$ 3,610	\$ 5,000	\$ 5,000	\$ 2,500	\$ (2,500)	-50.0%

# Real Estate

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
615110 Travel						
AMERICAS LODGING INVESTMENT SUMMIT		\$ -		\$ 1,500		
LODGING CONFERENCE		-		1,900		
MARINA RECREATION ASSOC CONFERENCE		-		2,000		
TRAVEL		15,000		12,000		
Total: \$	9,753	\$ 15,000	\$ 15,000	\$ 17,400	\$ 2,400	16.0%
620100 Services - Professional & Other						
BENCH MARKING STUDY		\$ 250,000		\$ 100,000		
COMPS DATA SERVICE		3,700		-		
CONV CTR GARAGE MAINT		40,400		40,400		
COSTAR REAL ESTATE DATA SERVICES		-		1,400		
CV BAYFRONT PLAN OF FIN/O&M CONSLT		-		40,000		
CV BAYFRONT RETAIL CONSULTANTS		-		25,000		
CVBMP CONSULTING		580,000		-		
CVBMP DEVELOPMENT CONSULTANTS		120,000		-		
CVBMP VACANT PROPERTY ENHANCEMENT		30,000		-		
DESIGN CONSLT - RENT-A-CAR SITE		-		90,000		
DIGITIZING DOCUMENTS CONSULTANTS		10,000		60,000		
FIRST AMERICAN DATA SVC		1,800		-		
HARBOR ISL ECONOMIC ANALYSIS		50,000		-		
HOTEL FINANCIAL CONSULTANT		55,000		-		
HOTEL INDUSTRY CONSULTING SVCS		65,000		-		
INFRASTRUCTURE FINANCING STUDIES		75,000		100,000		
KORPACZ DATA REPORTS		400		400		
LOOP NET DATA SERVICES		-		3,600		
MARSHALL VALUATION SERVICE		1,500		1,500		
MISCELLANEOUS REAL ESTATE REPORTS		-		1,000		
MULTI-YEAR ON CALL CONSULTANTS		-		500,000		
ON CALL APPRAISER		40,000		-		
ON CALL ARCHITECT		25,000		-		
PKF HOTEL INDUSTRY REPORTS		1,000		1,000		
POND 20 FEASIBILITY STUDY		50,000		50,000		
SURVEY CONSULTANT		30,000		30,000		
TITLE AND ESCROW LAND EXCHANGE		5,000		2,500		
VISITOR SERVING USE STUDY		50,000		-		
Total: \$	777,710	\$ 1,483,800	\$ 1,483,800	\$ 1,046,800	\$ (437,000)	-29.5%
630110 Equipment & Systems						
MISC EQUIP & FURNITURE		\$ 3,500		\$ 3,500		
Total: \$	-	\$ 3,500	\$ 3,500	\$ 3,500	\$ -	0.0%
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES		\$ 12,000		\$ 13,000		
Total: \$	12,614	\$ 12,000	\$ 12,000	\$ 13,000	\$ 1,000	8.3%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 3,000		\$ 3,000		
Total: \$	1,376	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	0.0%
630150 Safety Equipment & Supplies						
Total: \$	60	\$ -	\$ -	\$ -	\$ -	N/A
640100 Space Rental						
I.B. PARKING LOT AMORTIZATION		\$ -		\$ 7,700		
OTHER SPACE RENTAL		7,700		-		
SLC LEASE, E HARBOR ISLND AREA		12,000		12,000		
Total: \$	26,904	\$ 19,700	\$ 19,700	\$ 19,700	\$ -	0.0%
640150 Facility Management Services						
ABM PARKING IMPROVEMENTS		\$ 12,100		\$ -		
C.C. HOTEL PARKING STRUCTURE		288,100		292,200		
CONVENTION CENTER PARKING		1,001,800		1,081,500		
LANE FIELD PARKING		41,800		77,300		
NAVY PIER LOT		198,900		194,800		
PARKING METER MANAGEMENT		-		130,000		
Total: \$	1,669,210	\$ 1,542,700	\$ 1,542,700	\$ 1,775,800	\$ 233,100	15.1%
650130 Equipment Maintenance-Outside Services						
PARKING PAY & DISP EQUIP MAINT		\$ 2,000		\$ -		
Total: \$	7,977	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)	-100.0%
660100 Advertising						
Total: \$	700	\$ -	\$ -	\$ -	\$ -	N/A
660110 Promotional Services						
TENANT & PUBLIC OUTREACH		\$ 1,000		\$ 5,000		
Total: \$	801	\$ 1,000	\$ 1,000	\$ 5,000	\$ 4,000	400.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 2,528,386	\$ 3,126,200	\$ 3,126,200	\$ 2,918,100	\$ (208,100)	-6.7%
GRAND TOTAL:	\$ 2,529,311	\$ 3,126,200	\$ 3,126,200	\$ 2,918,100	\$ (208,100)	-6.7%

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# Technology Management Program

## SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ -	\$ -	\$ -	\$ -	-
Non-Personnel Expense	2,964,591	3,779,400	3,774,500	(4,900)	-0.1%
Total Direct Expense	\$ 2,964,591	\$ 3,779,400	\$ 3,774,500	\$ (4,900)	-0.1%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	45,654	35,000	35,000	-	0.0%
TOTAL DEPARTMENTAL EXPENSE	\$ 3,010,244	\$ 3,814,400	\$ 3,809,500	\$ (4,900)	-0.1%

## Technology Management Program

### EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 15/16
CISCO ADV SVCS INTERNET ROUTER	1	35,000	\$ 35,000
TOTAL	1		\$ 35,000

# Technology Management Program

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
620100 Services - Professional & Other						
ACCESS CONTROL		\$ 15,000		\$ 15,000		
BOARD ROOM MAINTENANCE		6,000		6,000		
BUSINESS WAREHOUSE-LOAD MONIT		7,800		7,800		
CCTV MAINTENANCE		630,000		648,900		
CONFERENCE EQPT MAINTENANCE		15,000		15,000		
ENTERPRISE DESKTOP MGT & ENG		8,000		8,000		
ENTERPRISE SERVER ENG SVCS		12,000		12,000		
FIBER OPTIC MAINTENANCE		50,000		50,000		
IT TECH SERVICES - LEVEL 3		200,000		200,000		
IT TECHNICAL SERVICES		200,000		200,000		
MICROSOFT TECH SERVICES-LEVEL 3		120,000		100,000		
SAP ADMINISTRATION		93,000		93,000		
SDMIS MAINTENANCE SERVICES		25,000		25,000		
TRAVEL ON DEMAND		9,000		9,000		
Total:	\$ 1,152,116	\$ 1,390,800	\$ 1,390,800	\$ 1,389,700	\$ (1,100)	-0.1%
630110 Equipment & Systems						
800 MHZ RADIOS		\$ 10,000		\$ 10,000		
BACK-UP TAPES		6,000		6,000		
CABLES, DISKS		35,000		35,000		
CELL PHONES		25,000		25,000		
CHILLER/BOILER REMOTE MONITORING SY		5,000		-		
CISCO INFRASTRUCTURE-MODIFICATIONS		20,000		25,000		
CLOUD SOFTWARE AS A SERVICE		261,500		319,400		
INFRASTRUCTURE AS A SERVICE		-		30,000		
INTERNAL APPLICATIONS		57,300		41,300		
IT SECURITY PROGRAM SUBSCRIPTIONS		65,000		120,000		
PSGP FY13 INTEROPERABLE RADIO		24,500		-		
SECURITY EQPT UPGRADE/REPAIRS		60,000		80,000		
SOFTWARE/SUBSCRIPTIONS		22,600		22,600		
WINDOW SERVER OS		6,500		10,000		
Total:	\$ 308,738	\$ 598,400	\$ 598,400	\$ 724,300	\$ 125,900	21.0%
640110 Telephone & Communications						
3 C'S ANNUAL LINE FEES		\$ 3,000		\$ 3,000		
CELLULAR - VOICE/DATA SERVICES		60,600		60,600		
HS - RCS SYSTEM FEES		20,000		20,000		
INTERNET CONNECTIVITY		65,000		65,000		
LOCAL/LONG DIST & TEL CONNECTIVITY		262,000		262,000		



# Technology Management Program

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SATELLITE TELEVISION SERVICES		3,000		3,000		
WAN CONNECTIVITY		90,000		90,000		
WIFI / DATA		8,000		8,000		
<b>Total: \$</b>	<b>483,426</b>	<b>\$ 511,600</b>	<b>\$ 511,600</b>	<b>\$ 511,600</b>	<b>\$ -</b>	<b>0.0%</b>
650130 Equipment Maintenance-Outside Services						
3 C'S-MAINTENANCE		\$ 1,500		\$ 1,500		
800 MHZ RADIO		30,000		30,000		
ACCESS CONTROL		15,000		15,000		
BACK-UP HARDWARE		22,000		23,000		
CCTV HARDWARE MAINTENANCE		20,000		20,000		
CISCO INFRASTR SMARTNET MAINT		225,000		100,000		
DATA CTR FIRES SUPPRESSION MAINT		5,000		5,000		
DELL COMPELLENT-SAN MAINT		100,000		100,000		
PRINTER/COPIER/METER MAINT		85,000		85,000		
UPS-MAINTENANCE		13,000		13,000		
VIDEO CONFERENCING MAINTENANCE		15,000		15,000		
<b>Total: \$</b>	<b>204,187</b>	<b>\$ 531,500</b>	<b>\$ 531,500</b>	<b>\$ 407,500</b>	<b>\$ (124,000)</b>	<b>-23.3%</b>
650140 Software Maintenance						
ACCESS CONTROL MAINTENANCE		\$ 15,000		\$ 15,000		
ACRONIS BACKUP & RECOVERY		2,000		2,000		
CCTV CAMERA ANALYTICS		34,000		34,000		
CCTV VIDEO MGMT SYSTEM		15,000		15,000		
CIS DATACENTER MGMT SUITE		60,000		60,000		
COLLABORATION SOFTWARE MAINT		21,400		21,400		
DOCUMENT MANAGEMENT		130,000		130,000		
EMBARK SOFTWARE-MAINTENANCE		1,000		1,000		
ENT SEASAM BACK-UP MAINT		32,000		32,000		
GIS MAINTENANCE		33,500		33,500		
GUIXT SOFTWARE MAINT		8,400		-		
MICROSOFT ENTERPRISE MAINT		81,000		81,000		
NOVELL SOFTWARE MAINT		90,000		90,000		
SAP ERP MAINTENANCE		162,500		165,200		
SEA-WEB SYSTEM SUBSCRIPTION		4,000		4,000		
SECURITY SOFTWARE MAINT		29,500		29,500		
VIRTUAL MACHINE MAINTENANCE		25,000		25,000		
VM SUPPORT/SUBSCRIPTION		2,800		2,800		
<b>Total: \$</b>	<b>816,124</b>	<b>\$ 747,100</b>	<b>\$ 747,100</b>	<b>\$ 741,400</b>	<b>\$ (5,700)</b>	<b>-0.8%</b>
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	<b>\$ 2,964,591</b>	<b>\$ 3,779,400</b>	<b>\$ 3,779,400</b>	<b>\$ 3,774,500</b>	<b>\$ (4,900)</b>	<b>-0.1%</b>
<b>GRAND TOTAL: \$</b>	<b>2,964,591</b>	<b>\$ 3,779,400</b>	<b>\$ 3,779,400</b>	<b>\$ 3,774,500</b>	<b>\$ (4,900)</b>	<b>-0.1%</b>

## Utilities

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 13/14	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FY 15/16-14/15 BUDGET	% CHANGE
Personnel Expense	\$ -	\$ -	\$ -	\$ -	-
Non-Personnel Expense	2,703,445	3,127,300	3,326,300	199,000	6.4%
Total Direct Expense	\$ 2,703,445	\$ 3,127,300	\$ 3,326,300	\$ 199,000	6.4%
Less: Capitalized Expense	-	-	-	-	-
Equipment Outlay	-	-	-	-	-
TOTAL DEPARTMENTAL EXPENSE	\$ 2,703,445	\$ 3,127,300	\$ 3,326,300	\$ 199,000	6.4%

# Utilities

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 13/14	ORIGINAL BUDGET FY 14/15	ADJUSTED BUDGET FY 14/15	BUDGET FY 15/16	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
640120 Utilities-Gas & Electric UTILITIES-GAS & ELECTRIC		\$ 1,958,800		\$ 2,017,600		
Total:	\$ 1,476,357	\$ 1,958,800	\$ 1,958,800	\$ 2,017,600	\$ 58,800	3.0%
640130 Utilities-Water UTILITIES-WATER		\$ 1,168,500		\$ 1,308,700		
Total:	\$ 1,227,089	\$ 1,168,500	\$ 1,168,500	\$ 1,308,700	\$ 140,200	12.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 2,703,445	\$ 3,127,300	\$ 3,127,300	\$ 3,326,300	\$ 199,000	6.4%
GRAND TOTAL:	\$ 2,703,445	\$ 3,127,300	\$ 3,127,300	\$ 3,326,300	\$ 199,000	6.4%



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## GLOSSARY OF TERMS

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

**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.

**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.

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

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## GLOSSARY OF TERMS

**California Public Records Act** – requires inspection and/or disclosure of governmental records to be 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.

