

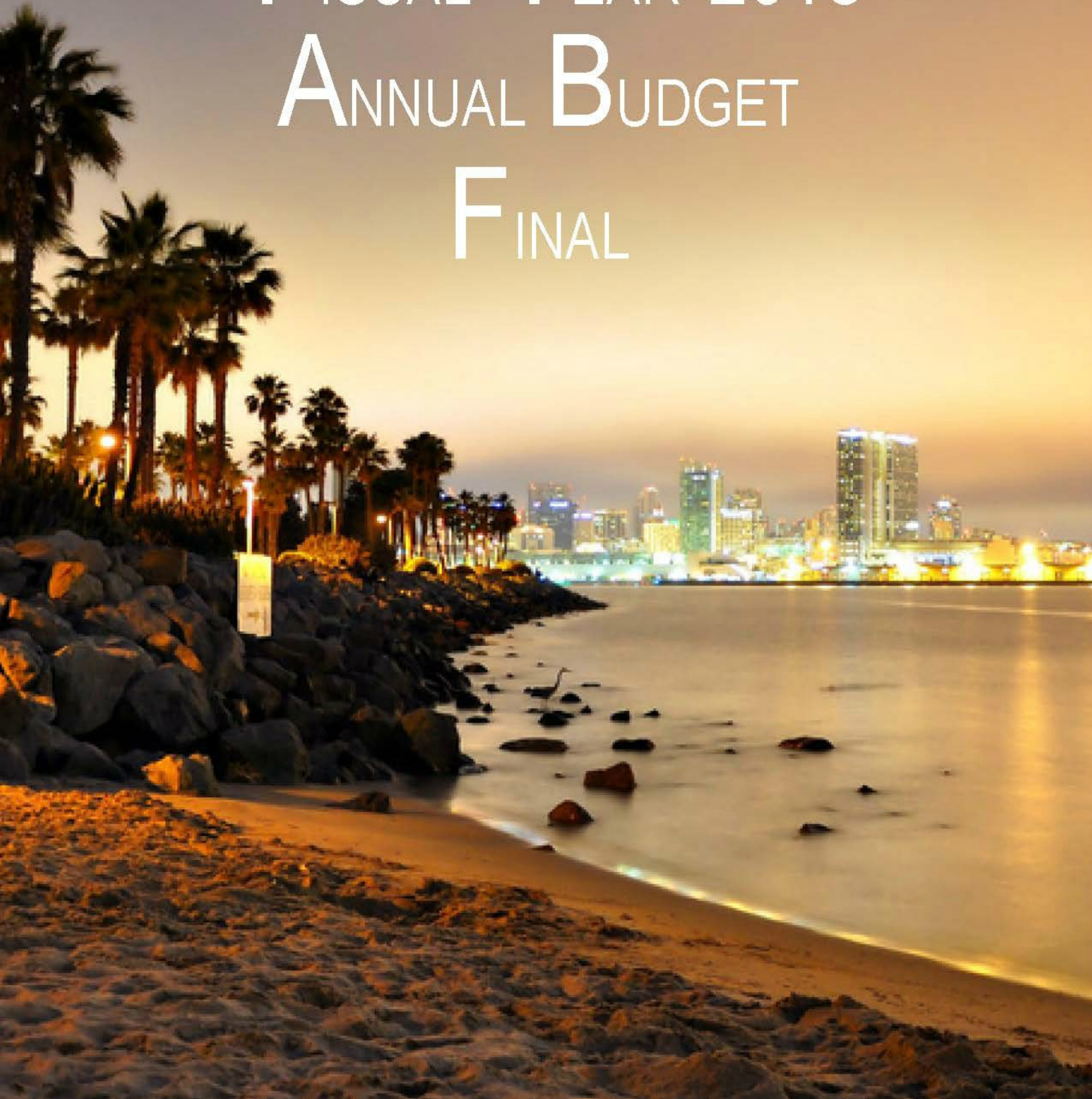


PORT of
SAN DIEGO

FISCAL YEAR 2018

ANNUAL BUDGET

FINAL



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Overview

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

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

Section 1 – Introduction

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

This section also contains the Message from the Chief Financial Officer/Treasurer (CFO), Budget in Brief, and the U.S. Economic Forecast. The CFO Message discusses the current state and future plans of the District, which will be included in the final Adopted Budget. The CFO Message also highlights the major provisions that have been included in the FY 2018 Budget and discusses changes from the prior year's budget and budget assumptions used to prepare the budget.

Section 2 – Reader's Guide

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

Section 3 – Highlights

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

Section 4 – Departments/Teams/Cost Centers

This section organizes departments, teams, and cost centers alphabetically. Departments and teams 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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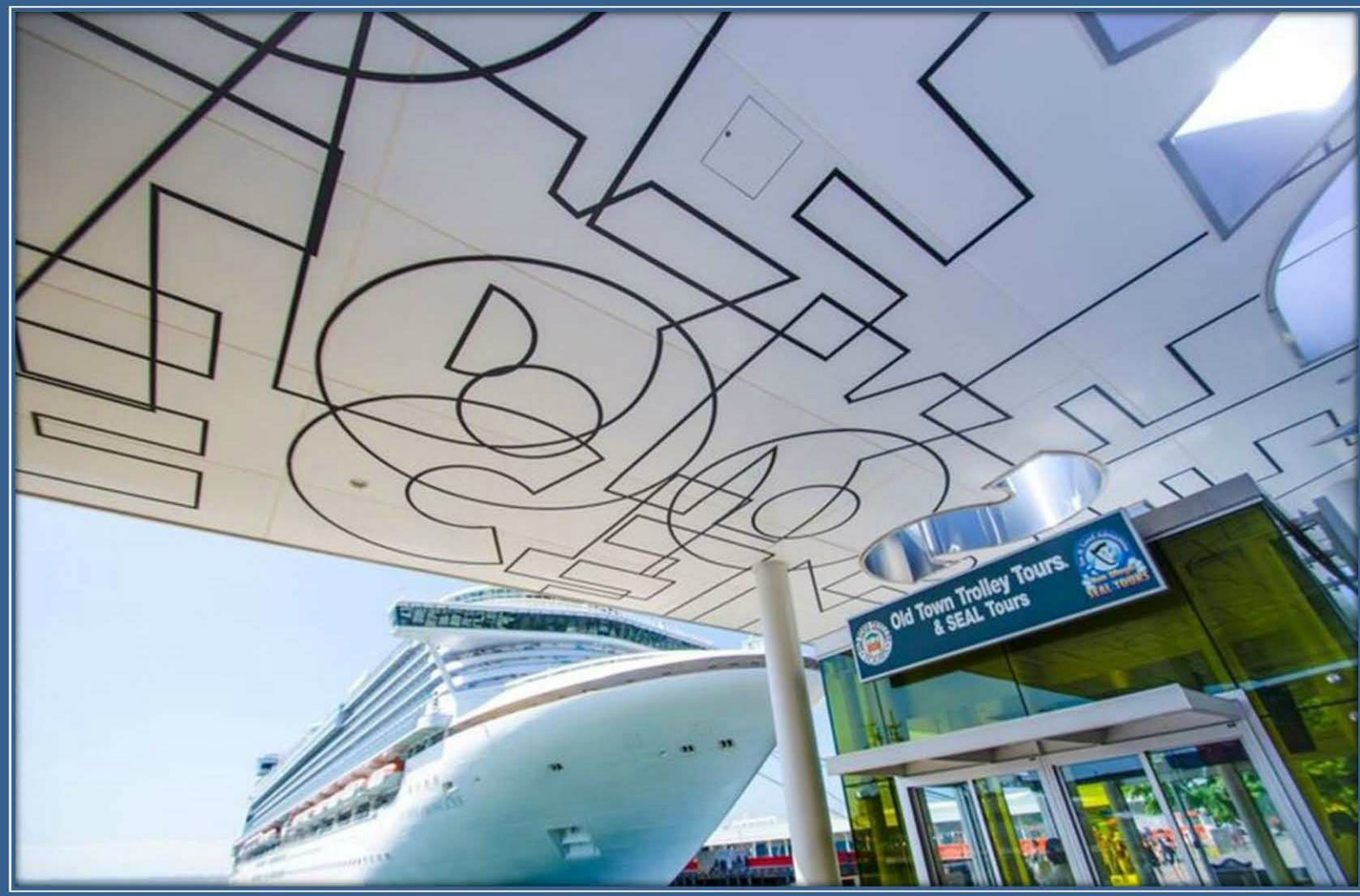
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Board of Port Commissioners