**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

**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 charges incurred (whether paid immediately or accrued) for operations, maintenance, interest or other charges.

**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

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## GLOSSARY OF TERMS

**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

**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.

**IMP** – Infrastructure Management Program

**JHOC** – Joint Harbor Operations Center

**JTTF** – Joint Terrorism Task Force

**MIIF** – Maritime Industrial Impact Fund

**MM** – Major Maintenance

**MOIS** – Maritime Operations Information System

**MOTEMS (Marine Oil Terminal Engineering and Maintenance Standard)** – These standards 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, 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.

**OPH** – Old Police Headquarters



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## GLOSSARY OF TERMS

**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.

**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

**TAMT** – Tenth Avenue Marine Terminal

**TWIC** – Transportation Worker Identity Card



San Diego Unified Port District

Document No.

Filed JUL 24 2013  
Office of the District Clerk

60580

## 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)

#### Prior Indebtedness (Debt Service – Principal) (Class)

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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:
  - Transfer of amounts within each appropriated item requires approval of the Executive Director.
- CIP (appropriated item):
  - Board approval is required for any transfer within CIP.
- Capital or Expense Major Maintenance (appropriated items):
  - Transfer amounts to projects related to emergency, safety and health require approval of the Executive Director with notification to the Board.
  - 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.
  - All other transfers involving unplanned projects within Capital or Expense Major Maintenance require approval in compliance with BPC Policy No. 080 – Unplanned Work Consideration. Board approval is required.

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: 2013-109, dated June 11, 2013

BPC Policy No. 090

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## BPC Policy No. 115

**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 and ranked P1 by Moody's Investor Services and A1 by Standard and Poor's and issued by a domestic corporation having assets in excess of \$500 million and having an A or better rating on its long term debt as provided by Moody's or Standard and Poor's. 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 (NRS RO), 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 "A" or better by Standard and Poor's or by Moody's rating services. 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).

## 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.

**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 presumable 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.

**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:** 2013-115, dated July 16, 2013 (Supersedes BPC Policy No. 115, 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)



(3)

San Diego Unified Port District  
Document No. **55299**  
Filed **AUG 07 2009**  
Office of the District Clerk

## 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

Page 3 of 3



(1)

Re Adoption of BPC Policy 117, ]  
Operating Reserve Policy ]  
\_\_\_\_\_ ]

**REFERENCE**  
**COPY**  
**55299**

**RESOLUTION** 2009-128

**BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That Board of Port Commissioners Policy No. 117, Operating Reserve Policy, a copy of which shall be placed on file in the office of the District Clerk, is hereby adopted.

**ADOPTED** this 7th day of July, 2009.

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7/7/09



(12)

## BPC Policy No. 120

### **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. Port Staff, Port Commissioners, representatives of Member Cities, Port Tenants, and other public stakeholders may propose CIP projects;

### **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 contingency. 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. If new funding of \$1,000,000 or more is projected to be available (including the balance in the CIP contingency at the time of funding determination), project application forms will be solicited for consideration at the fall CIP workshop. The available funding determination, based on the prior fiscal year's audited financial results, and the subsequent decision on solicitation of project application forms for the fall CIP workshop, will be made by May 1st of each year.
- 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:

At the completion of a CIP project, any funds remaining in the approved CIP budget will be reallocated to the CIP contingency account. Contingency funds are available for allocation to existing or new CIP projects at the discretion of the Board. Reallocation of funds from CIP contingency 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)

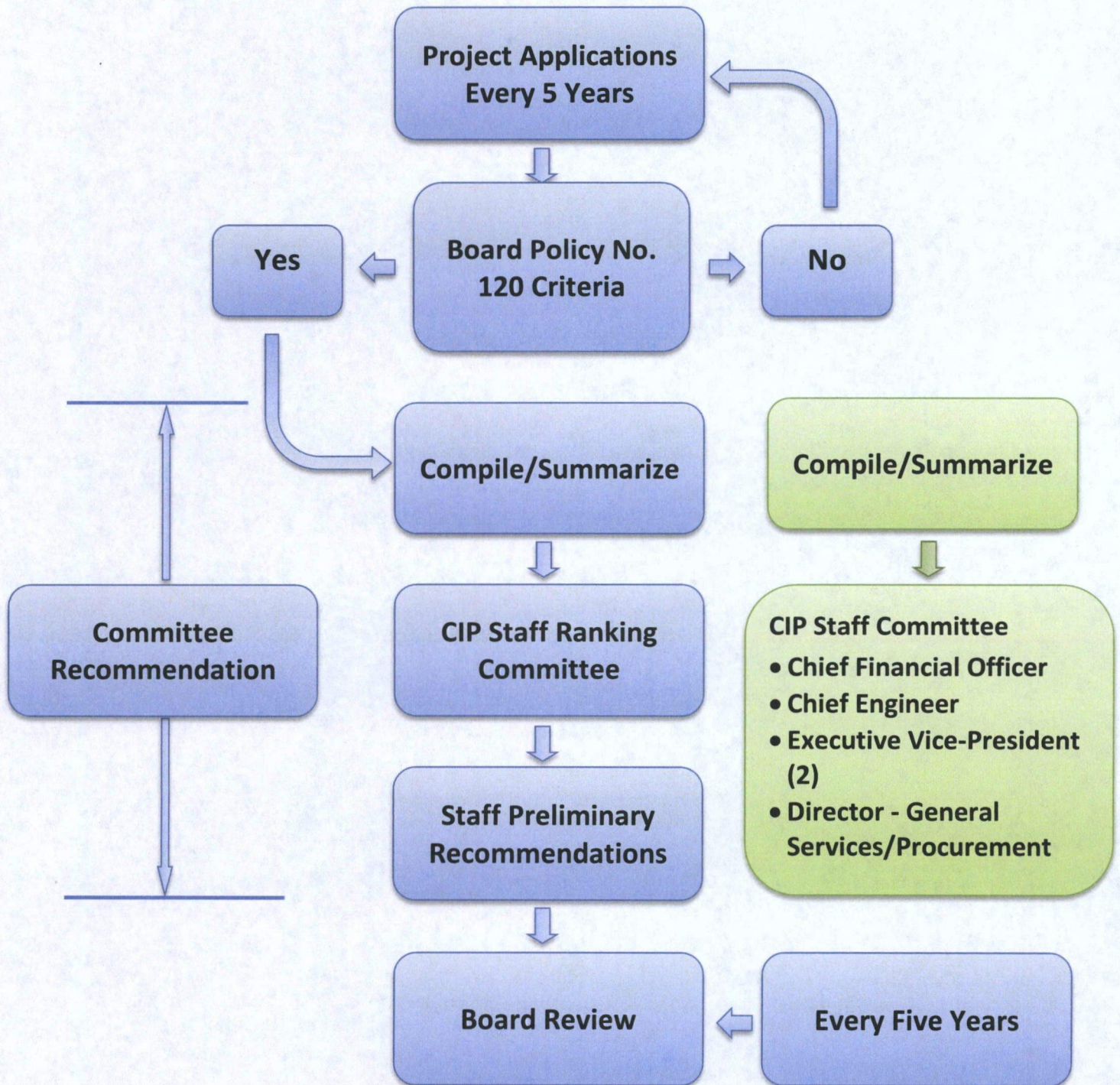
Attachment (3): Project filters for annual reviews (EXAMPLE)

RESOLUTION NUMBER AND DATE: 2015-28, dated April 14, 2015 (Supersedes BPC Policy 120, Resolution 2015-25, dated March 10, 2015; 2014-45, dated March 4, 2014; 2011-45 dated April 12, 2011; 2008-116, dated July 1, 2008; and Resolution 82-13, dated January 5, 1982)



# Capital Improvement Program (CIP)

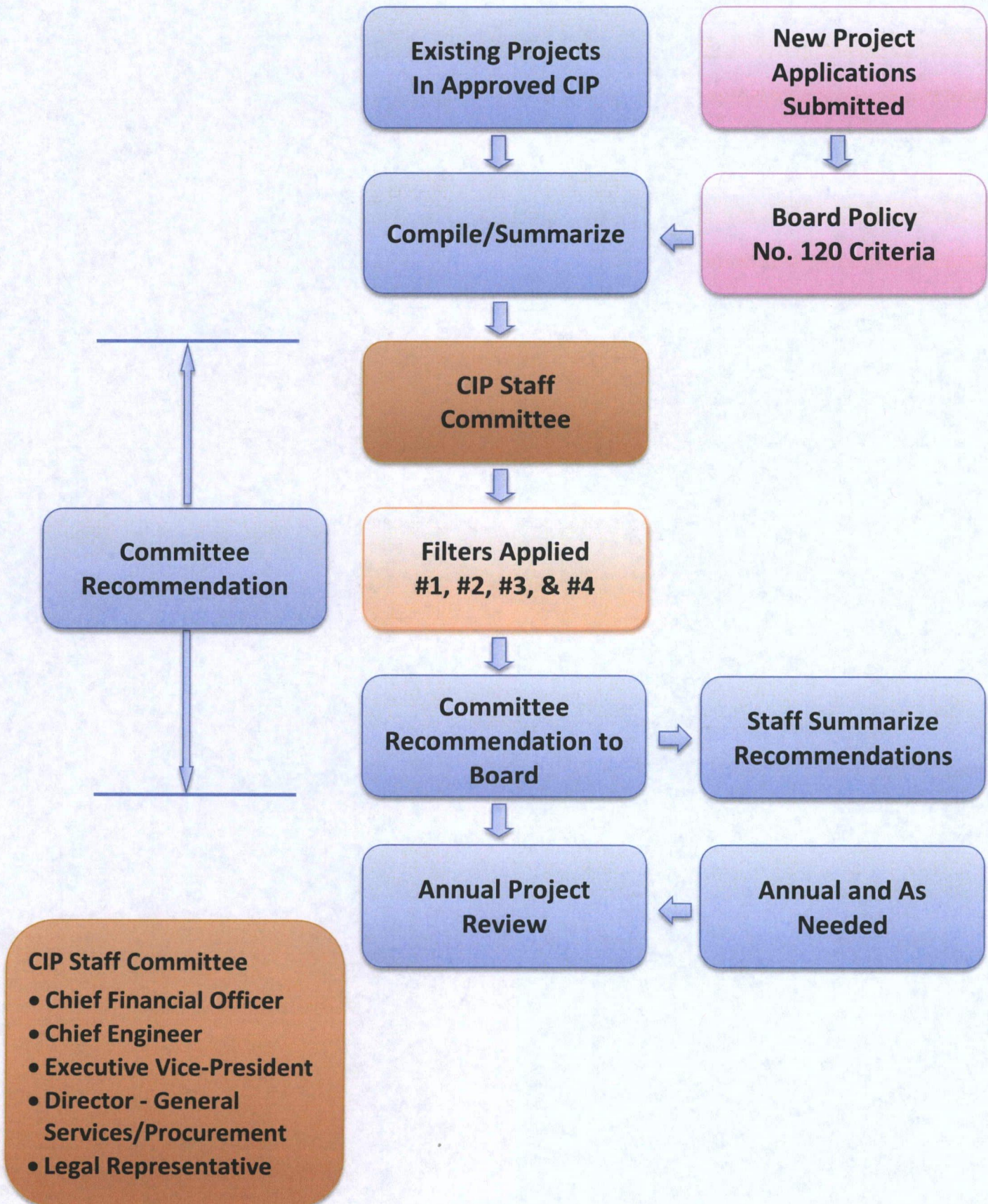
## 5 Year-Process Used in 2012-Per Board Policy 120 (Example)





# Capital Improvement Program (CIP)

## Annual Review (Example)





## Capital Improvement Program Filters for Project Reviews

	<b>Project Filters 1- Go Forward</b>	
<b>1A</b>	<b>Under Construction</b>	Board has awarded construction contract and project is in construction phase.
<b>1B</b>	<b>Legal/Contractual Obligations</b>	There is a legal or contractual obligation related to the project.
<b>1C</b>	<b>Regulatory Mandate Or Permit Requirement</b>	Project is required to comply with a Federal, state or local regulation or required under a permit issued by a jurisdictional agency.
<b>1D</b>	<b>Public Safety Or Homeland Security</b>	Project will enhance protection of public safety and/or Homeland Security.
<b>1E</b>	<b>Operational Necessity</b>	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		
2A	Implements Approved Plan Or Board Direction	Project will implement a Board approved plan or direction.
2B	Revenue Generating	Project is estimated to generate a Return on Investment (ROI).
2C	Short Payback Period	Project is projected to have a payback period of three years or less.
2D	Public, Customer &/or Stakeholder Expectation	There is a public, customer &/or stakeholder expectation surrounding the completion of the project that has been confirmed through Board action or direction.
2E	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.
2F	Project That Has Obtained Entitlements	Project has obtained entitlements necessary to implement project through design and construction.



## Capital Improvement Program Filters for Project Reviews

	<b>Project Filters 3- Postpone/Delay/Remove</b>	
3A	<b>New Information/Infeasible</b>	Projects determined infeasible to implement based upon new information or developments.
3B	<b>Changes In Applicable Laws, Regulations Or Contractual Requirements</b>	Projects for which new laws, regulations or contractual requirements render them infeasible as scoped.
3C	<b>New Funding Source</b>	Projects where a new funding source has been identified and District funding is anticipated to be reduced or modified substantially.
3D	<b>Blocked Or Stalled</b>	Projects which have been blocked or stalled and implementation as planned is no longer feasible.
3E	<b>Removal Requested By Proponent</b>	Projects which original proponents no longer desire to implement.
3F	<b>Inadequate Funds to Complete</b>	Projects where additional funding and possible new funding sources are required, but have not been identified.
3G	<b>Hold for Future Market Conditions</b>	Projects where current economic conditions make the project infeasible, but hold for future economic conditions to improve



## Capital Improvement

Project Filters 4- Back on the List		
4A	Changes Which Warrant Reconsideration	Changes in project circumstances which warrant a reevaluation or reconsideration for funding approval.
4B	Change In Litigation Status	Resolution of pending or ongoing litigation will permit project to proceed.
4C	Reasons Put "On-Hold" Resolved	Factors which led to project being placed in an "on hold" status were resolved.
4D	Project Proponent Request Reconsideration	Request was received to reconsider project previously removed from CIP list.





## BPC Policy No. 130

### **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, 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 two sources:

- The District's Infrastructure Management Program which critically assesses expected wear and tear; and
- Requests from the District's operating departments.

District staff will perform a preliminary prioritization of all Infrastructure Management Program and operating department projects on an annual basis each January and February, utilizing ranking criteria. The ranked project list will be reviewed for staff capacity and available funding.

Staff recommendations will be formulated, and then submitted with a Major Maintenance Workbook to the Board of Port Commissioners (Board) annually in the first quarter of the calendar year. The workbook will describe each project and its proposed scope, schedule and budget together with the business justification for the

project recommendation, along with site photographs.

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 an annual Major Maintenance Workshop 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, significant delays or cancellations of approved projects;
- Recommendations for action in situations where new or additional information makes a project infeasible or impractical;
- Recommendations for any new Major Maintenance projects, that were not included in the Board approved annual budget, require approval in compliance with PBC Policy No. 080, Unplanned Work Consideration;
- 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:

- Scope, schedule, budget (with variances);
- Status, events 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, via a Board Memo, will be submitted to the Board 45 days after the end of each quarter.

RESOLUTION NUMBER AND DATE: 2013-104, dated June 11, 2013



(111)

## BPC Policy No. 608

**SUBJECT:** TENANT PERCENT FOR ART

**PURPOSE:** To establish a policy for the inclusion of Artworks in San Diego Unified Port District (District) Tenant improvements.

The Board of Port Commissioners (Board) is committed to expanding opportunities for the citizens of California and visitors to the region to experience public art and other Artworks resulting from the creative expression of Artists throughout the District's Public Places. 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 District envisions building a critically acclaimed art collection that embodies the essence of the District's maritime, environmental and civic character.

To that end, a Public Art Office was created and invested with the mission of supporting the District, its Tenants and member communities by providing leadership, advocacy and stewardship for art; acquiring Artworks, organizing exhibitions and supporting Tenant Artworks that enhance the visual excitement, aesthetic appeal and cultural richness of the tidelands; and managing the Tidelands Collection as a regional cultural asset. Furthermore, a Public Art Committee was established to serve in an advisory capacity to the Board and the Public Art Office, upholding the District's vision for art on the tidelands, ensuring that the District's Artwork policies and procedures are followed and supporting the development and stewardship of the District's Tidelands Collection and other Artwork on District Public Places.

### **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 Curator.



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 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
  - (k) Sign changes or new signs
  - (l) Utilities
  - (m) Lighting
  - (n) Maintenance and repair of existing facilities
  - (q) 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 Artworks to be sited in an Open and Accessible area on the leasehold in accordance with the provisions in section 1. If the Art Budget of the commissioned Artwork and Artwork related expenses is not equal to or greater than the Tenant Percent for Art Allocation, the Tenant shall pay to the Public Art Fund an amount equal to the difference between the amount of the Tenant Percent for Art Allocation and the Art Budget of the commissioned Artwork and Artwork related expenses.
- b. **Purchase.** Purchase and install one or more Artworks in an Open and Accessible area on the leasehold in accordance with the provisions in section 1. If the Art Budget of the purchased Artwork and Artwork related expenses is not equal to or greater than the Tenant Percent for Art Allocation, the Tenant shall pay to the Public Art Fund an amount equal to the difference between the amount of the Tenant Percent for Art Allocation and the Art Budget of the purchased Artwork and Artwork related expenses.
- c. **In-Lieu Contribution.** Deposit into the Public Art Fund payment of an in-lieu contribution in an amount equivalent to the Tenant Percent for Art Allocation as specified in section 1.

### 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 and 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 3a(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 3b(1) - (17).

- a. **Review Process for Category \$5,000,000 - \$17,500,000.** For 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) the Tenant shall complete the following steps:

- (1) **Tenant Percent for Art Application.** Complete and submit a Tenant Percent for Art Application to the Public Art Office.

- (2) **Preliminary Meeting.** Meet with the Public Art Office 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 Public Art Office. The Curator shall review the Tenant Art Worksheet ensuring that it meets the evaluation criteria outlined in section 4a.
- (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 or Artists to the Public Art Office.
- (7) **Approval of Artist.** The Curator shall review the name and qualifications of the selected Artist(s) utilizing the evaluation criteria outlined in section 4c.
- (8) **Draft Artist Agreement.** The Tenant shall submit to the Public Art Office the draft Artist agreement which shall be reviewed by the Curator 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 Public Art Office with a fully executed copy thereof.
- (10) **Concept Proposal or Proposed Purchase of Artwork.** The Tenant shall submit to the Public Art Office 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 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 Concept Proposal or Proposed Purchase of Artwork.** The Curator shall review the concept proposal or information about the proposed Artwork to be purchased utilizing the evaluation criteria outlined in section 4d or 4e.
  - (12) **Final Design or Final Information about Artwork.** The Tenant shall submit to the Public Art Office 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 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 Final Design or Final Information about Artwork.** The Curator 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 that is to be purchased.
  - (14) **Access to Installation Site.** The Tenant shall provide to the Public Art Office 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 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 Public Art Office.
  - (2) **Preliminary Meeting.** Meet with the Public Art Office 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 Public Art Office. The Curator shall review the Tenant Art Worksheet ensuring that it meets the evaluation criteria outlined in section 4a.
- (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 Public Art Office. The Curator shall review the Tenant Art Plan ensuring that it meets the evaluation criteria outlined in section 4b. The Curator shall then submit the Tenant Art Plan to the Public Art Committee for review and recommendation to the Curator utilizing the evaluation criteria outlined in section 4b.
- (8) **Artist's Name and Qualifications.** The Tenant shall declare and submit the name and qualifications of the selected Artist or Artists to the Public Art Office.
- (9) **Approval of Artist.** The Curator shall review the name and qualifications of the selected Artist(s) utilizing the evaluation criteria outlined in section 4c.
- (10) **Draft Artist Agreement.** The Tenant shall submit to the Public Art Office the draft Artist agreement which shall be reviewed by the Curator to ensure that the District's interests and role are accurately represented.
- (11) **Copy of Artist Agreement.** The Tenant shall enter into an agreement with the approved Artist(s) and provide the Public Art Office with a fully executed copy thereof.
- (12) **Concept Proposal or Proposed Purchase of Artwork.** The Tenant shall submit to the Public Art Office 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 graphic representation of the Artwork in the form of scale drawings, renderings, models and/or photographs; a site plan; and an initial Art Budget.

- (13) **Approval of the Concept Proposal or Proposed Purchase of Artwork.** The Curator and the Public Art Committee shall review the concept proposal or information about the proposed Artwork to be purchased utilizing the evaluation criteria outlined in section 4d or 4e. The Curator shall prepare a report for the Board with the Public Art Committee's recommendation regarding approval of the project. The Board's role shall be to ensure that procedures were followed utilizing the criteria outlined in section 4f.
- (14) **Final Design or Final Information about Artwork.** The Tenant shall submit to the Public Art Office 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 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 Final Design or Final Information about Artwork.** The Curator 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 Public Art Office 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, as set forth herein.
- (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 public 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 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.

**d. Criteria for Evaluating Concept Proposals**

- (1) Meets the definition of Artwork as set forth herein.
- (2) Demonstrates excellence in aesthetic quality, workmanship, innovation and creativity.
- (3) Demonstrates appropriateness in scale, form and is of materials/ media suitable for the site.
- (4) Demonstrates feasibility in terms of budget, timeline, safety, durability, operation, maintenance, conservation, legal and ethical issues related to possession and use of proposed Artwork, security, and/or storage and siting.
- (5) 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.

**e. Criteria for Evaluating Tenant Purchases of Existing Artworks**

- (1) Meets the definition of Artist as set forth herein.
- (2) Meets the definition of Artwork as set forth herein.
- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation and creativity.
- (4) Demonstrates appropriateness in scale, form and is of materials/ media suitable for the site.
- (5) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, condition, maintenance, conservation, legal and ethical issues related to possession and use of Artwork, security, and/or storage and siting.
- (6) 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 Public Art Office and/or the Public Art Committee, have been followed properly.
- (2) All relevant District departments have appropriately undertaken all necessary reviews, as set forth herein.

**DEFINITIONS:**

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.

**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 Public Art Office, Artwork shall be defined in terms of the visual arts, as distinguished from performing arts and literary arts. However, artworks can include visual representations of performing and literary arts, or can incorporate performative or narrative elements.

**Commission:** An Artwork, permanent or temporary, that is created by an Artist specifically for Public Places.

**Open and Accessible:** The availability for viewing and/or use without a fee by the general public 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 Committee:** A committee appointed by the Chair of the Board of Port

Commissioners that serves as an advisory body to the Public Art Office and to the Board of Port Commissioners. The Public Art Committee upholds the Public Art Office's vision, ensuring that the District's Artwork policies and procedures are followed, and supporting the development and stewardship of the District's Tidelands Collection and other Artwork on District Public Places.

**Public Art Fund:** An annual allocation of \$1.2 million from the District's general operating budget that is set aside for the Public Art Office. The amount includes expenses for staffing, operations, new permanent and temporary public art commissions and purchases, project management activities, competition costs, Artist design fees, fabrication and installation of Artworks and collections management. The Public Art Fund can accept additional funds dedicated to acquiring Artwork, such as tenant contributions or monetary donations.

**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.

**Tenant:** The persons or entities holding leasehold interest(s) within the District's jurisdiction.

**Tenant Art Plan:** A detailed plan that Tenant 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 that are 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 Public Art Office.

**Tenant Artworks:** Artworks commissioned or purchased by District Tenants.

**Tenant Percent for Art Allocation:** The percentage of the Project Cost for qualifying Tenant projects in accordance with the requirements set forth herein which is set aside for Artwork on the leasehold or an in-lieu contribution to the Public Art Fund.

**Tenant Percent for Art Application:** The application that all Tenants wishing to make physical improvements to leaseholds with a Project Cost of \$5,000,000 or more submit to the Public Art Office.