CHAIRMAN

Robert “Dukie” Valderrama
City of National City

VICE CHAIRMAN

Rafael Castellanos
City of San Diego

SECRETARY

Garry J. Bonelli
City of Coronado

COMMISSIONERS

Ann Moore
City of Chula Vista

Dan Malcolm
City of Imperial Beach

Marshall Merrifield
City of San Diego

Vacant
City of San Diego

Executive Leadership Group

PRESIDENT/CEO

Randa J. Coniglio

GENERAL COUNSEL

Thomas A. Russell

PORT AUDITOR

Robert Monson

ASSISTANT GENERAL COUNSEL

Ellen F. Gross

CHIEF ADMINISTRATIVE OFFICER

VICE PRESIDENT

Karen G. Porteous

CHIEF FINANCIAL OFFICER/TREASURER

VICE PRESIDENT

Robert DeAngelis

CHIEF OF HARBOR POLICE

VICE PRESIDENT

John A. Bolduc

CHIEF MARKETING OFFICER

VICE PRESIDENT

Bella Heule

CHIEF OPERATING OFFICER

VICE PRESIDENT

T. Scott Edwards

ASSISTANT VICE PRESIDENT

Cid Tesoro

ASSISTANT VICE PRESIDENT

Jason Giffen

ASSISTANT VICE PRESIDENT

Job Nelson

ASSISTANT VICE PRESIDENT

Shaun D. Sumner

Vision, Mission, and Core Values

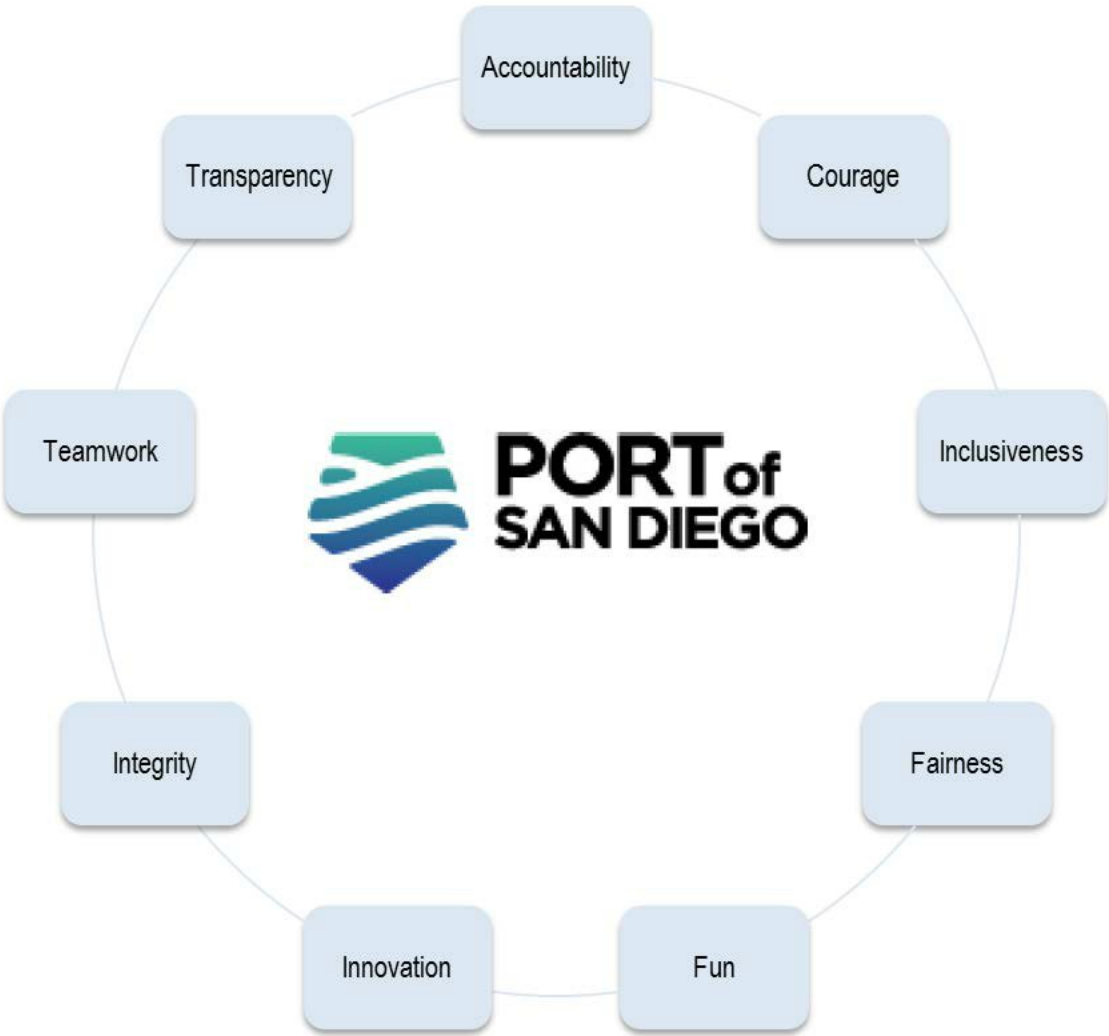
VISION

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

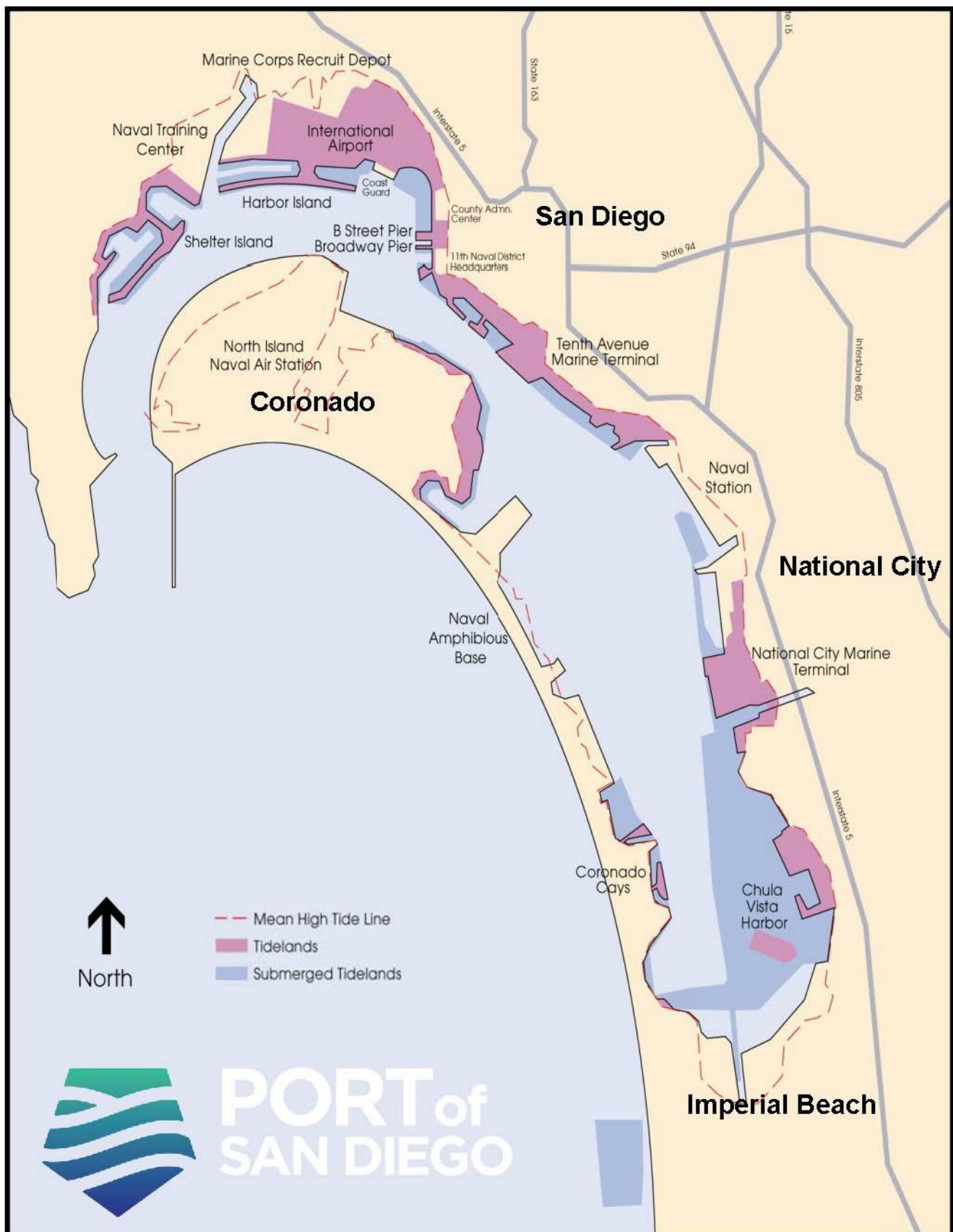
MISSION

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



District Overview

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

PUBLIC TRUST DOCTRINE

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

Message from the Chief Financial Officer / Treasurer

RIDING THE WAVE

I am pleased to present a budget for the District for Fiscal Year 2018 (FY 2018) that continues our agency's movement toward 21st Century governance with a focus on excellent service to our constituents, businesses, and other community members. This is a budget in which the District is "Riding the Wave" of a stable economy and reaping the rewards of sound decisions and management for financial sustainability. Harnessing the current trend of steady but modest growth, our strategy continues to pursue short and long-term investments District-wide. This budget includes resources to grow and sustain our core business lines, and supports ongoing strategic business initiatives to diversify our holdings.

This budget epitomizes a phrase: "We do the greatest good by doing remarkably well," which represents the priority and promise set forth by our Board and executed by staff under President/Chief Executive Officer Randa Coniglio. Amid a cultural transformation, the District is working to increase public awareness of its operations while increasing our ability across the District to innovate and lead, and to develop our employees, who are our greatest assets. The District's positive regional impact extends to the economy, the environment, recreational opportunities, and other quality-of-life drivers. As one example, a recent Economic Impact Study found that the District contributes \$8.3 billion to the regional economy and supports 63,000 jobs. The District's reputation as an outstanding public agency was validated with a historic event in July 2016, an official visit by then-Vice President Joe Biden to the Tenth Avenue Marine Terminal.

The District has a record of industry leadership and continuous improvement, and this past year was no exception. We are making major progress on the Port Master Plan Update (PMPU). Additionally, we are partnering with the State Lands Commission to develop a pilot marine planning partnership in San Diego County. Our internal good governance initiatives include an Asset Management Program to keep our District assets in top condition in a cost-effective manner. Meanwhile, we continue our environmental leadership through implementation of our Climate Action Plan to reduce our agency's environmental impact.

Our agency is becoming more outward-facing and proactive in communicating with the public, including key stakeholders and the media. For the second year in a row, the District deployed an annual Communications Plan to ensure robust public information campaigns on a variety of milestones throughout the year. Also this year, the District began implementing a Comprehensive Marketing and Branding Strategy to assist the public and community in better understanding the agency's value and increasing business opportunities via existing and new customers. Components of the strategy include research-based campaigns to support cargo and cruise business development.

This budget is prepared against the backdrop of the health of the overall economy. According to Bloomberg, the national economy grew at an annual average rate of 1.6% in calendar year 2016, the lowest annual growth rate since 2011. Going forward, the outlook for the U.S. economy remains on track for moderate growth of 2.3% forecasted for both 2017 and 2018. Consumer prices increased 1.3% in calendar year 2016, and economists forecast the U.S. year-on-year consumer price index to be at 2.4% for both 2017 and 2018. California continued to outpace the national economy in economic growth and nonfarm employment in calendar year 2016. Economists expect the state to continue to outpace the national average in calendar year 2017, based on California's diverse and innovative economy including its technology, agriculture, health care, leisure, and hospitality sectors.

Goals for FY 2018 include:

- **Master Plan:** This year we will embark on the environmental analysis of the Port Master Plan Update, which is the final phase of the high-profile Integrated Planning initiative, a multi-year project that started four years ago and is expected to be completed in the next two to four years. Upon completion, the updated Port Master Plan will provide a comprehensive guide for all development within the District's jurisdiction.
- **Big Developments:** Our top priorities include developing the Chula Vista Bayfront, finalizing the National City Balanced Plan, and moving forward the development plans for Harbor Island and the Central Embarcadero with the selected

Message from the Chief Financial Officer / Treasurer

developers. We will also continue moving forward with an innovative plan to create a mitigation bank on Pond 20, along with areas set aside for future commercial development.