**RESOLUTION NUMBER AND DATE:** 2015-29, dated April 14, 2015 (Supersedes BPC Policy 608, Resolution 2011-160, dated November 8, 2011)

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San Diego Unified Port District

Document No. **60007**

Filed **MAR 21 2013**  
Office of the District Clerk

(34)

## **BPC Policy No. 609**

**SUBJECT: PUBLIC ART**

**PURPOSE:**

To establish a policy for the inclusion of Artworks in Public Art Office and Capital Improvement Program projects within San Diego Unified Port District's (District) Public Places while providing for Public Art Office and Public Art Committee operations, strategic curatorial planning, project management activities and Collections Management.

The Board of Port Commissioners (Board) is committed to expanding opportunities for the citizens of California and visitors to the region to experience Public Art and other Artworks resulting from the creative expression of Artists in Public Places throughout the District's 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 District envisions building a critically acclaimed art collection that embodies the essence of the District's maritime, environmental and civic character.

To that end, a Public Art Office was created and invested with the mission of supporting the District, its tenants and member communities by providing leadership, advocacy and stewardship for art; acquiring Artworks, organizing exhibitions and supporting Tenant Artworks that enhance the visual excitement, aesthetic appeal and cultural richness of the tidelands; and managing the Tidelands Collection as a regional cultural asset. Furthermore, a Public Art Committee was established to serve in an advisory capacity to the Board and the Public Art Office, upholding the District's vision for art on the tidelands, ensuring that the District's Artwork policies and procedures are followed, and supporting the development and stewardship of the District's Tidelands Collection and other Artwork on District Public Places.

**POLICY STATEMENT:**

**1. Public Art Office**

The Public Art Office oversees the District's Public Art, Tenant Percent for Art, and other Artwork related programs, services and activities. The Office supports the District, its tenants and member communities by providing leadership, advocacy and stewardship for Public Art; acquires Artworks, organizes

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exhibitions and supports Tenant Artworks that enhance the visual excitement, aesthetic appeal and cultural richness of the Tidelands; and manages the Tidelands Collection as a regional cultural asset.

## **2. Duties and Functions – Public Art Office**

The Public Art Office shall:

- a. Prepare the Annual Office Budget.
- b. Develop collaborative relationships within the District staff and with potential project partners.
- c. Facilitate the development of the multi-year Curatorial Strategy as outlined in section 15a.
- d. Oversee the Acquisition and exhibition of Artworks as outlined in section 15.
- e. Oversee the review and approval of Tenant Artwork projects.
- f. Oversee the review of proposed Donations, loans and temporary exhibits of Artworks.
- g. Develop and ensure that the District's adopted art policies and procedures are followed.
- h. Serve as the steward of the Tidelands Collection, ensure that the Tidelands Collection is documented, maintained and conserved and manage any financial transactions related to Collections Management and public art project activities pertaining to all existing and proposed Artworks in/proposed for the Tidelands Collection, or contracted for, exhibited on, or erected on Public Places.
- i. Develop materials, programs and initiatives to inform and engage the public about the District's Tidelands Collection and other Artworks on District Public Places.
- j. Staff the Public Art Committee.

### 3. **Public Art Committee**

There is hereby established an advisory Public Art Committee consisting of thirteen members of the public, who shall serve without compensation. No more than two Commissioners shall serve on the Committee. Commissioners shall not offer a motion or vote on any matter coming before the Committee. The Chair of the Board shall approve all recommendations to the Public Art Committee, subject to the following conditions: 1) Seven members shall be recommended by the Public Art Office Curator, in concurrence with the Public Art Committee Chair; 2) Five members, one from each of the five member cities, shall be recommended by their respective city mayors; 3) One member shall be recommended by the San Diego Port Tenant's Association, in concurrence with the Curator. The Curator shall develop a list of candidates to submit to the Chair of the Board for appointment or reappointment to the Public Art Committee in January.

### 4. **Duties and Functions – Public Art Committee**

The Public Art Committee serves in an advisory capacity upholding the District's vision for art on the tidelands and making recommendations for programs, services and activities related to Public Art, Tenant Artworks or otherwise to the Board and the Public Art Office, when appropriate.

The Public Art Committee shall:

- a. Serve as an advocate for the District's Public Art Office and the District's vision for art on the tidelands.
- b. Assist the Public Art Office in reviewing and recommending adoption of the Public Art master plan as outlined in section 15a.
- c. Assist the Public Art Office in reviewing District art related policies.
- d. Assist the Public Art Office Curator in developing the Curatorial Strategy to implement the Office's Creative Directions and recommend approval of the Curatorial Strategy to the Board as outlined in section 15a.
- e. Assist the Public Art Office Curator in developing Individual Project Plans and recommend approval of Individual Project Plans to the Board as outlined in section 15a.

- f. Assist the Public Art Office in reviewing Artwork commissioned or purchased through the Public Art Fund or as part of Capital Improvement Projects as outlined in section 15b and 15c.
- g. Assist the Public Art Office in reviewing Tenant Artwork projects as required.
- h. For proposed Donations of Artworks, evaluate the Artwork, Artist, and project for aesthetic and site review, and recommend acceptance or rejection of the proposed Donation, as required.
- i. Make recommendations regarding the Deaccession of Artwork from the Tidelands Collection as outlined in section 19.
- j. Make recommendations regarding Incoming Loans and temporary exhibits as outlined in sections 21 and 22.

## 5. **Qualifications of Public Art Committee Members**

Members shall be recommended based upon their substantive professional or volunteer experience in the visual arts (professional or volunteer experience for this purpose shall be defined as: individuals recognized by peers as curators, Artists, art critics, art historians, art collections managers, professors of art, art collectors, art fabricators, art preparators; and other persons with considerable visual arts experience as well as architects and landscape architects); an interest in contributing to the development of the District's art activities; and the ability to commit to volunteering time to serve on the Public Art Committee, as well as on Selection Panels on an as needed basis.

Membership of the Public Art Committee shall include individuals from diverse locales throughout the region as well as representation from all five District member cities.

Elected officials, agents, officers, and employees of the District and its member cities shall not be considered for an appointment to the Public Art Committee or accept such a position while a member of the Public Art Committee.

**6. Designation of Public Art Committee Chair**

The Chair of the Public Art Committee may be a Public Art Committee member, appointed by the Chair of the Board. The Chair of the Board may appoint a Commissioner to serve as Committee Chair. Commissioners shall not offer a motion or vote on any matter before the Committee.

**7. Public Art Committee Members Terms**

Public Art Committee members may serve up to two consecutive three-year terms. The expiration date of all terms shall be December 31. No member shall serve for more than two, three-year terms.

At the request of the Chair of the Board, a member may serve until a successor is duly recommended and approved.

The Public Art Committee Chair shall serve a one-year term and may be reappointed as Chair by the Chair of the Board.

Should a Public Art Committee vacancy occur prior to the end of a member's scheduled term, the Curator shall recommend candidates to fill the seat or review recommendations in accordance with section 3. The Chair of the Board shall approve any recommendation to fill the vacated seat.

**8. Public Art Committee Meetings and Reporting**

Meetings of the Public Art Committee shall be noticed and open to the public. Public Art Committee meetings shall be conducted according to applicable California state laws.

Summary reports of each Public Art Committee meeting shall be prepared by Public Art Office staff. The summary reports shall be forwarded to the Board, and Public Art Committee updates may be reported at Board meetings.

**9. Resignation and Removal of Public Art Committee Members**

Any Public Art Committee member may submit written resignation to the Public Art Office Curator. The Curator shall notify the Public Art Committee Chair and the Chair of the Board of any such resignation.

The Curator may recommend to the Chair of the Board that an individual Public Art Committee member be removed.



**10. Public Art Committee Quorum**

A quorum shall be a majority of the members of the PAC.

**11. Public Art 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**

There is hereby established a fund designated as the Public Art Fund into which shall be deposited the Annual Office Budget of \$1.2 million in funds as the Board shall appropriate for the Public Art Office, and from which expenditures may be made for new permanent and temporary Artwork Acquisitions and exhibitions, Artist design fees, fabrication and installation of Artworks, competition costs and for Public Art Office staff costs and administrative costs that are associated with developing and implementing the Public Art Office programs, services and activities, including Collections Management.

The Public Art Fund can accept additional funds dedicated to acquiring Artworks through Capital Improvement Program projects specified in section 14. In addition, District tenant contributions, monetary bequests and Donations, grants and/or grant matching funds may be deposited into the Public Art Fund for general or specific programs, projects, services, activities or otherwise related to Public Art or other Public Art Office activities. 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 in Public Art Office Projects**

- a. **Artwork Allocation.** Public Art Office initiated projects, including the Acquisition of Artworks, exhibition of Artworks or otherwise, funded through the Public Art Fund and/or other sources, in whole or in part, shall be consistent with section 15.

b. **Miscellaneous Provisions.**

The Public Art Office shall be the project manager and contract administrator for all Artist and Artworks agreements awarded by the District.

14. **Inclusion of Artworks in Capital Improvement Program (CIP) Projects**

- a. **Percent for Art Allocation.** All requests for appropriations for the construction of any CIP projects set forth in subsection 14b, with the exception of those outlined in subsection 14c, shall include an amount no less than one (1) percent of the total proposed project budget of such CIP project for Artworks. When the Board approves such a CIP project request, the appropriation shall be made and the same shall include an appropriation of funds for Public Art, at the rate of no less than one (1) percent of the total proposed project budget presented to the Board to be deposited into the Public Art Fund or held in the appropriate District fund.
- b. **Application.** The Percent for Art Allocation requirement shall apply to the construction and/or Alteration of the following:
- (1) a building;
  - (2) an aboveground structure;
  - (3) a park or green space;
  - (4) a trail or bikeway;
  - (5) a transportation improvement project;
  - (6) transit facility; or
  - (7) above-grade utility.
- c. **Exemptions.** The following shall be exempt from the Percent for Art Allocation requirements of this section:
- (1) Transportation projects limited to construction of a street, slurry or restriping.
  - (2) Mechanical, plumbing and electrical system upgrades, structural or seismic upgrades, and modifications for disabled access, unless occurring in conjunction with the construction or Alteration of any of the project types in section 14b;
  - (3) Landscape renovation projects, unless occurring in conjunction with the construction or Alteration of any of the project types in section 14b, including, landscape replanting; dredging and sand replenishment;

sewer and water lines; drainage and irrigation systems; wells; erosion control; repaving; new paving; stairway repair or replacement; utilities; modifications for disabled access; signage; lighting; fence replacement or repair; and replacement or repair of existing play structures.

- (4) Demolition projects, when not occurring in conjunction with the construction or Alteration of any of the project types in section 14b.
  - (5) CIP funded improvements for security/public safety and health deficiencies when not occurring in conjunction with the construction or Alteration of any of the project types in section 14b.
- d. **Artwork Related Expenses.** The Public Art Office shall supervise and control the expenditure of all Percent for Art Allocations and may allocate up to twenty percent of said allocations for each project for all necessary and reasonable project and administrative costs incurred in connection therewith and for Collections Management purposes, including maintenance and conservation. Funds set aside pursuant to this section shall be deposited in the Public Art Fund.
- e. **Aggregation of Funds.** When the Public Art Office and Engineering and Construction Department mutually determine that the Percent for Art Allocation is either insufficient to execute a significant Artwork, or other factors, such as lack of public visibility or accessibility make an Artwork at a particular location undesirable, the Public Art Office shall have the authority to aggregate Percent for Art Allocation funds for use at other Public Places. Such funds may be deposited into the Public Art Fund or held in the appropriate District fund.
- f. **Miscellaneous Provisions**
- (1) Public Art projects funded through CIP funds shall be consistent with section 15.
  - (2) The Public Art Office shall be the project manager and contract administrator for all Artist and Artwork agreements awarded by the District.

**15. Planning and Acquisition Process for Artworks**

To carry out its responsibilities under sections 13 and 14, the Public Art Office shall conduct program and project management activities which include, but are not limited to, the following tasks:

**a. The Planning Process**

- (1) Prepare, adopt, and evaluate a Public Art master plan to develop the District's programs, services and activities related to Public Art, Tenant Artwork or otherwise. The Public Art master plan shall be submitted to the Public Art Committee for input and recommendation to the Board for approval. The Board's role shall be to ensure that procedure was followed utilizing the criteria for the Board outlined in section 16d.
- (2) Prepare and submit a Curatorial Strategy and periodic updates thereof, as needed, that outline the priorities for the types of projects that it will be developing over a finite period of time to the Public Art Committee for input and recommendation. The Public Art Committee's recommendation to approve the Curatorial Strategy shall be submitted to the Board for approval. The Board's role shall be to ensure that the Curatorial Strategy conforms to relevant budgets and that procedure was followed utilizing the criteria for the Board outlined in section 16d.
- (3) Prepare and submit Individual Project Plans for each Acquisition, exhibition or otherwise that it desires to pursue, to the Public Art Committee for input and recommendation. The Public Art Committee's recommendation to approve the Individual Project Plans shall be submitted to the Board for approval. The Board's role shall be to ensure that Individual Project Plans conform to relevant budgets and that procedure was followed utilizing the criteria for the Board outlined in section 16d.

**b. The Commissioning Process**

- (1) Identify potential Artists through a variety of selection methods, including but not limited to requests for qualifications that will be considered for new projects which shall result in collecting qualifications.
- (2) Organize Selection Panels and manage selection activities as needed to select and recommend Artists for each new Acquisition, exhibition or

otherwise, whether a Public Art Fund or CIP project or otherwise, utilizing the evaluation criteria outlined in section 16a.

- (3) Submit Selection Panels' recommendations to the Public Art Committee for review and recommendation utilizing the evaluation criteria outlined in section 16a.
- (4) Review and submit the Public Art Committee's recommendation to the Curator, the Executive Director's (President/CEO) authorized designee or the Board, depending on the amount of the Art Budget as follows:
  - (a) The Curator shall have the authority to approve the Artist selection and authorize an agreement with Artist for projects, with an Art Budget of up to \$75,000, ensuring that it has adequately addressed the evaluation criteria outlined in section 16a.
  - (b) The Curator shall recommend approval of the Artist selection and recommend authorizing an agreement with Artist to the Executive Director's (President/CEO) authorized designee for projects, with an Art Budget greater than \$75,000 and up to \$125,000, ensuring that it has adequately addressed the evaluation criteria outlined in section 16a. The Executive Director's (President/CEO) authorized designee shall determine, at their discretion, whether projects with Art Budgets within this subsection should go to the Board for final approval as set forth in subsection 15b(4)(c).
  - (c) The Curator shall prepare a report for the Board, with the Public Art Committee's recommendation for approval of the project, and recommend authorizing an agreement with Artist, with an Art Budget greater than \$125,000. The Board's role shall be to ensure that the selection conforms to the approved budget, and that procedures were followed utilizing the criteria for the Board outlined in section 16d.
- (5) When projects are approved by District staff as outlined in sections 15b(4)(a) and 15b(4)(b), prepare a Board memo and periodic project update memos.
- (6) Review and submit Artist Concept Proposals to the Public Art Committee who shall review and make recommendations to the Curator utilizing the evaluation criteria outlined in section 16b.

- (7) Review and submit final design of Artwork to the Public Art Committee who shall review and make recommendations to the Curator utilizing the evaluation criteria outlined in section 16b.
- (8) When, Artists are requested to develop Artist Concept Proposals as part of the Artist selection process, the Artist Concept Proposals and Artist qualifications shall be reviewed and processed together as set forth in subsections 15b(2)-15b(5) and 15b(7) utilizing the evaluation criteria outlined in section 16a and 16b.
- (9) During progress of the agreement with the Artist, authorization to negotiate and execute any amendments is as follows:
  - (a) The Curator shall have the authority to authorize any amendments to agreements with Artists as long as the aggregate agreement total does not exceed \$75,000.
  - (b) The Curator shall recommend authorizing any amendments to agreements with Artists greater than \$75,000 and up to \$125,000 to the Executive Director's (President/CEO) authorized designee as long as the aggregate agreement total does not exceed \$125,000.
  - (c) The Curator shall recommend authorizing any amendments to agreements with Artists greater than \$125,000 to the Board when the aggregate agreement total exceeds \$125,000.
  - (d) The Curator shall provide the Board with a written summary reporting any Artist agreements and/or amendments executed by the Curator or Executive Director's (President/CEO) authorized for the prior month.

**c. The Purchasing Process**

- (1) Identify potential Artworks through a variety of selection methods which shall result in collecting qualifications, images, asking prices and other pertinent information about Artworks.
- (2) Organize Selection Panels and manage selection activities as needed to select and recommend Artworks, whether a Public Art Fund or CIP

project or otherwise utilizing the evaluation criteria outlined in section 16c.

- (3) Submit Selection Panels' recommendations to the Public Art Committee for review and recommendation utilizing the evaluation criteria outlined in section 16c.
- (4) Review and submit the Public Art Committee's recommendation to Curator, the Executive Director's (President/CEO) authorized designee or the Board, depending on the amount of the Art Budget that follows:
  - (a) The Curator shall have the authority to approve Artwork selection and authorize purchase of Artwork, with negotiated prices of up to \$75,000 ensuring that it has adequately addressed the evaluation criteria outlined in section 16c.
  - (b) The Curator shall recommend approval of Artwork selection and recommend authorizing purchase of Artwork, to the Executive Director's (President/CEO) authorized designee for purchases with negotiated prices greater than \$75,000 and up to \$125,000 ensuring that it has adequately addressed the evaluation criteria outlined in section 16c. The Executive Director's (President/CEO) authorized designee shall determine, at their discretion, whether projects with Artworks with negotiated purchase prices within this subsection should go to the Board for final approval as set forth in subsection 15c(4)(c).
  - (c) The Curator shall prepare a report for the Board, with the Public Art Committee's recommendation for approval of the project, and recommend authorizing purchase of Artwork with a negotiated purchase price greater than \$125,000. The Board's role shall be to ensure that the selection conforms to the relevant budget, and that procedure was followed utilizing the criteria for the Board outlined in section 16d.
- (5) When projects are approved by District staff as outlined in sections 15c(4)(a) and 15c(4)(b), prepare an initial Board memo and periodic project update memos.
- (6) When Artwork is being considered for direct purchase, the Public Art Office shall prepare and submit a report to Public Art Committee and follow the purchasing process as set forth in subsections 15c(4)-15c(5).

## 16. Evaluation Criteria

### a. Criteria for Evaluating Artist Qualifications

- (1) Meets the definition of Artist as set forth herein.
- (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 public Artworks in collaboration with the District, Public Art Office, the design team (if applicable) and other project partners.
- (5) Demonstrates experience in successfully completing Artworks of similar scope, scale, budget and complexity, or 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) Builds the diversity of the District's Tidelands Collection.
- (9) If applicable, demonstrates a cohesive team.
- (10) If applicable, past performance on agreements.

### b. Criteria for Evaluating Artist Concept Proposals

- (1) Clearly responds to the District's vision for art on the tidelands.
- (2) Meets the definition of Artwork as set forth herein.
- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation, and creativity.



- (4) Demonstrates appropriateness in scale, form and is of materials/media suitable for the site.
- (5) Meets the project's goals as outlined in the Individual Project Plan and relates to one or more of the Public Art Office's Creative Directions.
- (6) Demonstrates feasibility in terms of budget, timeline, safety, durability, operation, maintenance, conservation, legal and ethical issues related to possession and use of proposed Artwork, security, and/or storage and siting.
- (7) Builds the diversity of the District's Tideland Collection.

**c. Criteria for Evaluating Purchases of Existing Artworks**

- (1) Clearly responds to the District's vision for art on the tidelands.
- (2) Meets the definition of Artwork as set forth herein.
- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation and creativity.
- (4) Demonstrates appropriateness in scale, form, and is of materials /media suitable for the site.
- (5) Meets the project's goals as outlined in the Individual Project Plan and relates to one or more of the Public Art Office's Creative Directions.
- (6) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, condition, maintenance, conservation, legal and ethical issues related to possession and use of Artwork, security, and/or storage and siting.
- (7) Builds the diversity of the District's Tideland Collection.

**d. Criteria for Board Evaluation**

- (1) The District policy, as set forth herein, and as administered by the Public Art Office and/or the Public Art Committee, have been followed properly.

- (2) Recommendations are consistent with relevant budgets, Curatorial Strategies, Individual Project Plans, and/or redevelopment plans.

## **17. Management and Control of Artworks**

Any Artworks proposed to be contracted for, exhibited on, or erected on Public Places, or become the property of the District by Acquisition or otherwise, or be in the custody of the District by loan or otherwise, shall first have been submitted to Public Art Office staff, and following review and recommendation as required by the Curator, Public Art 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 Public Art Office staff, and following review and recommendation as required in section 19 by the Curator, Public Art Committee and the Board.

Collections Management shall be the responsibility of the Public Art Office staff under the direction of the Curator, with input from the Public Art Committee and Board, as required in this policy. The General Services and Procurement Department shall support the Public Art Office's Collections Management activities by providing Ordinary Artwork Maintenance for Artworks at the direction of Public Art Office staff.

## **18. Acquisition of Artworks**

Title to all Acquisitions accepted by the District shall be vested and held in the name of the District.

## **19. Deaccession and Disposal of Artworks**

The District intends to acquire Artworks for the Tidelands Collection through such thoughtful evaluation that deaccessioning Artworks is seldom necessary.

However, careful deaccessioning of Artworks may be considered in the interest of improving the quality and value of the Tidelands Collection over time. Deaccessioning should be applied only after evaluation of an Artwork to avoid the premature Disposal of an Artwork from the Tidelands Collection.

### **a. General Provisions**

- (1) An Artwork accessioned into the Tidelands Collection, in general, will

not be deaccessioned within five years of its Acquisition and Accession, unless the Artwork has been acquired for the stated purpose of being sold or special circumstances apply.

- (2) The District shall comply with state, federal, or 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.
- (3) The District shall observe any mandatory restrictions applied to Artworks 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.
- (4) Public Art Office staff shall initiate Deaccession evaluations as part of a periodic review of the Tidelands Collection.

b. **Deaccession Evaluation.** The Public Art Office shall:

- (1) Initiate a Deaccession evaluation, which includes recommendations from Public Art Office staff on whether to Deaccession Artworks from the Tidelands Collection.
- (2) Submit a Deaccession evaluation to the Public Art Committee for each Deaccession evaluation for input and recommendation.
- (3) Review and submit the Public Art Committee's recommendation as follows:
  - (a) The Curator shall have the authority to approve the Deaccession of Artworks from the Tidelands Collection with a fair market value up to \$75,000 utilizing the Deaccession criteria outlined in subsection 19c.
  - (b) The Curator 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 utilizing the Deaccession criteria outlined in subsection 19c.

- (c) The Curator shall prepare a report for the Board, with the Public Art Committee's recommendation for approval of the Deaccession of Artworks from the Tidelands Collection, and make a recommendation for approval of the Deaccession of Artworks with a fair market value greater than \$125,000. The Board's role shall be to ensure that the Deaccession evaluation process outlined herein has been followed utilizing the criteria for the Board outlined in section 16d.
- (4) When Deaccession of an Artwork from the Tidelands Collection is approved by District staff as outlined in sections 19b(3)(a) and 19b(3)(b), prepare a memo informing the Board of the Deaccession evaluation outcome.
- (5) When Deaccession of an Artwork is approved, the Curator shall determine the preferred method of Disposal and authorize the Disposal of the Artwork.

**c. Deaccession Criteria**

Criteria for deaccessioning Artworks from the Tidelands Collection may include, but are not limited to:

- (1) Condition. The Artwork has deteriorated beyond a reasonable means of conservation, has been damaged beyond reasonable repair or is actively deteriorating in a manner that affects the Artwork's site and/or other District property.
- (2) Maintenance. The Artwork needs excessive maintenance or conservation or the Artwork repeatedly fails to operate properly.
- (3) Excellence. The authenticity, level of aesthetic quality and workmanship of the Artwork and/or the relationship of the Artwork to the Artist's body of work is determined to be false, insufficient or insignificant.
- (4) Duplicative. The Artwork is redundant or is a duplicate in a large holding of Artwork of that type, category or by that Artist.
- (5) Legal and Ethical Considerations. The District's possession of the Artwork violates state, federal or international laws, the provenance of

the Artwork is unknown or unconfirmed, and/or the District does not have a clear legal title to the Artwork.

- (6) **Site.** The Artwork 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.
- (7) **Significance.** The Artwork has little or no correlation to the District's vision for art on the tidelands and Creative Directions.
- (8) **Safety.** The security of the Artwork cannot be sustained; the Artwork poses public safety, public health risks, and/or other potential safety risks for the District.
- (9) **Resources.** The Artwork 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.

## 20. **Outgoing Loans**

The Curator is authorized to loan Artworks from the Tidelands Collection for use in exhibitions, research and education. In general, the District lends Artworks to government entities, agencies, institutions, or organizations and only to private individuals, companies and commercial galleries when to do so is likely to elevate the value and/or significance of the Tidelands Collection.