- **Diversified Business Strategy:** As part of our investment strategy, we are continuing to pursue revenue and non-revenue initiatives including parking asset management, advertising on tidelands, aquaculture, and monetization of attractions and events.
- **Culture:** We continue to improve and enhance our workplace culture and environment by hiring a diverse workforce and fostering employee engagement. At the same time, we will strive to optimize staff resources and efficiency in order to maximize operations.
- **Marketing:** Focus areas include increasing awareness of the District through a comprehensive marketing strategy, and enhancing the user experience through multiple avenues.

It is appropriate to reflect on the past year as we budget for the years ahead. The below accomplishments in Fiscal Year 2017 (FY 2017) mark significant milestones, and work on many of them will continue going forward:

- **Maritime Cargo:** The Tenth Avenue Marine Terminal Redevelopment Plan made a huge leap forward with the certification of its Environmental Impact Report. This Report will authorize and guide the physical and business changes to the terminal to increase its service to the community while protecting the neighborhood environment. Two of the District's major maritime tenants continued to capture business. Dole Fresh Fruit Company had a 21% increase in volume over the previous fiscal year and Pasha Automotive Services continued to import more than 400,000 vehicles annually.
- **Land Use Planning:** In parallel to the Port Master Plan Update process, we began community outreach focused on the future of San Diego's North Embarcadero and the Imperial Beach Pier. Meanwhile, the District advanced the National City Balanced Plan, as well as the land-use plan for Pond 20 with mitigation banking as its focus.
- **Blue Economy:** The District advanced the Blue Economy by initiating the Oyster Nursery Research Project, a pilot project that could lead to new aquaculture ventures.
- **Chula Vista Bayfront:** The District continued negotiations with RIDA. Following a competitive process, the Board selected a development proposal for a destination Recreational Vehicle Park on the Chula Vista Bayfront, a key component of the 535-acre master plan.
- **Real Estate Development:** The InterContinental Hotel project began construction on Lane Field South. Additionally, Board Policy No. 355 was updated to streamline processing of routine real estate documents.
- **Major Redevelopment Projects:** The Board selected Oliver McMillan and Sunroad Enterprises for the redevelopment of East Harbor Island and 1HWY1 for the Central Embarcadero redevelopment project. Redevelopment of Humphrey's Marina was also completed.
- **Restaurant Portfolio:** The Brigantine moved forward on planning for the North Embarcadero restaurant redevelopment site. Coasterra opened its special event venue on Harbor Island.
- **Cruise:** In a sign demonstrating our cruise business is growing, the Port was selected as one of the top five cruise destinations in the United States and Canada by passengers in a Cruise Critic survey. Additionally, the Port was named "Most Responsive Cruise Port 2016" by Cruise Insight Magazine, based on industry-wide surveys of cruise executives. The District continues its excellent relationships with established partners such as Holland America Line and Princess Cruises, while building new business from Disney Cruise Line and others.

Message from the Chief Financial Officer / Treasurer

- Tenth Avenue Marine Terminal: Before the end of FY 2017, the District is expected to commence a project to demolish two transit sheds, supported by a competitive \$10 million TIGER grant from the U.S. Department of Transportation for their demolition. This project is the first phase of a proposed 20-year, market-driven modernization plan for the Tenth Avenue Marine Terminal. Additional efforts to support cargo business include the continuation of the “The Special Advantage” marketing campaign, which highlights our capabilities in three cargo markets: Refrigerated Containers, Break Bulk, and Dry Bulk.
- Shipyards and Boatyards: General Dynamics NASSCO, one of the Port's major shipyards, successfully launched the final ship in an eight-ship ECO Class tanker program. Marine Group Boat Works successfully delivered Navy tugboats through Tenth Avenue Marine Terminal.
- Public Safety: The District built a new Joint Investigations Building which now houses both Harbor Police and Coast Guard Criminal Investigations Service personnel. Harbor Police integrated a County Psychological Emergency Response Team (PERT) member into the patrol rotation to address calls for mental illness. With the help of Marketing, the Department released a public service video called, “I-Watch My Bay,” which educates the public on suspicious activity relating to terrorism and smuggling.
- Crime Reduction: Harbor Police recorded a 24% reduction in violent crime and a 6% reduction in property crime. Aided by the District's partnership with the Alpha Project to provide outreach services to homeless people along the waterfront, Harbor Police recorded a 17% reduction in homeless calls for service.
- Emergency Preparation: The Board approved a new policy developed under the Harbor Police Department to govern procedures, communications, and financial management in an emergency.
- Energy and Environment: The District continues investing in a Climate Action Plan that outlines measures for Greenhouse Gas (GHG) Reduction.
- Waterfront Activation: The District sponsored more than 80 high-quality visitor serving events through the Tidelands Activation Program.
- Infrastructure: The Board approved a Coastal Development Permit for the Shelter Island Boat Launch Ramp Improvements Project, allowing work to begin on this critical project for boaters.
- District Asset Maintenance: Proactive maintenance of our facilities and infrastructure has supported strong relationships with our tenants and business partners, and has provided safe and convenient access for the public.
- Arts and Culture: The District deployed the Curatorial Strategy with multiple temporary exhibitions, bringing culture and life to various areas of the waterfront. In addition, the District acquired nearly all the funding required to begin a feasibility study on the San Diego-Coronado Bay Bridge Proposed Artistic Lighting Project.
- Legislative Advocacy: The District won approval of a Memorandum of Agreement with the State Lands Commission related to Pacific Planning; supported efforts to allow ports to utilize design-build processes; and formally supported various pieces of state legislation including Assembly Bill 2853, which was passed by the Legislature and chaptered into law and will allow local agencies to refer citizens making public records requests to documents available on the agency website. At the federal level, the District supported the Water Resources Development Act, HR 5303, which included donor port provisions of benefit to the Port that increase port eligibility by lowering the Harbor Maintenance Tax contribution threshold. The bill was signed into law December 16, 2016. In addition, the District supported the National Defense Authorization Act, HR 4909, which included a provision to provide for exchange of property interests related to 1220 Pacific Highway, which the president also signed into law.

Message from the Chief Financial Officer / Treasurer

- Grants: The District accepted grant awards for Shelter Island Boat Launch Facility Improvements from the California Department of Boating and Waterways and the Wildlife Conservation Board. Other grants awarded included the National Explosives Detection Canine Team and several Port Security Grant Program awards from the Department of Homeland Security. On the regulatory side, the District moved into compliance with General Services Administration's System for Award Management, removing an obstacle to Harbor Police Canine funding.

The District's work plan for FY 2018 builds on the accomplishments in prior years as the steward of San Diego Bay and our indispensable contributions to economic development and quality of life for communities in the San Diego region and statewide. We are harnessing these unparalleled development and redevelopment opportunities, steady growth in cargo and cruise, and strong business by shipyards and boatyards to continue *Riding the Wave* amid a stable national economic context. As we implement new business lines to drive growth in years ahead, we are taking measures to sustain and grow our existing business lines. 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 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Operating Revenue					
Real Estate	\$ 89,618,758	\$ 94,017,800	\$ 97,351,600	\$ 3,333,800	3.5 %
Port as a Service - Parking	14,447,079	16,934,900	16,681,000	(253,900)	(1.5)%
Attractions & Advertising	—	1,800,000	1,500,000	(300,000)	(16.7)%
Maritime	36,990,540	38,037,200	40,031,700	1,994,500	5.2 %
Harbor Police Department	15,890,780	14,426,200	15,348,600	922,400	6.4 %
Aquaculture & Blue Technology	—	200,000	200,000	—	0.0 %
Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,340,521	3,243,000	3,883,300	640,300	19.7 %
Total Operating Revenue	\$ 160,287,678	\$ 168,659,100	\$ 174,996,200	\$ 6,337,100	3.8 %
Non-Operating Revenue					
Grants - Capital Project Reimbursement	\$ 1,615,558	\$ 6,385,400	\$ 12,479,900	\$ 6,094,500	95.4 %
Grant Revenue - Other	809,426	665,200	572,700	(92,500)	(13.9)%
Gain from Disposal of Assets - Land Exchange	3,061,004	—	—	—	N/A
Investment Revenue	850,908	480,000	620,000	140,000	29.2 %
Other (Reimbursed Legal Fees, Legal Settlements, Asset Forfeitures, etc.)	3,215,725	182,000	206,000	24,000	13.2 %
Total Non-Operating Revenue	\$ 9,552,621	\$ 7,712,600	\$ 13,878,600	\$ 6,166,000	79.9 %
Total Revenue	\$ 169,840,299	\$ 176,371,700	\$ 188,874,800	\$ 12,503,100	7.1 %
Expenses					
Personnel	\$ 83,513,138	\$ 91,030,300	\$ 97,805,700	\$ 6,775,400	7.4 %
Non-Personnel Expense (NPE)	41,942,161	60,680,100	61,261,300	581,200	1.0 %
Municipal Service Agreements (MSA) with Member Cities	7,446,557	7,656,300	7,777,800	121,500	1.6 %
Major Maintenance - Expense	246,945	1,352,000	950,000	(402,000)	(29.7)%
Non-Operating NPE	3,960,217	3,944,400	3,555,800	(388,600)	(9.9)%
Capitalized Labor	(2,496,108)	(2,650,000)	(3,325,000)	(675,000)	25.5 %
Total Expenses	\$ 134,612,910	\$ 162,013,100	\$ 168,025,600	\$ 6,012,500	3.7 %
Earnings Before Depreciation and GASB 68	\$ 35,227,389	\$ 14,358,600	\$ 20,849,200	\$ 6,490,600	45.2 %
Sources & Uses of Funds and Reserves (see detail on following page)	\$ (14,901,715)	\$ (13,267,700)	\$ (18,765,700)	\$ (5,498,000)	41.4 %
Unrestricted Sources Over Uses of Funds	\$ 20,325,674	\$ 1,090,900	\$ 2,083,500	\$ 992,600	91.0 %
Note:					
See Section 3, Page 3 for Revenue Highlights explanations and Section 3, Page 17 for Expense Highlights explanations.					