## 21. **Incoming Loans**

The District may accept Incoming Loans of Artworks. The District shall consider the following types of proposed Incoming Loans to be placed on Public Places:

- a. **Public Art Office Initiated Incoming Loans.** In cases where Public Art Office staff solicits the loan, Public Art Office staff shall prepare an Individual Project Plan as outlined in section 15a(3) and as applicable, follow the process for purchasing existing Artwork as outlined in section 15c. The term "incoming loan" shall replace the term "purchase."
- b. **Outside Party Initiated Incoming Loans.** In cases where an Incoming Loan of Artwork and/or Commemorative Artwork is proposed by any party other than the Public Art Office, the process shall include the following steps:

- (1) **Preliminary Inquiry.** All potential lenders shall begin the process by contacting the Public Art Office staff about the requirements as set forth herein.
- (2) **Application.** All potential lenders shall submit to Public Art Office staff applications for proposed Incoming Loans of Artworks.
- (3) **Preliminary Review.** The Curator shall conduct preliminary reviews of applications for all proposed Incoming Loans of Artworks satisfactory to the Curator, that they:
  - (a) Include all required elements as set forth in the application.
  - (b) Meet the definition of Artwork as set forth herein.
  - (c) Meet the criteria for review of aesthetic and site outlined in section 21b(9)(c).
  - (d) When applicable, meet the criteria for review of social and merit for Commemorative Artworks outlined in section 21b(9)(a).
- (4) **Technical Review.** For proposed Incoming Loans of Artworks that pass the preliminary review as outlined in subsection 21b(3), Public Art Office staff shall organize an interdepartmental technical review conducted by District staff utilizing the criteria for technical review outlined in section 21b(9)(b).
- (5) **Staff Approval or Rejection.** After technical review, applications for proposed Incoming Loans of Artworks shall be either:
  - (a) Returned to the potential lender for additional development and documentation;
  - (b) Forwarded to the Public Art Committee; or
  - (c) Rejected.
- (6) **Public Art Committee.** The Public Art Committee shall review applications for proposed Incoming Loans of Artworks and accompanying staff reports and make recommendations to either accept or reject proposed Incoming Loans of Artworks utilizing the criteria for aesthetic and site review in section 21b(9)(c).

(7) **Final Approval.**

- (a) For proposed Incoming Loans of Artworks that the Public Art Committee recommends to accept, the Curator shall have the authority to approve the Incoming Loan.
- (b) When Incoming Loans of Artworks are approved, the Curator shall prepare a Board memo to inform the Board of the approval of the loan.

(8) **Acceptance Conditions for Incoming Loans of Artworks from Outside Parties.** The following conditions shall be met for the District to consider accepting proposed Incoming Loans of Artworks from outside parties:

- (a) All expenses for proposed Incoming Loans of Artworks from outside parties shall be the responsibility of the lender, except in extraordinary circumstances. These expenses may include, but are not limited to: design, fabrication, shipping, insuring, site preparation, installation, signage and lighting.
- (b) The Public Art Office shall consider funding a portion of the costs associated with proposed Incoming Loan of Artworks from outside parties only if, in the opinion of the Public Art Office and the Public Art Committee, the Artworks meet all the criteria to be considered as Artworks that the District would acquire on its own.
- (c) Proposed Loans of Commemorative Artworks shall be presented by a Civic Lender.

(9) **Evaluation Criteria for Incoming Loans of Artworks from Outside Parties**

(a) **Criteria for Review of Social and Merit Issues**

- 1) Proposed Incoming Loans of Artworks for commemorating individuals should not be considered until at least ten years after the death of the individual. Proposed Incoming Loans of Artworks 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.

- 2) Proposed Incoming Loans of Artworks 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.
- 3) Proposed Incoming Loans of Artworks 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.
- 4) Proposed Incoming Loans of Artworks 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.
- 5) Proposed Incoming Loans of Artworks that are commemorative in nature must not duplicate the themes or subject matter of an existing Artwork and/or commemorative site in the tidelands or its member cities.
- 6) In no instance should proposed Incoming Loans of Artworks that are commemorative in nature depict subjects that are trademarked or commercially licensed.



**(b) Criteria for Technical Review**

- 1) Ownership. Has the potential lender documented that the Artwork can be legally loaned to the District?
- 2) Financial Costs. Has the potential lender documented that the financial costs associated with the Artwork have been adequately anticipated and can be met? These costs may include, but are not limited to, shipping, insurance, site preparation, installation, dedication, signage and lighting.
- 3) Safety and Liability. Is Artwork durable? Does it pose any safety or liability concerns?
- 4) Maintenance and Conservation. Has the potential lender provided a professional art conservator's report indicating anticipated maintenance needs?
- 5) Availability of Site. Is the proposed site available for the installation of Artwork? Are necessary electrical, plumbing or other utility requirements defined and available?

Additional criteria for technical review may be developed as necessary by Public Art Office staff.

**(c) Criteria for Aesthetic / Site Review**

- 1) Clearly responds to the District's vision for art on the tidelands, relates to one or more of the Public Art Office's Creative Directions, and relates to its Curatorial Strategy.
- 2) Meets the definition of Artwork, as set forth herein.
- 3) Demonstrates excellence in aesthetic quality, workmanship, innovation and creativity.
- 4) Demonstrates appropriateness in scale, form, and is of materials/media suitable for the site.

- 5) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, condition, maintenance, conservation, legal and ethical issues related to possession and use of Artwork, security, and/or storage and siting.
  - 6) Builds the diversity of the District's Tideland Collection.
- (10) **Loan Agreement.** Before Incoming Loans of Artworks are approved and accepted by the District, any agreements including the terms and conditions of the loan, between lender and the District, must be prepared by or approved by the District's Legal Department. Public Art Office staff is authorized to negotiate loan period extensions when it is determined to be advantageous to District.

## 22. Temporary Exhibits of Artworks from Outside Parties

If a temporary exhibit of Artworks is proposed by a party other than the Public Art Office, the Public Art Office staff may authorize temporary exhibits of Artworks in Public Places. All temporary exhibits of Artworks from outside parties other than the Public Art Office shall follow the process for Incoming Loans set forth in section 21b using the criteria given in section 21b(9) herein. The term "temporary exhibit" shall replace the term "incoming loan" and the term "exhibitor" shall replace the term "lender."

Any temporary exhibit of artwork proposed for exhibition in Public Places for one year or longer will be identified and processed as an Incoming Loan.

## 23. Donations of Artworks

- a. **Donation Proposal Types.** The District through the Public Art Office shall consider the following types of proposed Donations of Artworks to be placed on Public Places:
  - (1) A Donor's offer to Commission an Artwork.
  - (2) A Donor's offer of an already existing Artwork.
  - (3) A Donor's offer to support projects or initiatives of the Public Art Office through a Monetary Donation.

Donations are solely offers until accepted by the District. Bequests of Artworks are subject to the same review process for Donations of Artwork as outlined herein.

b. **Acceptance Conditions.** The following conditions shall be met for the District to consider accepting proposed Donations of Artworks:

- (1) All expenses for proposed Donations of Artworks shall be the responsibility of the Donors, except in extraordinary circumstances. These expenses may include, but are not limited to: design, fabrication, shipping, insuring, site preparation, installation, signage and lighting.
- (2) The Public Art Office shall consider funding a portion of the costs associated with proposed Donations of Artworks only if, in the opinion of the Public Art Office and the Public Art Committee, the Artworks meet all the criteria to be considered as Artworks that the District would acquire on its own.
- (3) A Donor shall deposit funds equal to or greater than ten percent of the Commission cost or the fair market value of an Artwork into the Public Art Fund for Collections Management, at the time the proposed Donation of Artwork is accepted by the District.
- (4) Proposed Donations of Commemorative Artworks shall be presented by a Civic Donor.

c. **Review Process for Proposed Donations of Artworks.** The process for proposing and reviewing proposed Donations of Artworks to the District shall include the following steps:

- (1) **Preliminary Inquiry.** All potential Donors shall begin the process by contacting the Public Art Office staff about the requirements as set forth herein.
- (2) **Application.** All potential Donors shall submit to Public Art Office staff applications for proposed Donations of Artworks. Applications can be obtained from Public Art Office staff.
- (3) **Preliminary Review.** The Curator shall conduct preliminary reviews of applications for all proposed Donations of Artworks satisfactory to the Curator, that they:

- (a) Include all elements as required in the application.
  - (b) Meet the definition of Artwork as set forth herein or is for an Artist Commission.
  - (c) Meet the criteria for aesthetic and site review outlined in section 23h(3).
  - (d) When applicable, meet the criteria for review of social and merit for Commemorative Artworks outlined in section 23h(1).
- d. **Technical Review.** For proposed Donations of Artworks that pass the preliminary review as outlined in section 23c, Public Art Office staff shall organize an interdepartmental technical review conducted by District staff utilizing the criteria for technical review outlined in section 23h(2).
- e. **Staff Approval or Rejection.** After technical review, applications for proposed Donations of Artworks shall be either:
- (1) Returned to the Donor for additional development and documentation;
  - (2) Forwarded to the Public Art Committee, with a staff report, for review and recommendation as set forth in section 23f; or
  - (3) Rejected.

The Curator, at his or her discretion, may convene an ad hoc panel to review proposed Donations of Artworks and make recommendations to the Public Art Committee.

The Curator, at his or her discretion, may undertake additional community consultation, before forwarding the application to the Public Art Committee.

- f. **Public Art Committee.** The Public Art Committee shall review applications for proposed Donations of Artworks and accompanying staff reports and make recommendations to either accept or reject proposed Donations of Artworks as set forth in section 23g utilizing the criteria for aesthetic and site review in section 23h(3). In the event that the Public Art Committee makes recommendations to reject proposed Donations of Artworks, the Donor shall be notified and given the option of revising the proposed Donation and resubmitting for review as set forth in section 23c.

**g. Final Approval.**

- (1) For proposed Donations of Artworks with a fair market value of up to \$75,000 that the Public Art Committee recommends to accept, the Curator shall have the authority to accept the Donations.
- (2) For proposed Donations of Artworks with a fair market value of greater than \$75,000 and up to \$125,000 that the Public Art Committee recommends to accept, the Curator shall submit the recommendation to the Executive Director's (President/CEO) authorized designee, whom shall have the authority to either accept the Donations or forward the recommendation to the Board for final approval as set forth in section 23g(4).
- (3) When Donations of Artworks are approved and accepted by District staff as outlined in sections 23g(1) and 23g(2), the Curator shall prepare a Board memo to inform the Board of the acceptance.
- (4) For proposed Donations of Artworks with a fair market value of more than \$125,000 that the Public Art Committee recommends to accept, the Public Art Office staff shall prepare and submit a report, including the Public Art Committee's recommendation and 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 23h(4).

**h. Evaluation Criteria for Reviewing Donations of Artworks**

**(1) Criteria for Review of Social and Merit Issues**

- (a) Proposed Donations for commemorating individuals should not be considered until at least ten years after the death of the individual. Proposed Donations of Artworks 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 Public Places 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 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.

**(2) Criteria for Technical Review**

- (a) Ownership. Has the potential Donor documented that the Artwork can be legally donated to the District?
- (b) Financial Costs. Has the potential Donor documented that the financial costs associated with the Artwork have been adequately anticipated and can be met? These costs may include, but are not limited to, shipping, insurance, site preparation, installation, dedication, signage, lighting and maintenance.

- (c) Safety and Liability. Is Artwork durable? Does it pose any safety or liability concerns?
- (d) Maintenance and Conservation. Has the potential Donor provided a professional art conservator's report indicating anticipated maintenance needs?
- (e) Availability of Site. Is the proposed site available for the installation of Artwork? Are necessary electrical, plumbing or other utility requirements defined and available?

Additional criteria for technical review may be developed as necessary by the Public Art Office staff.

**(3) Criteria for Aesthetic / Site Review**

- (a) Clearly responds to the District's vision for art on the tidelands, relates to one or more of the Public Art Office's Creative Directions, and relates to its Curatorial Strategy.
- (b) Meets the definition of Artwork, as set forth herein.
- (c) Demonstrates excellence in aesthetic quality, workmanship, innovation and creativity.
- (d) Demonstrates appropriateness in scale and form, and is of materials/media suitable for the site.
- (e) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, condition, maintenance, conservation, legal and ethical issues related to possession and use of Artwork, security, and/or storage and siting.
- (f) Builds the diversity of the District's Tidelands Collection.