Budget in Brief

OTHER SOURCES & USES OF FUNDS AND RESERVES DETAIL					
	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
SOURCES OF FUNDS					
Other Sources of Funds and Reserves					
Grant Funded TMP, CIP, and Equipment Outlay	\$ 2,094,792	\$ 6,385,400	\$ 12,479,900	\$ 6,094,500	95.4 %
Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	1,907,431	2,117,500	4,003,200	1,885,700	89.1 %
Capital Improvement Program Reserve	6,116,145	4,207,200	12,050,000	7,842,800	186.4 %
Non-Cash Adjustment	4,873,633	5,306,700	5,310,000	3,300	0.1 %
Investment Fund	—	218,000	175,000	(43,000)	(19.7)%
Funds From Prior Year Surplus	4,855,000	11,732,500	5,272,000	(6,460,500)	(55.1)%
Total Other Sources of Funds and Reserves	\$ 19,847,001	\$ 29,967,300	\$ 39,290,100	\$ 9,322,800	31.1 %
USES OF FUNDS					
Other Uses of Funds and Reserves					
Capital Improvement Program	\$ 6,116,145	\$ 8,139,500	\$ 21,950,000	\$ 13,810,500	169.7 %
Technology Capital Projects	3,551,233	6,049,200	6,574,200	525,000	8.7 %
Capital Major Maintenance (MM) Projects	8,627,592	13,115,500	7,934,500	(5,181,000)	(39.5)%
Capital Labor (Major Maintenance and Technology Capital)	1,534,047	—	—	—	N/A
Equipment Outlay	2,131,204	3,779,000	2,570,200	(1,208,800)	(32.0)%
Debt Service (Principal Only)	3,937,017	4,033,800	4,427,200	393,400	9.8 %
Public Art Fund Set-Aside	350,000	—	—	—	N/A
Environmental Fund Set-Aside	652,900	759,100	784,100	25,000	3.3 %
Maritime Industrial Impact Fund Set-Aside	150,000	167,500	165,500	(2,000)	(1.2)%
NEVP Maintenance Fund Set-Aside	1,210,518	583,500	947,700	364,200	62.4 %
Capital Grants	1,615,558	6,385,400	12,479,900	6,094,500	95.4 %
Land Exchange - Infrastructure Improvements	3,000,000	—	—	—	N/A
SDG&E Right of Entry Payment Set-Aside	1,653,750	—	—	—	N/A
ACH Parking Facility Fund Set-Aside	218,752	222,500	222,500	—	0.0 %
Total Other Uses of Funds and Reserves	\$ 34,748,716	\$ 43,235,000	\$ 58,055,800	\$ 14,820,800	34.3 %
Total Other Sources & Uses of Funds and Reserves	\$ (14,901,715)	\$ (13,267,700)	\$ (18,765,700)	\$ (5,498,000)	41.4 %

Budget in Brief

SOURCES & USES OF FUNDS FORMAT					
	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
SOURCES OF FUNDS					
<u>Operating Revenue</u>					
Real Estate	\$ 89,618,758	\$ 94,017,800	\$ 97,351,600	\$ 3,333,800	3.5 %
Port as a Service - Parking	14,447,079	16,934,900	16,681,000	(253,900)	(1.5)%
Attractions & Advertising	—	1,800,000	1,500,000	(300,000)	(16.7)%
Maritime	36,990,540	38,037,200	40,031,700	1,994,500	5.2 %
Harbor Police Department	15,890,780	14,426,200	15,348,600	922,400	6.4 %
Aquaculture & Blue Technology	—	200,000	200,000	—	0.0 %
Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,340,521	3,243,000	3,883,300	640,300	19.7 %
Total Operating Revenue	\$ 160,287,678	\$ 168,659,100	\$ 174,996,200	\$ 6,337,100	3.8 %
<u>Non-Operating Revenue and Other Sources of Funds</u>					
Grants - Capital Project Reimbursement	\$ 1,615,558	\$ 6,385,400	\$ 12,479,900	\$ 6,094,500	95.4 %
Grant Revenue - Other	809,426	665,200	572,700	(92,500)	(13.9)%
Gain from Disposal of Assets - Land Exchange	3,061,004	—	—	—	N/A
Investment Revenue	850,908	480,000	620,000	140,000	29.2 %
Other (Reimbursed Legal Fees, Legal Settlements, Asset Forfeitures, etc.)	3,215,725	182,000	206,000	24,000	13.2 %
Grant Funded TMP, CIP, and Equipment Outlay	2,094,792	6,385,400	12,479,900	6,094,500	95.4 %
Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	1,907,431	2,117,500	4,003,200	1,885,700	89.1 %
Capital Improvement Program Reserve	6,116,145	4,207,200	12,050,000	7,842,800	186.4 %
Investment Fund	—	218,000	175,000	(43,000)	(19.7)%
Funds From Prior Year Surplus	4,855,000	11,732,500	5,272,000	(6,460,500)	(55.1)%
Total Non-Operating Revenue and Other Sources of Funds	\$ 24,525,989	\$ 32,373,200	\$ 47,858,700	\$ 15,485,500	47.8 %
Total Sources of Funds	\$ 184,813,667	\$ 201,032,300	\$ 222,854,900	\$ 21,822,600	10.9 %

Budget in Brief

SOURCES & USES OF FUNDS FORMAT					
	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
USES OF FUNDS					
<u>Operating Expenses</u>					
Personnel	\$ 83,513,138	\$ 91,030,300	\$ 97,805,700	\$ (6,775,400)	(7.4)%
Non-Personnel Expense (NPE)	41,942,161	60,680,100	61,261,300	(581,200)	(1.0)%
Municipal Service Agreements (MSA) with Member Cities	7,446,557	7,656,300	7,777,800	(121,500)	(1.6)%
Major Maintenance - Expense	246,945	1,352,000	950,000	402,000	29.7 %
Capitalized Labor	(2,496,108)	(2,650,000)	(3,325,000)	675,000	(25.5)%
Total Operating Expenses	\$ 130,652,693	\$ 158,068,700	\$ 164,469,800	\$ (6,401,100)	(4.0)%
Non-Cash Adjustment	(4,873,633)	(5,306,700)	(5,310,000)	3,300	(0.1)%
Total Operating Expenses (Net of Non-Cash Adjustment)	\$ 125,779,060	\$ 152,762,000	\$ 159,159,800	\$ (6,397,800)	(4.2)%
<u>Non-Operating Expenses and Other Uses of Funds</u>					
Non-Operating NPE	\$ 3,960,217	\$ 3,944,400	\$ 3,555,800	\$ 388,600	9.9 %
Capital Improvement Program	6,116,145	8,139,500	21,950,000	(13,810,500)	(169.7)%
Technology Capital Projects	3,551,233	6,049,200	6,574,200	(525,000)	(8.7)%
Capital Major Maintenance (MM) Projects	8,627,592	13,115,500	7,934,500	5,181,000	39.5 %
Capital Labor (Major Maintenance and Technology Capital)	1,534,047	—	—	—	N/A
Equipment Outlay	2,131,204	3,779,000	2,570,200	1,208,800	32.0 %
Debt Service (Principal Only)	3,937,017	4,033,800	4,427,200	(393,400)	(9.8)%
Public Art Fund Set-Aside	350,000	—	—	—	N/A
Environmental Fund Set-Aside	652,900	759,100	784,100	(25,000)	(3.3)%
Maritime Industrial Impact Fund Set-Aside	150,000	167,500	165,500	2,000	1.2 %
NEVP Maintenance Fund Set-Aside	1,210,518	583,500	947,700	(364,200)	(62.4)%
Capital Grants	1,615,558	6,385,400	12,479,900	(6,094,500)	(95.4)%
Land Exchange - Infrastructure Improvements	3,000,000	—	—	—	N/A
SDG&E Right of Entry Payment Set-Aside	1,653,750	—	—	—	N/A
ACH Parking Facility Fund Set-Aside	218,752	222,500	222,500	—	0.0 %
Total Non-Operating Expenses and Other Uses of Funds	\$ 38,708,933	\$ 47,179,400	\$ 61,611,600	\$ (14,432,200)	(30.6)%
Total Uses of Funds	\$ 164,487,993	\$ 199,941,400	\$ 220,771,400	\$ (20,830,000)	(10.4)%
Unrestricted Sources Over Uses of Funds	\$ 20,325,674	\$ 1,090,900	\$ 2,083,500	\$ 992,600	91.0 %

U.S. Economic Forecast

According to Bloomberg L.P. and various economic reports⁽¹⁾, the national economy, as measured by gross domestic product (GDP), grew at an annual average rate of 1.6% in calendar year 2016, the lowest annual growth rate since 2011. Going forward, the outlook for the U.S. economy remains on track for a moderate growth pace with GDP forecasted to be at 2.3% for both calendar years 2017 and 2018. The labor market continued to show improvement with the unemployment rate falling to 4.9% at the end of calendar year 2016 and projected to remain positive at a 4.6% rate for calendar year 2017 and 4.5% for calendar year 2018. The U.S. housing market continued with solid sales increasing by 12.4% in calendar year 2016 and rising home prices due to constrained supply. Calendar year 2017 is expected to be a year of moderate growth for residential housing. Business investment spending fell by 1.5% in 2016 with a decline in structures and equipment primarily in the energy sector as a result of low oil prices. Consumer prices increased 1.3% in calendar year 2016 with forecasts expecting gains in the consumer price index to be at 2.4% both in calendar years 2017 and 2018.

The Federal Open Market Committee is on track with its gradual pace of interest rate hikes for calendar year 2017 and its overall stance of monetary policy remaining accommodative. Challenges and opportunities impacting global and national economic growth will continue given the uncertainty about how the fiscal, monetary, and regulatory policy actions such as tax reform, repealing and replacing Obamacare, and restrictions on immigration and trade, will affect the economy into calendar year 2018 and beyond.

California's diverse and innovative economy including its technology, agriculture, health care, leisure and hospitality, and other sectors, contributed an estimated growth rate of 2.5% in calendar year 2016, faster than the nation's 1.6% and outpacing the nation's GDP for the past six years. The State currently accounts for over 13% of the nation's GDP. Economic forecasts indicate similar economic activity for year 2017, with a modest slowdown in job creation due to increasing wage pressures. Economists are forecasting California's GDP growth rate at 2.4% for calendar year 2017 and 2.6% for calendar year 2018. The unemployment rate for the State was 5.2% at the end of calendar year 2016 and is expected to be at 5.1% in calendar year 2017 and 5.0% in calendar year 2018. While challenges remain, such as deceleration in the manufacturing sector and higher compensation costs, overall, the State's economic outlook remains positive.

San Diego's diverse economic base is primarily driven by the innovation, tourism, and military sectors, with significant contribution from the health and sciences, education, and trade sectors. The local economy grew at an estimated rate of 2.4% in calendar year 2016 and economists are forecasting GDP growth of 2.1% for calendar year 2017 and 2.3% for calendar year 2018. The travel and hospitality industry had a stellar year in 2016 and is anticipated to outpace GDP growth in the next couple of years.