**(4) Criteria for Board Review**

- (a) The District's policy, as set forth herein, and as administered by the Public Art Office and/or the Public Art Committee, have been followed properly.

- (b) Recommendations are consistent with relevant budgets, Curatorial Strategies, and/or redevelopment plans.

- i. **No Obligation to Accept Proposed Donations**

Within thirty business days following the District's decision to accept or reject the proposed Donation of Artwork, designated Public Art Office staff shall give notice of the District's decision to the Donor. The District has no obligation to accept any Artworks proposed for Donation to the District. The District has the right to determine, in its sole and absolute discretion, what Artwork offered to it will be accepted by the District.

- j. **Records of Donations**

District staff will be responsible for maintaining detailed Donation records. Upon acceptance of a Monetary Donation, District staff will deposit the Monetary Donation according to the terms of the District's acceptance.

- k. **Transfer of Donations of Artworks**

- (1) **Acceptance**

All Donations of Artworks shall become District property upon formal acceptance by the District.

- (2) **Condition of Title**

The District prefers Unrestricted Donations of Artworks. 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.

- l. **Legal Documents**

Before Donations of Artworks 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.

- m. **Appraisals**

The District will not provide or assume responsibility for appraisals for tax-



deduction or other external purposes.

n. **Compliance with Laws**

The District reserves the right to require a Donor to comply with state, federal, or international laws.

24. **Reproductions or Adaptations of Artworks**

Public Art Office staff is authorized to negotiate with the copyright holder for each Artwork in or proposed for inclusion in the Tideland Collection or exhibited on District Public Places for the purpose of acquiring a license to make, or cause to be made reproductions or adaptations of an Artwork. Reproductions or adaptations of Artworks are made according to the terms and conditions of licensing agreements.

25. **Proceeds from the Sale, Loan, Reproduction or Adaptation of Artworks**

Funds realized from the sale of Artworks from the Tideland Collection shall be expended on new Acquisitions for the Tideland Collection. Proceeds from the loan of Artworks from the Tideland Collection or from the licensing of the making of reproductions or adaptations thereof, less any payments due, shall be deposited into the Public Art Fund.

26. **Administrative Procedures**

The Public Art Office 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:

Accession: The formal process used to accept and record an Artwork as a Tideland Collection Artwork.

Acquisition: Artworks that are Commissioned or purchased by the District or transferred to the District by Donation, bequest, transfer or exchange.

**Alteration:** Substantial refurbishments, betterments and/or upgrades to existing assets which may include, but are not limited to, additions to, removal of, and modification of elements such as walls, ceilings, and doors.

**Annual Office Budget:** The Public Art Office's budget, which is folded into the annual District budget. It outlines broad categories of expenditures, such as personnel, operations, administrative expenses, new projects, committed/continuing projects, marketing, and Collections Management.

**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.

**Artist Concept Proposal:** The Artist's Concept Design before it has been approved by the Curator, the Executive Director's (President/CEO) Authorized Designee, or the Board of Port Commissioners.

**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 Public Art Office, Artwork shall be defined in terms of the visual arts, as distinguished from performing arts and literary arts. However, Artworks can include visual representations of performing and literary arts, or can incorporate performative or narrative elements.

**Capital Improvement Program:** Any acquisition, construction or Alteration project, or portion or phase thereof, by the District.

**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.

**Civic Lender:** A lender that is an incorporated, non-profit organization, organized at least five years before an Application for a proposed Incoming Loan of Commemorative Artwork to the District, or a municipal government or other public agency.

**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.

**Commemorative Artwork:** An Artwork that commemorates an individual, idea or event that has shaped or impacted the tidelands.

**Commission:** An Artwork, permanent or temporary, that is created by an Artist specifically for Public Places.

**Concept Design:** The initial design phase of an Artwork project in which an Artist creates a design concept that is detailed enough to communicate the intended content, scale, location, artistic media and relationship of components and materials of proposed Artwork. The documentation of the design concept can include a narrative description of the work, diagrams and/or a maquette.

**Creative Direction:** A broadly described thematic area, established in the public art master plan, that the Public Art Office will use to explore curatorial possibilities and define individual projects.

**Curatorial Strategy:** A multi-year work plan that establishes priorities for the types of projects the Public Art Office will be developing over a three to five year period. The strategy describes the types of projects the Public Art Office will work to develop, the kinds of Artists it wishes to recruit, any specific geographic areas it wishes to focus on and any partnerships it would like to establish. It will anticipate upcoming Capital Improvement Program projects, Tenant projects and redevelopment plans, and describe how those can be shaped to support the Public Art Office's Creative Directions.

**Deaccession:** The formal process used to remove an Artwork from the Tidelands Collection.

**Disposal:** The permanent exchange, sale, destruction or transfer of an Artwork.

**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.

**Donor:** An individual or entity that proposes a Donation to the District.

Incoming Loan: An Artwork borrowed by the District.

Individual Project Plan: A detailed document outlining all parameters for each Acquisition or exhibition that the Public Art Office intends to pursue.

Monetary Donation: Cash and cash equivalents.

Ordinary Artwork Maintenance: The routine oversight of the operation, maintenance and superficial cleaning of and around Artworks.

Outgoing Loan: The loan of an Artwork from the Tidelands Collection.

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: Artworks acquired using funds appropriated by the District and located in Public Places.

Public Art Committee: A committee appointed by the Chair of the Board that serves as an advisory body to the Public Art Office and to the Board. The Public Art Committee upholds the Public Art Office's vision, ensuring that the District's art policies and procedures are followed, and supporting the development and stewardship of the District's Tidelands Collection and other Artworks on District Public Places.

Public Art Fund: An annual allocation of \$1.2 million from the District's general operating budget that is set aside for the Public Art Office. The amount includes expenses for staffing, operations, new permanent and temporary Public Art Commissions and purchases, project management activities, competition costs, Artist design fees, fabrication and installation of Artworks and Collections Management. The Public Art Fund can accept additional funds dedicated to acquiring Artwork, such as Tenant contributions or Monetary Donations.

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 of 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 and 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.

**Selection Panel:** An ad-hoc panel that reviews Artist materials and makes recommendations to the Public Art Committee and Public Art Office Curator regarding Acquisitions and exhibitions.

**Tenant Artworks:** Artworks commissioned or purchased by District tenants.

**Tidelands Collection:** Artworks which have been Accessioned and are publicly owned, possessed, or controlled by the District and administered by the Public Art Office. Incoming loans of Artworks shall be incorporated into the Tidelands Collection for the duration of the loan but are not considered Acquisitions.

**Unrestricted Donation:** A Donation to the District without any limitation placed on its use.

**RESOLUTION NUMBER AND DATE:** 2013-27, February 12, 2013 (Supersedes BPC Policy No. 609, 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)

**RESOLUTION 2013-27****RESOLUTION AMENDING BPC POLICIES 018, 730, 609, 255, ENVIRONMENTAL ADVISORY COMMITTEE CHARTER, AUDIT ADVISORY COMMITTEE CHARTER, AND ACCESSIBILITY ADVISORY COMMITTEE BYLAWS TO INCLUDE AMENDED CONFLICT OF INTEREST LANGUAGE AND COMMITTEE MEMBERSHIP STRUCTURE, AND ADOPTING BPC POLICY NO. 018A ESTABLISHING BOARD STAKEHOLDER FORUMS**

**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**, the District's advisory committees are established by the Board of Port Commissioners (BPC) Chair each calendar year pursuant to BPC Policy No. 018; and

**WHEREAS**, at the November 2011 meeting, the BPC considered recommendations made by former Port Attorney Duane Bennett regarding conflict of interest issues affecting advisory committees; and

**WHEREAS**, at the March 2012 meeting the BPC considered conflict of interest issues affecting advisory committees and made a determination as to how to avoid actual and perceived conflicts of interest on BPC advisory committees, as well as determinations as to the composition of the Maritime and Real Estate advisory committees; and

**WHEREAS**, at the July 2012 meeting the BPC adopted District staff recommendations to streamline advisory committees, to eliminate certain committees; and

**WHEREAS**, at the December 2012 meeting the BPC adopted District staff recommendations related to the establishment of "Board Stakeholder Forums" and conflict of interest language for advisory committees; and

**WHEREAS**, the BPC directed that BPC Policy No. 018 be amended to add that, Commissioners shall not offer a motion or vote at any Board Advisory Committee Meeting, no more than two Commissioners shall serve on any Board Advisory Committee, a Commissioner may serve as an advisory committee Chair, the Chair of the BPC is authorized to immediately remove any advisory committee member who violates BPC Policy No. 018 provisions governing

conflicts of interest, and to the extent required by law, advisory committees 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; and

**WHEREAS**, BPC Policy No. 730, "Port Environmental Advisory Committee," "Environmental Advisory Committee Charter," BPC Policy No. 609, "Public Art," BPC Policy No. 255, "Port With No Borders Scholarship Program," the "Audit Advisory Committee Charter," and the "Accessibility Advisory Committee Bylaws" have been amended to reflect the BPC's direction and to eliminate conflicting language between those BPC advisory committee policies, charters, and bylaws, and the amended language contained in BPC Policy No. 018; and

**WHEREAS**, BPC Policy No. 018A, "Board Stakeholder Forums" (Forum) has been established to provide:

- Venues for the District, Port tenants, and other stakeholder discussions, and sets forth that, Forum issues may be referred by the BPC.
- District staff may convene a Forum on an as-needed basis.
- Forums shall be for discussion only, no voting will occur.
- District staff shall prepare a summary of Forum discussions for review by the BPC after each Forum.
- An annual work plan for each Forum shall be adopted by the BPC and may be modified by the BPC as other issues arise.
- The Chair of the BPC may consider new matters requested by District staff, stakeholders or tenants for inclusion in the work plan.
- Any new matters to be included in the work plan shall be approved by the BPC prior to convening a Forum on the new matter.
- The BPC may refer matters to Forums as it deems appropriate.
- The BPC Chair may appoint a minimum of two members from the BPC as Forum facilitators.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That BPC Policy No. 018, "Board Advisory Committees," BPC Policy No. 730, "Environmental Advisory Committee," "Environmental Advisory Committee Charter," BPC Policy No. 609, "Public Art," BPC Policy No. 255, "Port With No Borders Scholarship Program," the "Audit Advisory Committee Charter," the "Accessibility Advisory Committee Bylaws", as amended, and BPC Policy No. 018A, "Board Stakeholder Forums" copies of which are on file in the Office of the District Clerk are hereby adopted.

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12th day of February, 2013, by the following vote:

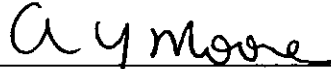
AYES: Malcolm, Moore, Nelson, Smith, Valderrama

NAYS: None.

EXCUSED: None.

ABSENT: None.

ABSTAIN: None.



Ann Y. Moore, Chair  
Board of Port Commissioners

ATTEST:



Timothy A. Deuel  
District Clerk

(Seal)



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San Diego Unified Port District

Document No. 60008

Filed MAR 21 2013  
Office of the District Clerk

## BPC Policy No. 730

**SUBJECT:** PORT ENVIRONMENTAL ADVISORY COMMITTEE POLICY

**PURPOSE:** To review and provide input and recommendations on all Port environmental programs and initiatives, and comment on funding projects aimed at improving the condition of the Bay and surrounding Port tidelands, and provide a Tenant Environmental Compliance Loan Program.

**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, an Environmental Services Department (ESD) 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 some industrial sources of Bay pollution. Unfortunately, discharges continue in the form of urban runoff from businesses and homes 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.



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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 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 Environmental Advisory Committee (Committee) 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 Committee 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



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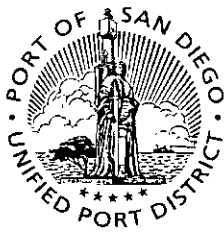
seawalls, which are inefficient as habitat.

6. The Port of San Diego has accepted the role of "environmental steward" of the Bay, responsible for the protection and enhancement of 2,508 acres of tideland and 2,860 acres of water in the Bay.
7. The ESD and EAC were created to ensure that the Port is in compliance with environmental laws and regulations. ESD programs include but are not limited to: Green Port; Urban Runoff; Redevelopment; and Natural Resources. The ESD 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.

### **ENVIRONMENTAL ADVISORY COMMITTEE:**

The Committee 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 Committee. The purpose of this, and all other Port advisory committees, is to advise the Board. The Committee 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 Committee shall be composed of no more than two (2) 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. Committee membership shall not exceed eighteen members (stakeholders and two commissioners). Commissioners shall not offer a motion or vote on any matter coming before the Committee. This diverse membership will allow the Committee to achieve the Board's goal of receiving input from a broad and balanced cross section of the community. Committee meetings are intended to encourage input from stakeholders



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and interaction with Port staff and Board members.