San Diego's housing market is steadily improving with median housing prices at \$495,000 at the end of calendar year 2016, a bit below the 2006 peak median price of \$510,000. The home construction sector for the next couple of years is expected to show modest improvement and forecasts indicate a larger shift in new housing permits issued to be higher for multi-family homes than for single-family homes. San Diego's labor market has been steadily expanding with the unemployment rate of 4.2% at the end of calendar year 2016, lower than both California and the nation. The forecast unemployment rate for San Diego is 4.6% for calendar year 2017 and 4.5% for calendar year 2018. New policy changes that may be forthcoming from the new administration at the federal level will be impacting the San Diego economy in the next year and beyond.

U.S. Economic Forecast

Below is a table with key economic indicators:

Economic Indicator	U.S. Economic Forecast ⁽¹⁾						
	1Q.2017	2Q.2017	3Q.2017	4Q.2017	Avg.2017	Avg.2018	Avg.2019
Gross Domestic Product (GDP) -YOY %	2.20%	2.50%	2.20%	2.30%	2.30%	2.30%	2.30%
Consumer Spending	2.50%	2.50%	2.50%	2.50%	2.60%	2.50%	2.50%
Unemployment Rate	4.70%	4.60%	4.60%	4.60%	4.60%	4.50%	4.60%
Consumer Price Index - YOY %	2.50%	2.40%	2.50%	2.30%	2.40%	2.40%	2.20%
Benchmark Interest Rates	1Q.2017	2Q.2017	3Q.2017	4Q.2017	1Q.2018	2Q.2018	3Q.2018
Federal Funds Rate - Target	0.95%	1.05%	1.20%	1.40%	1.50%	1.60%	1.70%
Ten-year Treasury Note	2.53%	2.60%	2.71%	2.81%	2.89%	2.99%	3.09%

⁽¹⁾ Sources: Bloomberg - Median economists' forecasts for U.S. economic indicators (85 economists surveyed Feb. 3 to Feb.8, 2017); Los Angeles County Economic Development Corporation - Institute for Applied Economics, February 2017; Wells Fargo Securities, LLC Economics Group, February 2017; University of San Diego - National Economic Outlook, Burham-Moores Center for Real Estate; San Diego Regional Economic Development Corporation - San Diego's Economic Pulse.

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Organization

A year has passed since the District redefined the organization structure. Ever mindful of the desire to achieve a sustainable future, the District strives to increase revenues in pursuit of fulfilling our mission and trust obligation. With this in mind, the organization is focusing on the following goals to enhance the public good:

- Culture
- Operations
- Business
- Brand

The Executive Leadership Group (ELG) has identified Board and ELG focused milestones for major initiatives to obtain these strategic goals. The departments are responsible for achieving the milestones established for these strategies and the budget is the financial plan of record to fund these initiatives.

We will focus on areas outlined in the Board and ELG focused strategies as we move the organization towards achieving opportunities for sustainable growth. Lastly, we will renew our focus on our “People Strategy” to maintain our most important asset. Executing this vision will require a motivated and engaged workforce.

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.

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

MARKETING: Led by the Chief Marketing Officer/Vice President, this Division raises awareness of the District, its business lines, activities, and regional value while building and maintaining partnerships with external stakeholders and other government agencies. There is a need for the District to be engaged with the broader community relative to issues of regional importance and to activate the waterfront. This Division manages the operations of maritime, government and civic relations, marketing, corporate communication, trade development, and waterfront arts and activation. One area of particular focus is **maritime cargo and cruise** – where there is unattained capacity/potential.

Departments/Teams in the Marketing Division include:

- Government & Civic Relations
- Maritime
- Marketing & Communications
- Waterfront Arts & Activation

Organization

ADMINISTRATION: Led by the Chief Administrative Officer/Vice President, this Division manages, directs, and integrates the functions, programs, and activities of District-wide Human Resources, People Strategies, Office of the District Clerk, General Services, and Engineering - Construction. The Chief Administrative Officer/Vice President 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.

Departments in the Administration Division include:

- Engineering – Construction
- General Services
- Office of the District Clerk
- People Strategies
- Human Resources

OPERATIONS: Led by the Chief Operating Officer/Vice President, this Division's responsibilities include: understanding and fostering the “benefit of the people”; creating and managing a well-designed waterfront through integrated urban planning; real estate asset development and management; environmental management, climate mitigation, and adaptation planning; and, revenue growth. The growth of revenue, both through core lines of business and new revenue streams, is a key responsibility for the Operations Division.

Departments/Teams in the Operations Division include:

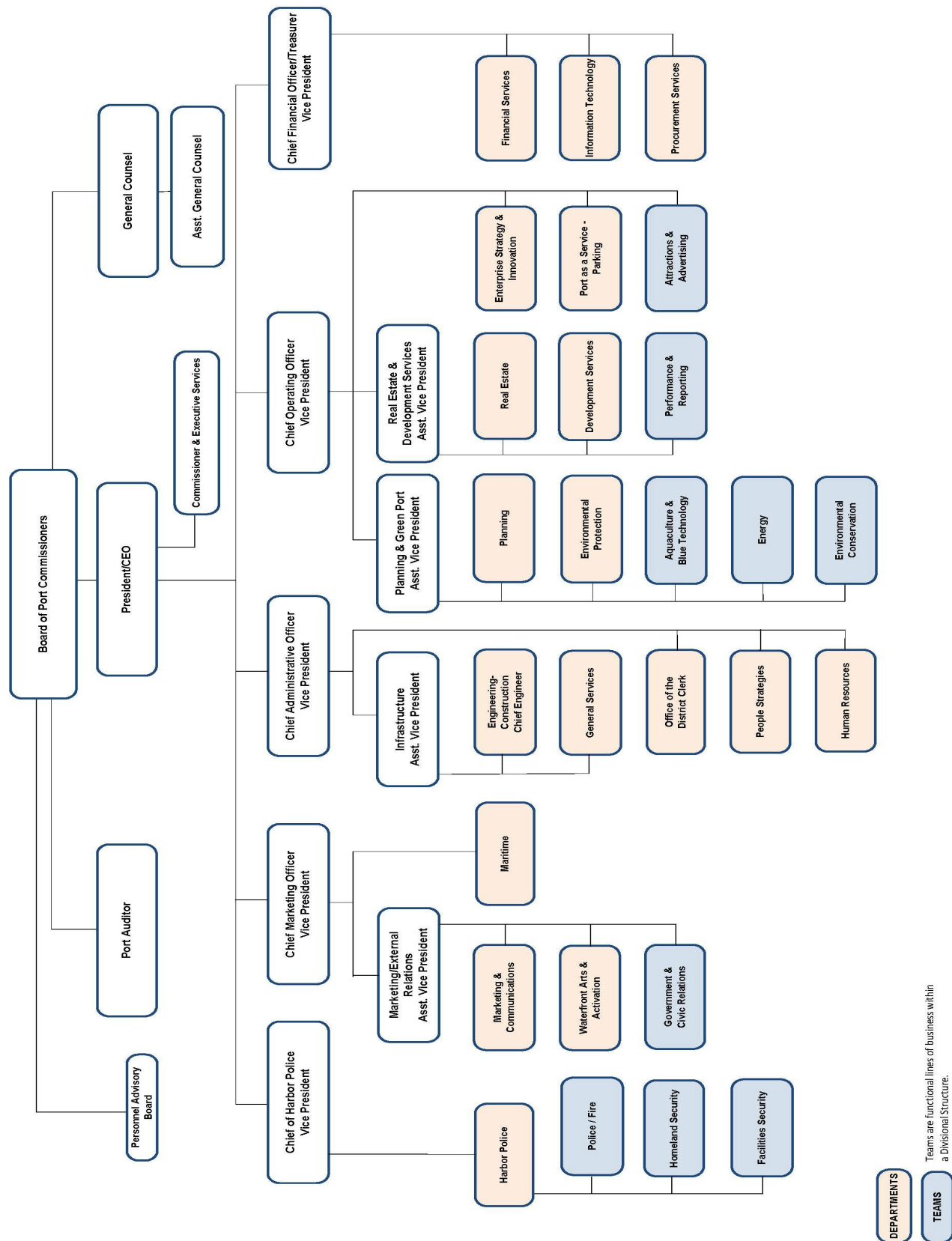
- Enterprise Strategy & Innovation
- Planning
- Energy
- Aquaculture & Blue Technology
- Environmental Conservation
- Environmental Protection
- Real Estate
- Development Services
- Real Estate & Development Services - Performance & Reporting
- Port as a Service - Parking
- Attractions & Advertising

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

Departments in the Financial Services Division include:

- Information Technology
- Financial Services
- Procurement Services

Organization Chart



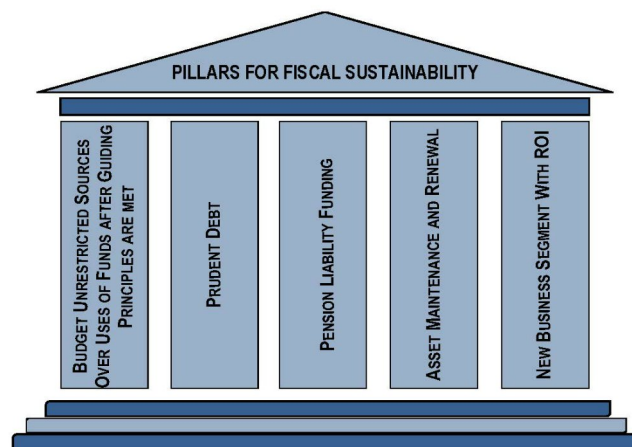
Overview of Financial Policies and Guidelines

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

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

Financial Strategy and Long-Range Policies

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



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

Revenues and other sources of funds exceed expenses before depreciation and amortization and before capital expenditure and other uses of funds.

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

Overview of Financial Policies and Guidelines

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

- Safety of principal
 - Liquidity
 - Return on investment
- The budget will be prepared in a manner that facilitates its understanding by the public as well as District officials. Presenting a clear, readable budget will communicate effectively overall District goals and plans, and contribute to the public's knowledge and appreciation of the District's positive impact on the region.
 - The Five Year Capital Improvement Program (CIP) FY 2014-2018 has been previously approved and adopted by the Board in accordance with BPC Policy No. 120 - Capital Improvement Program (see Section 5 Appendix). The projects are funded from the CIP reserve (pre-approved/designated funding) and from other sources such as grants and contributions for specific projects. The remaining CIP FY 2014-2018 is reviewed and approved by the Board and is coordinated with the preparation of the operating budget.

Budget Development and Cost Management

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

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

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

During the budget process, District departments are provided with budget guidelines. The District employs a top down versus bottom up spending budget process in order to keep the expense budget within certain parameters. Departments start with the prior year as a baseline amount for Personnel and Non-Personnel Expense (NPE) budget and anything above the baseline must have a strategic or regulatory requirement. This year's guidelines included a 10% reduction by department in budgeted professional fees. The ELG conducts a detailed review of each department's submitted NPE budget, and any requests above baseline are analyzed using the strategic initiatives as criteria.

The ELG requires departments to justify any headcount growth to ensure it is in alignment with correlating revenue growth and/or a specific regulatory requirement. The departments are also expected to explore other alternatives to headcount growth by using service agreements.

Overview of Financial Policies and Guidelines

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

- March – Mid-Year Budget Review including year-end projections
- Monthly – Financial Management Reports (within 10 business days after month end)
 - Staff goes through a rigorous review of all expense items and provides budget variance explanations of not only overages but any significant underruns with an estimate of when those expenses will be incurred.
- Monthly – Financial Performance Metrics and Parks Report (within 10 business days after month end)
- Quarterly – Major Maintenance Update
- Quarterly – CIP Update
- Quarterly – Project Reports Update
- Annually – Finance team prepares a Five Year Cash Flow Forecast used for long-term financial planning

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

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

Account Structure

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

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

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

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

Budget Timetable

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

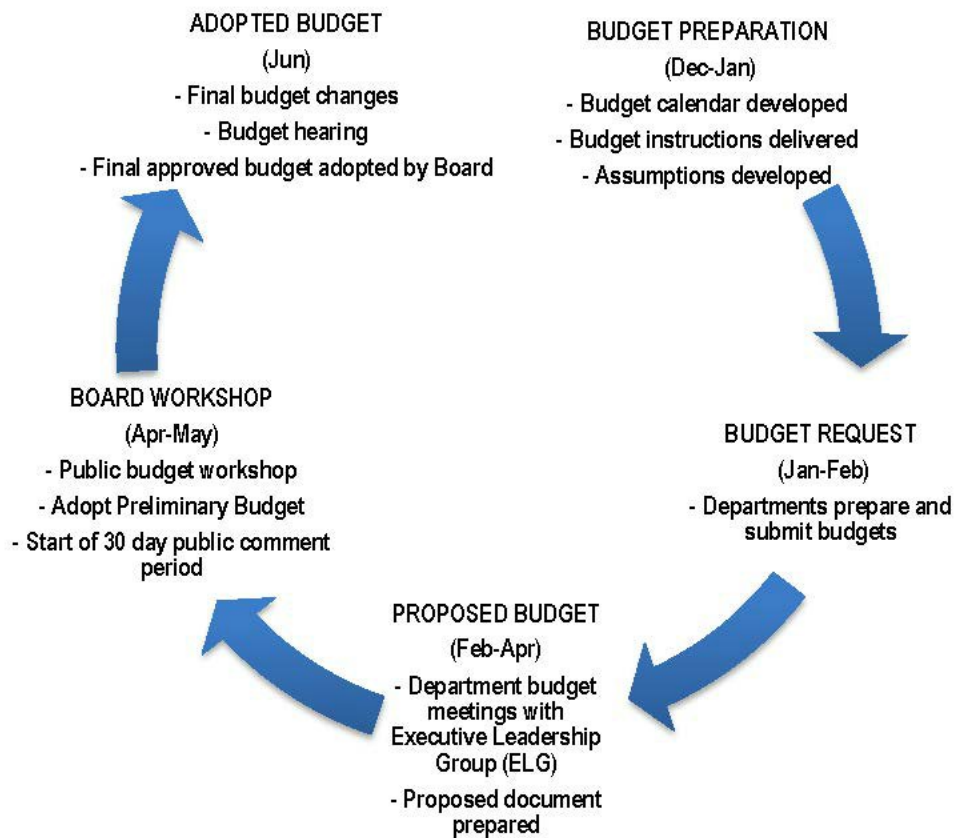
The Financial Analyst Team works with all department Directors and the Executive Leadership Group to ensure that budget proposals support the District's Strategic Plan and that appropriate funding is available.

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

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

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

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



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

Budget Timetable

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.



3 | HIGHLIGHTS

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REVENUE HIGHLIGHTS

Total operating and non-operating revenues for the District are budgeted at \$188.9M, an increase of \$12.5M, or 7.1%, from the prior fiscal year.

Trends affecting revenue are described below by profit center.

Revenue by Profit Center

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

Since concession revenue varies with economic conditions, the revenue team performed a detailed analysis using recent data from multiple sources, published hotel industry forecasts, cruise ship activity projections, and convention bookings for 2017 and 2018. 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 2018 forecast.

Real Estate

Real Estate is budgeted at \$97.4M, an increase of \$3.3M, or 3.5%. Differences from the FY 2017 revenue budget are projected in the following areas:

- **Concession Revenue** is budgeted at \$77.2M, an increase of \$3.9M, or 5.4%. This is mainly attributable to an upward trend in concession revenue forecasted for some major hotel, restaurant, and other concession tenants. Of the \$3.9M increase, \$2.4M is due to increased projections for hotels, \$987k is attributed to retail centers, and \$548k for marinas. Hotel percentage rent is approximately two thirds of all concession rent, followed by marinas, retail centers, and restaurants.
- **Park Usage Fees** is budgeted at \$1.1M, an increase of \$485k, or 82.3%, mainly due to including the value of waived fees for District sponsored events as part of the Tidelands Activation Program (TAP).
- **Waived Fees - Tidelands Activation Program** is budgeted at \$744k, an increase of \$415k, or 126.0%, due to an increase in District sponsored community and signature events. This represents the waived portion of District facility fees and costs of District services provided.
- **Fixed Rent** is budgeted at \$19.6M, a decrease of \$676k, or 3.3%, primarily due to a reduction in lease revenue from car rental tenants.

Port as a Service – Parking

Port as a Service - Parking was broken out as a new, self-standing business unit to the District in FY 2017. In its first year of operations, Parking revenue will grow approximately 23.0% year-over-year; Parking is budgeted at \$16.7M, a slight decrease of approximately \$254k, or 1.5%. The FY 2018 Parking budgeted revenue will still represent an approximate 20.0% year-over-year increases to actual results achieved in FY 2017 based on achieving the initiatives missed in FY 2017. Differences from the FY 2017 revenue budget are projected in the following areas:

- **Parking** is budgeted at \$10.6M, a decrease of \$1.6M, or 13.0%, mainly due to a decrease in budgeted revenue at the Convention Center garage reflective of current market conditions including limited growth in Convention Center secondary events, which are a core driver in parking customers.

- **Citations** for parking is budgeted at \$905k, a decrease of \$265k, or 22.7%, mainly due to increased compliance related with the conversion to smart meters and increased compliance achieved by converting previously non-paid parking to paid parking.
- **Parking Meters** is budgeted at \$3.2M, an increase of \$796k, or 32.9%, mainly due to budgeting for increased rates at meters on the Embarcadero, the addition of pay stations at Spanish Landing, and 50 new smart meters north of Grape Street.
- **Parking - Concessions** is budgeted at \$1.8M, an increase of \$915k, or 100.0%, due to new lease agreements which are based on percentage rent at parking lot facilities along Pacific Highway and on Harbor Island. These agreements were entered in FY 2017 and were not budgeted for the full fiscal year.

Attractions & Advertising

Attractions & Advertising was started as a new, self-standing business unit to the District in FY 2017. In its first year of operations, Attractions & Advertising revenue was nominal and almost entirely missed the targeted budget of \$1.8M for the year as most advertising initiatives were unable to get launched and no attractions initiatives were attempted in the year. Attractions & Advertising is budgeted at \$1.5M, a decrease of \$300k, or 16.7%. Differences from the FY 2017 revenue budget are projected in the following areas:

- **Advertising** is budgeted at \$1.3M, a decrease of \$546k, or 30.3% due to the decision not to pursue large format digital billboards during the budget year.
- **Concession Revenue** is a new revenue source for Attractions & Advertising and is budgeted at \$176k for anticipated sales from pop-up vendors.

Maritime

Maritime is budgeted at \$40.0M, an increase of approximately \$2.0M, or 5.2%. Differences from the FY 2017 revenue budget are projected in the following areas:

- **Storage Space Rental** is budgeted at \$3.7M, an increase of \$941K, or 34.3%, mainly due to a projected upward revenue trend from Pasha automobile storage at National City Marine Terminal (NCMT).
- **Wharfage** is budgeted at \$13.8M, an increase of \$769k, or 5.9%, attributable to continued projected growth in cargo throughput.
- **Fixed Rent** is budgeted at \$14.6M, an increase of \$623k, or 4.5%, mainly due to an extended market rent review arbitration process for a major maritime industrial tenant.
- **Cruise Ship Passenger Security Charges** is budgeted at \$993k, a decrease of \$309k, or 23.7%. Cruise passenger count is projected to increase in FY 2018, however, the increase in the size of cruise ship vessels will reduce the number of calls, thereby resulting in the decrease of passenger security charges. Cruise ship security costs are invoiced to cruise lines with a 15% mark-up.

Harbor Police

Harbor Police is budgeted at \$15.9M, an increase of \$846k, or 5.6% for the FY 2018 revenue budget.

The Harbor Police Department, in addition to serving the District tidelands, is the primary law enforcement agency at the San Diego County Regional Airport Authority (SDCRAA). The cost reimbursement for the police costs provided to the SDCRAA is \$15.0M while the General and Administrative cost (G&A) reimbursement reported under the Miscellaneous section below is \$2.6M, bringing the total reimbursement to \$17.6M, an increase of \$1.2M, or 7.2%. The FY 2018 Public Services Provided revenue budget includes labor and burden based on actual individual officer's rate per pay period.

Aquaculture & Blue Technology

Aquaculture & Blue Technology is projected to generate approximately \$200k in the following area:

- **Aquaculture** is budgeted at \$200k based on anticipated income from an oyster nursery pilot project.

Miscellaneous

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

- **Grants – Capital Projects Reimbursement** is budgeted at \$12.5M, an increase of \$6.1M, or 95.4% primarily due to a grant from the U.S. Department of Transportation for maritime cargo terminal redevelopment through the federal program known as Transportation Investment Generating Economic Recovery (TIGER) of \$3.4M and an increase in grant reimbursements of \$2.6M from the California Department of Boating and Waterways for improvements of the boating launch facilities at Shelter Island.
- **Public Services Provided** which represents reimbursements for G&A costs associated with the SDCRAA agreement for Harbor Police services, is budgeted at \$2.6M.