### TERMS:

Committee 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 a Committee 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 Committee members. Committee members shall receive no compensation for their services.

### CONFLICTS OF INTEREST:

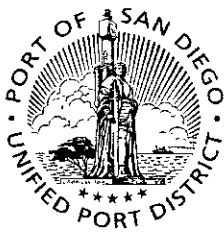
To the extent required by law, the Committee will operate in compliance with the Political Reform Act and Government Code section 1090 regarding conflicts of interest. Committee members with financial interests in matters coming before the Committee shall be required to disclose the interest and abstain from any participation as to the matter. Members and their organizations seeking funding from the Committee 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 Committee 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 be by the 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.

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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, natural resources management, habitat creation or protection, reclaiming natural shoreline conditions, and/or other issues in the Bay and/or the tidelands.

**Project Selection:** Projects will be identified and reviewed by staff of the ESD Projects to be considered will be ranked on a Project List (List), which will be revised and/or updated as new potential projects are identified or other projects are removed. In evaluating a project for inclusion on the List, staff will determine if it meets the objectives identified by the Committee.

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 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?

**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 Committee 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



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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 Committee, 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.

### 2. TENANT ENVIRONMENTAL COMPLIANCE LOAN PROGRAM

**Purpose:** The goal of the Environmental Loan Program is to achieve environmental compliance and produce an overall environmental benefit to the Bay.

**Background:** The Port Tenants' Environmental Compliance Loan Program (Loan Program) was created by the Board in 2001 (Docket No. 43239, December 21, 2004, approved by resolution 2001-66, dated April 3, 2001, and amended by resolution 2001-273, dated December 11, 2001). The Loan Program provides a low-cost source of funds to Port tenants to support environmental remediation or tenant environmental enhancement. The Port makes available to its tenants low interest loans for projects that will improve the environmental conditions of the Bay. Tenants may qualify for a maximum amount of \$100,000 at a low fixed interest rate, payable over 5 years.



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**Project Selection:** Proposals are evaluated by a committee, which includes representatives from several Port departments, the Port Tenants Association and the Environmental Health Coalition.

In selecting projects, the Tenant Environmental Loan Committee will consider answers to such questions as:

- Will the proposed project further protect the natural resources of the Bay?
- Will the project enhance the survivability of marine or bird life, increase the visibility of endangered species and/or allow the survival of currently absent species?
- Will the project allow the removal of contamination from the Bay?
- Will the project result in an increase in the quality of the water, sediment and/or air quality of the area?

**Project Approval:** Recommended projects are submitted by the selection committee to the Committee, who will make a recommendation to the Board. The Board has sole discretion to award funds.

**Funding:** Loans are made available through a lending institution. A fixed interest rate for the life of the loan will be fixed on the day the loan is dispersed. The loan rate will be the interest-earning rate paid by the lending institution to the Port on the collateralized certificate of deposit, securing the loan plus one hundred twenty-five basis points (1.25%). The term is a maximum of five years.

**RESOLUTION NUMBER AND DATE:** 2013-27, dated February 12, 2013 (Supersedes BPC Policy 730, Resolution 2010-96; dated June 8, 2010; Resolution 2010-34, dated March 2, 2010; Resolution 2007-138, dated July 10, 2007; and Resolution 2006-111, dated June 6, 2006)



# **San Diego Unified Port District Environmental ADVISORY Committee**

## **CHARTER**

### **BACKGROUND**

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, an Environmental Services Department (ESD) 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.

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 go 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 Environmental Advisory Committee (Committee) to function as a forum to provide the Port 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."

### **COMMITTEE PURPOSE**

Advise the Board on programs, policies and projects that would ensure the protection and improvement of the environmental condition of the Bay.

### **COMMITTEE OBJECTIVES**

1. Strengthen relationships between and among the Port, Port tenants, the scientific community, environmental organizations, and regulatory and resource agencies.
2. Identify innovative approaches to resolving Bay environmental issues.
3. Identify opportunities for enhancing natural resources and developing strategies for implementation of programs and/or projects.

## COMMITTEE STRUCTURE AND OPERATION

The Committee operates according to the guidelines for all Board Advisory Committees as detailed in BPC Policy No. 018 (2008-273, 2 December 2008) and BPC Policy 730 (the Port Environmental Advisory Committee Policy), and as articulated in this Charter prepared specifically for the Committee. The purpose of this, and all other Port advisory committees, is to advise the Board. This Committee is advisory in nature and has no authority to negotiate for, represent, or commit the Port in any respect.

**Membership of the Committee:** 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 Committee shall be composed of up to two (2) members of the Board and representatives of stakeholder groups including, but not limited to: the Port tenants; environmental advocacy groups; the U.S. Navy; regulatory and resource agencies; member cities; academia; local businesses; and labor. The Committee membership shall not exceed eighteen members (stakeholders and two Commissioners). Commissioners shall not offer a motion or vote on any matter coming before the Committee. This diverse membership will allow the Committee to achieve the Board's goal of receiving input from a broad and balanced cross section of the community. Committee meetings are intended to encourage input from stakeholders and interaction with Port staff and Board members.

**Meeting Attendance:** In order for this committee to work effectively, the full participation of members will be essential. Committee members are asked to commit to attend meetings consistently.

**Committee Operation:** Committee meetings are noticed and open to the public. Meetings will be constructed to encourage input from Committee members, stakeholders and interaction with Board members and Port staff. Summary reports of each Committee meeting will be prepared by Port staff and forwarded to the Board.

## EXPECTATIONS OF THE PORT

To assist in achieving the Committee's Purpose and Objectives, Port staff will:

- Coordinate all Committee meetings.
- Prepare and advertise meeting agendas.
- Prepare and present information specified in each agenda.
- Insure compliance with the Brown Act.
- Prepare meeting summaries and forward to the Board and Committee members.

## EXPECTATIONS OF COMMITTEE MEMBERS

To assist in achieving the Committee's Purpose and Objectives, Committee members

will provide input and:

- Commit to the success of the Committee, its Purpose and Objectives, and this Charter.
- Share data and information that will assist each other and the Committee as a whole in meeting its objectives.
- Identify existing and additional resources that would be useful in conducting the Committee's work and assist each other in utilizing or obtaining these resources.
- Identify obstacles in achieving the Committee's Purpose and Objectives and develop a solution for overcoming them.
- Respect each other's individual roles and contributions.
- Attempt to resolve conflicts in a positive and constructive manner.
- Keep an open mind to new ideas.

## **RESPONSIBILITIES OF THE COMMITTEE**

It is intended that the Committee will have four primary responsibilities:

1. Provide input to the Port on new or emerging approaches to Bay environmental issues, including: remediation of contamination; enhancement of habitat for native fish and wildlife; increasing native fish and wildlife populations; controlling and eliminating pollutant discharges, and eliminating air emissions.
2. Provide input to the Port on setting priorities for environmental issues.
3. Provide input on projects to be recommended to the Board for funding through the Port Environmental Fund.
4. Assist in identifying grants and/or matching funds.

## **DECISION MAKING**

On issues that require the Committee to present an opinion or recommendation, consensus, defined as no opposition, will be sought. If consensus is reached, the opinion or recommendation will be forwarded to the Board for their action.

If consensus is not reached on a matter, the Committee Chair may direct Port staff to take the matter to the Board for their input or action. If so, staff will advise the Board on the failure of the Committee to reach consensus and a minority opinion may be presented.

In the course of Committee activities, disagreements may arise regarding whether a course of action should or should not be taken. Committee members agree to work in a collaborative fashion and to facilitate consensus on these issues whenever possible. Further, Committee members agree to attempt to resolve the disagreement expeditiously and constructively to benefit Committee goals.

The Committee has no authority to act on behalf of the Board or Port staff. The Board

is the ultimate authority on all Port matters and its decisions are final.

( 3 )

**RESOLUTION 2013-27****RESOLUTION AMENDING BPC POLICIES 018, 730, 609, 255, ENVIRONMENTAL ADVISORY COMMITTEE CHARTER, AUDIT ADVISORY COMMITTEE CHARTER, AND ACCESSIBILITY ADVISORY COMMITTEE BYLAWS TO INCLUDE AMENDED CONFLICT OF INTEREST LANGUAGE AND COMMITTEE MEMBERSHIP STRUCTURE, AND ADOPTING BPC POLICY NO. 018A ESTABLISHING BOARD STAKEHOLDER FORUMS**

**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**, the District's advisory committees are established by the Board of Port Commissioners (BPC) Chair each calendar year pursuant to BPC Policy No. 018; and

**WHEREAS**, at the November 2011 meeting, the BPC considered recommendations made by former Port Attorney Duane Bennett regarding conflict of interest issues affecting advisory committees; and

**WHEREAS**, at the March 2012 meeting the BPC considered conflict of interest issues affecting advisory committees and made a determination as to how to avoid actual and perceived conflicts of interest on BPC advisory committees, as well as determinations as to the composition of the Maritime and Real Estate advisory committees; and

**WHEREAS**, at the July 2012 meeting the BPC adopted District staff recommendations to streamline advisory committees, to eliminate certain committees; and

**WHEREAS**, at the December 2012 meeting the BPC adopted District staff recommendations related to the establishment of "Board Stakeholder Forums" and conflict of interest language for advisory committees; and

**WHEREAS**, the BPC directed that BPC Policy No. 018 be amended to add that, Commissioners shall not offer a motion or vote at any Board Advisory Committee Meeting, no more than two Commissioners shall serve on any Board Advisory Committee, a Commissioner may serve as an advisory committee Chair, the Chair of the BPC is authorized to immediately remove any advisory committee member who violates BPC Policy No. 018 provisions governing

conflicts of interest, and to the extent required by law, advisory committees 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; and

**WHEREAS**, BPC Policy No. 730, "Port Environmental Advisory Committee," "Environmental Advisory Committee Charter," BPC Policy No. 609, "Public Art," BPC Policy No. 255, "Port With No Borders Scholarship Program," the "Audit Advisory Committee Charter," and the "Accessibility Advisory Committee Bylaws" have been amended to reflect the BPC's direction and to eliminate conflicting language between those BPC advisory committee policies, charters, and bylaws, and the amended language contained in BPC Policy No. 018; and

**WHEREAS**, BPC Policy No. 018A, "Board Stakeholder Forums" (Forum) has been established to provide:

- Venues for the District, Port tenants, and other stakeholder discussions, and sets forth that, Forum issues may be referred by the BPC.
- District staff may convene a Forum on an as-needed basis.
- Forums shall be for discussion only, no voting will occur.
- District staff shall prepare a summary of Forum discussions for review by the BPC after each Forum.
- An annual work plan for each Forum shall be adopted by the BPC and may be modified by the BPC as other issues arise.
- The Chair of the BPC may consider new matters requested by District staff, stakeholders or tenants for inclusion in the work plan.
- Any new matters to be included in the work plan shall be approved by the BPC prior to convening a Forum on the new matter.
- The BPC may refer matters to Forums as it deems appropriate.
- The BPC Chair may appoint a minimum of two members from the BPC as Forum facilitators.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That BPC Policy No. 018, "Board Advisory Committees," BPC Policy No. 730, "Environmental Advisory Committee," "Environmental Advisory Committee Charter," BPC Policy No. 609, "Public Art," BPC Policy No. 255, "Port With No Borders Scholarship Program," the "Audit Advisory Committee Charter," the "Accessibility Advisory Committee Bylaws", as amended, and BPC Policy No. 018A, "Board Stakeholder Forums" copies of which are on file in the Office of the District Clerk are hereby adopted.

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12th day of February, 2013, by the following vote:

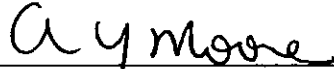
AYES: Malcolm, Moore, Nelson, Smith, Valderrama

NAYS: None.

EXCUSED: None.

ABSENT: None.

ABSTAIN: None.



Ann Y. Moore, Chair  
Board of Port Commissioners

ATTEST:



Timothy A. Deuel  
District Clerk

(Seal)



(4)

## BPC Policy No. 773

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### **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 funding for the MIIF is authorized at one-half of one percent (0.5%) of gross maritime terminal revenues earned from the operation of the Tenth Avenue Marine Terminal and the National City Marine Terminal each year. 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:** 2015-25, dated March 10, 2015

BPC Policy No. 773

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Unified Port  
of San Diego

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