REVENUE BY OPERATING CENTER AND ACCOUNT

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
REAL ESTATE					
Fixed Rent	\$ 20,069,719	\$ 20,288,200	\$ 19,612,400	\$ (675,800)	(3.3)%
Concession Revenue	67,198,880	73,247,100	77,186,600	3,939,500	5.4 %
ACH Parking Facility Funding	218,752	222,500	222,500	—	0.0 %
Other Rental Revenue	1,985,000	—	—	—	N/A
Rents	\$ 89,472,351	\$ 93,757,800	\$ 97,021,500	\$ 3,263,700	3.5 %
Park Usage Fees	\$ 828,785	\$ 589,300	\$ 1,074,200	\$ 484,900	82.3 %
Waived Fees	(14,085)	—	—	—	N/A
Waived Fees-Tidelands Activation Program	(668,292)	(329,300)	(744,100)	(414,800)	126.0 %
Fees & Service Charges	\$ 146,408	\$ 260,000	\$ 330,100	\$ 70,100	27.0 %
Damages Recovered	\$ 69,680	\$ —	\$ —	\$ —	N/A
Gain/Loss from Disposal of Fixed Assets	3,061,004	—	—	—	N/A
Non-Operating Revenue	\$ 3,130,684	\$ —	\$ —	\$ —	N/A
TOTAL REAL ESTATE	\$ 92,749,442	\$ 94,017,800	\$ 97,351,600	\$ 3,333,800	3.5 %
PORT AS A SERVICE - PARKING					
Fixed Rent	\$ 1,272,263	\$ 196,551	\$ 85,700	\$ (110,851)	(56.4)%
Rents	\$ 1,272,263	\$ 196,551	\$ 85,700	\$ (110,851)	(56.4)%
Citations	\$ 944,140	\$ 1,170,200	\$ 904,800	\$ (265,400)	(22.7)%
Parking	9,928,165	12,233,932	10,645,300	(1,588,632)	(13.0)%
Parking Meters	2,302,510	2,418,800	3,214,300	795,500	32.9 %
Parking-Concession	—	915,417	1,830,900	915,483	100.0 %
Fees & Service Charges	\$ 13,174,815	\$ 16,738,349	\$ 16,595,300	\$ (143,049)	(0.9)%
TOTAL PORT AS A SERVICE - PARKING	\$ 14,447,079	\$ 16,934,900	\$ 16,681,000	\$ (253,900)	(1.5)%
ATTRACTIONS & ADVERTISING					
Fixed Rent	\$ —	\$ —	\$ 70,000	\$ 70,000	N/A
Concession Revenue	—	—	176,000	176,000	N/A
Rents	\$ —	\$ —	\$ 246,000	\$ 246,000	N/A
Advertising	\$ —	\$ 1,800,000	\$ 1,254,000	\$ (546,000)	(30.3)%
Fees & Service Charges	\$ —	\$ 1,800,000	\$ 1,254,000	\$ (546,000)	(30.3)%
TOTAL ATTRACTIONS & ADVERTISING	\$ —	\$ 1,800,000	\$ 1,500,000	\$ (300,000)	(16.7)%
MARITIME					
Fixed Rent	\$ 13,890,184	\$ 13,985,000	\$ 14,608,400	\$ 623,400	4.5 %
Concession Revenue	1,923,678	2,130,700	2,374,000	243,300	11.4 %
Storage Space Rental	3,624,895	2,743,900	3,684,500	940,600	34.3 %
Other Rental Revenue	805,891	702,700	785,500	82,800	11.8 %

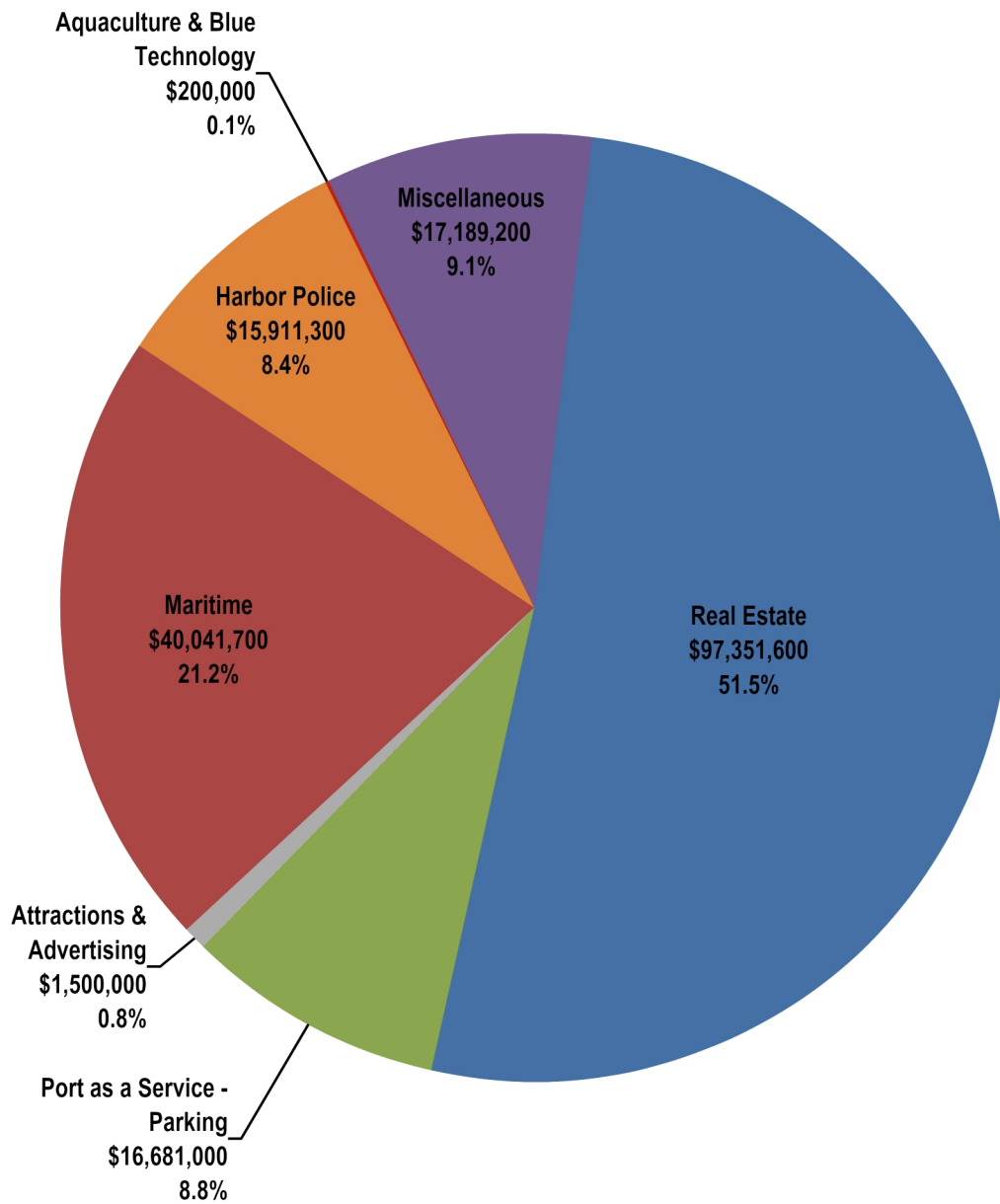
REVENUE BY OPERATING CENTER AND ACCOUNT

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Waived Fees	(2,535)	—	(25,000)	(25,000)	N/A
Waived Fees-Tidelands Activation Program	(186,440)	—	(214,700)	(214,700)	N/A
Rents	\$ 20,055,672	\$ 19,562,300	\$ 21,212,700	\$ 1,650,400	8.4 %
Bunkering	\$ 50,129	\$ 55,500	\$ 49,300	\$ (6,200)	(11.2)%
Cruise Ship Passenger Fees	1,263,591	1,623,000	1,711,000	88,000	5.4 %
Cruise Ship Passenger Security Charges	803,760	1,301,500	992,800	(308,700)	(23.7)%
Dockage	2,393,270	2,201,200	2,069,000	(132,200)	(6.0)%
Environmental Surcharge	8,185	11,100	6,800	(4,300)	(38.7)%
Permit & License Fees	2,157	—	1,000	1,000	N/A
Parking	56,900	64,500	45,900	(18,600)	(28.8)%
Wharfage	12,223,142	13,067,900	13,837,200	769,300	5.9 %
Miscellaneous Other Operating Revenue	33,542	19,200	34,700	15,500	80.7 %
Fees & Service Charges	\$ 16,834,674	\$ 18,343,900	\$ 18,747,700	\$ 403,800	2.2 %
Utilities Furnished	\$ 100,194	\$ 131,000	\$ 71,300	\$ (59,700)	(45.6)%
Services	\$ 100,194	\$ 131,000	\$ 71,300	\$ (59,700)	(45.6)%
Damages Recovered	\$ 21,675	\$ —	\$ —	\$ —	N/A
Grant Revenue-Other	(1,692)	26,000	10,000	(16,000)	(61.5)%
Non-Operating Revenue	\$ 19,983	\$ 26,000	\$ 10,000	\$ (16,000)	(61.5)%
TOTAL MARITIME	\$ 37,010,524	\$ 38,063,200	\$ 40,041,700	\$ 1,978,500	5.2 %
<u>HARBOR POLICE</u>					
Fixed Rent	\$ 7,020	\$ 7,000	\$ 7,000	\$ —	0.0 %
Rents	\$ 7,020	\$ 7,000	\$ 7,000	\$ —	0.0 %
Citations	\$ 65,224	\$ 65,000	\$ 150,000	\$ 85,000	130.8 %
Piers & Floats	150,000	90,000	180,000	90,000	100.0 %
Miscellaneous Other Operating Revenue	19,296	24,000	40,000	16,000	66.7 %
Fees & Service Charges	\$ 234,520	\$ 179,000	\$ 370,000	\$ 191,000	106.7 %
Public Services Provided	\$ 15,609,867	\$ 14,228,200	\$ 14,959,600	\$ 731,400	5.1 %
Reimbursed Cost/Cost Recovery	39,373	12,000	12,000	—	0.0 %
Services	\$ 15,649,240	\$ 14,240,200	\$ 14,971,600	\$ 731,400	5.1 %
Grants - Capital Project Reimbursement	\$ 105,024	\$ —	\$ —	\$ —	N/A
Grant Revenue-Other	630,957	639,200	562,700	(76,500)	(12.0)%
Misc Other Non-Operating Revenue	147,547	—	—	—	N/A
Asset Forfeiture Proceeds-Harbor Police	176,350	—	—	—	N/A
Non-Operating Revenue	\$ 1,059,878	\$ 639,200	\$ 562,700	\$ (76,500)	(12.0)%
TOTAL HARBOR POLICE	\$ 16,950,658	\$ 15,065,400	\$ 15,911,300	\$ 845,900	5.6 %

REVENUE BY OPERATING CENTER AND ACCOUNT

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
<u>AQUACULTURE & BLUE TECHNOLOGY</u>					
Aquaculture	\$ —	\$ 200,000	\$ 200,000	\$ —	0.0 %
Rents	\$ —	\$ 200,000	\$ 200,000	\$ —	0.0 %
TOTAL AQUACULTURE & BLUE TECHNOLOGY	\$ —	\$ 200,000	\$ 200,000	\$ —	0.0 %
<u>MISCELLANEOUS</u>					
Miscellaneous Other Operating Revenue	\$ 79,889	\$ —	\$ —	\$ —	N/A
Miscellaneous Other Operating Revenue	\$ 79,889	\$ —	\$ —	\$ —	N/A
Public Services Provided	\$ 2,355,209	\$ 2,171,800	\$ 2,619,100	\$ 447,300	20.6 %
Reimbursed Cost/Cost Recovery	468,368	320,000	510,000	190,000	59.4 %
Services	\$ 2,823,577	\$ 2,491,800	\$ 3,129,100	\$ 637,300	25.6 %
Partnership/Cost Sharing Reimbursement	\$ 428,735	\$ 751,200	\$ 754,200	\$ 3,000	0.4 %
Partnership/Cost Sharing Reimbursement	\$ 428,735	\$ 751,200	\$ 754,200	\$ 3,000	0.4 %
Damages Recovered	\$ 12,704	\$ —	\$ —	\$ —	N/A
Grants - Capital Project Reimbursement	1,510,534	6,385,400	12,479,900	6,094,500	95.4 %
Grant Revenue-Other	180,161	—	—	—	N/A
Donated Revenue	46,948	22,000	46,000	24,000	109.1 %
Reimbursed Legal Fees	688,970	—	—	—	N/A
Legal Settlements	1,424,560	—	—	—	N/A
Misc Other Non-Operating Revenue	548,763	100,000	100,000	—	0.0 %
Restitution	525	—	—	—	N/A
Sale of Surplus Items - Proceeds	78,003	60,000	60,000	—	0.0 %
Non-Operating Revenue	\$ 4,491,168	\$ 6,567,400	\$ 12,685,900	\$ 6,118,500	93.2 %
Interest - Investments	\$ 795,152	\$ 480,000	\$ 620,000	\$ 140,000	29.2 %
Interest - Unamortized Bond Premium	(93,033)	—	—	—	N/A
Unrealized Gain/Loss On Inv. (GASB 31)	92,005	—	—	—	N/A
Interest - Miscellaneous	56,785	—	—	—	N/A
Investment Revenue	\$ 850,908	\$ 480,000	\$ 620,000	\$ 140,000	29.2 %
Discounts Earned	\$ 8,319	\$ —	\$ —	\$ —	N/A
Other Revenue	\$ 8,319	\$ —	\$ —	\$ —	N/A
TOTAL MISCELLANEOUS	\$ 8,682,598	\$ 10,290,400	\$ 17,189,200	\$ 6,898,800	67.0 %
TOTAL REVENUE	\$ 169,840,299	\$ 176,371,700	\$ 188,874,800	\$ 12,503,100	7.1 %

REVENUE BY OPERATING CENTER AND ACCOUNT



TOTAL REVENUE \$ 188,874,800

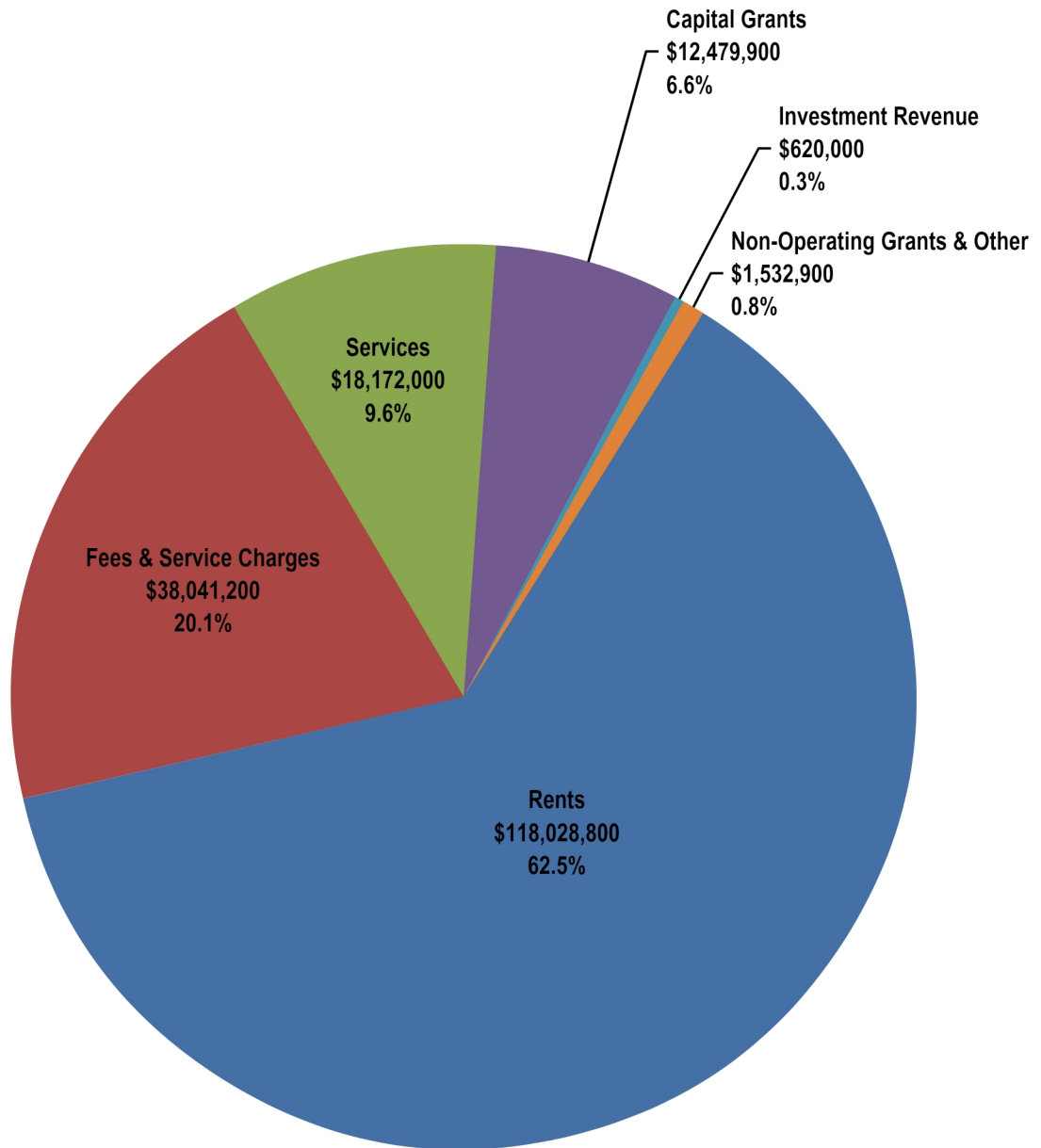
REVENUE BY ACCOUNT

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Fixed Rent	\$ 35,239,186	\$ 34,476,751	\$ 34,383,500	\$ (93,251)	(0.3)%
Concession Revenue	69,122,557	75,377,800	79,736,600	4,358,800	5.8 %
Storage Space Rental	3,624,895	2,743,900	3,684,500	940,600	34.3 %
ACH Parking Facility Funding	218,752	222,500	222,500	—	0.0 %
Aquaculture	—	200,000	200,000	—	0.0 %
Other Rental Revenue	2,790,891	702,700	785,500	82,800	11.8 %
Waived Fees	(16,620)	—	(25,000)	(25,000)	N/A
Waived Fees-Tidelands Activation Program	(854,732)	(329,300)	(958,800)	(629,500)	191.2 %
RENTS	\$ 110,124,929	\$ 113,394,351	\$ 118,028,800	\$ 4,634,449	4.1 %
Bunkering	\$ 50,129	\$ 55,500	\$ 49,300	\$ (6,200)	(11.2)%
Advertising	—	1,800,000	1,254,000	(546,000)	(30.3)%
Citations	1,009,364	1,235,200	1,054,800	(180,400)	(14.6)%
Cruise Ship Passenger Fees	1,263,591	1,623,000	1,711,000	88,000	5.4 %
Cruise Ship Passenger Security Charges	803,760	1,301,500	992,800	(308,700)	(23.7)%
Dockage	2,393,270	2,201,200	2,069,000	(132,200)	(6.0)%
Environmental Surcharge	8,185	11,100	6,800	(4,300)	(38.7)%
Permit & License Fees	2,157	—	1,000	1,000	N/A
Parking	9,985,065	12,298,432	10,691,200	(1,607,232)	(13.1)%
Parking Meters	2,302,510	2,418,800	3,214,300	795,500	32.9 %
Parking-Concession	—	915,417	1,830,900	915,483	100.0 %
Park Usage Fees	828,785	589,300	1,074,200	484,900	82.3 %
Piers & Floats	150,000	90,000	180,000	90,000	100.0 %
Wharfage	12,223,142	13,067,900	13,837,200	769,300	5.9 %
Miscellaneous Other Operating Revenue	132,728	43,200	74,700	31,500	72.9 %
FEES & SERVICE CHARGES	\$ 31,152,683	\$ 37,650,549	\$ 38,041,200	\$ 390,651	1.0 %
Public Services Provided	\$ 17,965,077	\$ 16,400,000	\$ 17,578,700	\$ 1,178,700	7.2 %
Utilities Furnished	100,194	131,000	71,300	(59,700)	(45.6)%
Reimbursed Cost/Cost Recovery	507,741	332,000	522,000	190,000	57.2 %
SERVICES	\$ 18,573,011	\$ 16,863,000	\$ 18,172,000	\$ 1,309,000	7.8 %
Partnership/Cost Sharing Reimbursement	\$ 428,735	\$ 751,200	\$ 754,200	\$ 3,000	0.4 %
OTHER	\$ 428,735	\$ 751,200	\$ 754,200	\$ 3,000	0.4 %
Damages Recovered	\$ 104,059	\$ —	\$ —	\$ —	N/A
Grants - Capital Project Reimbursement	1,615,558	6,385,400	12,479,900	6,094,500	95.4 %
Grant Revenue-Other	809,426	665,200	572,700	(92,500)	(13.9)%
Donated Revenue	46,948	22,000	46,000	24,000	109.1 %
Reimbursed Legal Fees	688,970	—	—	—	N/A

REVENUE BY ACCOUNT

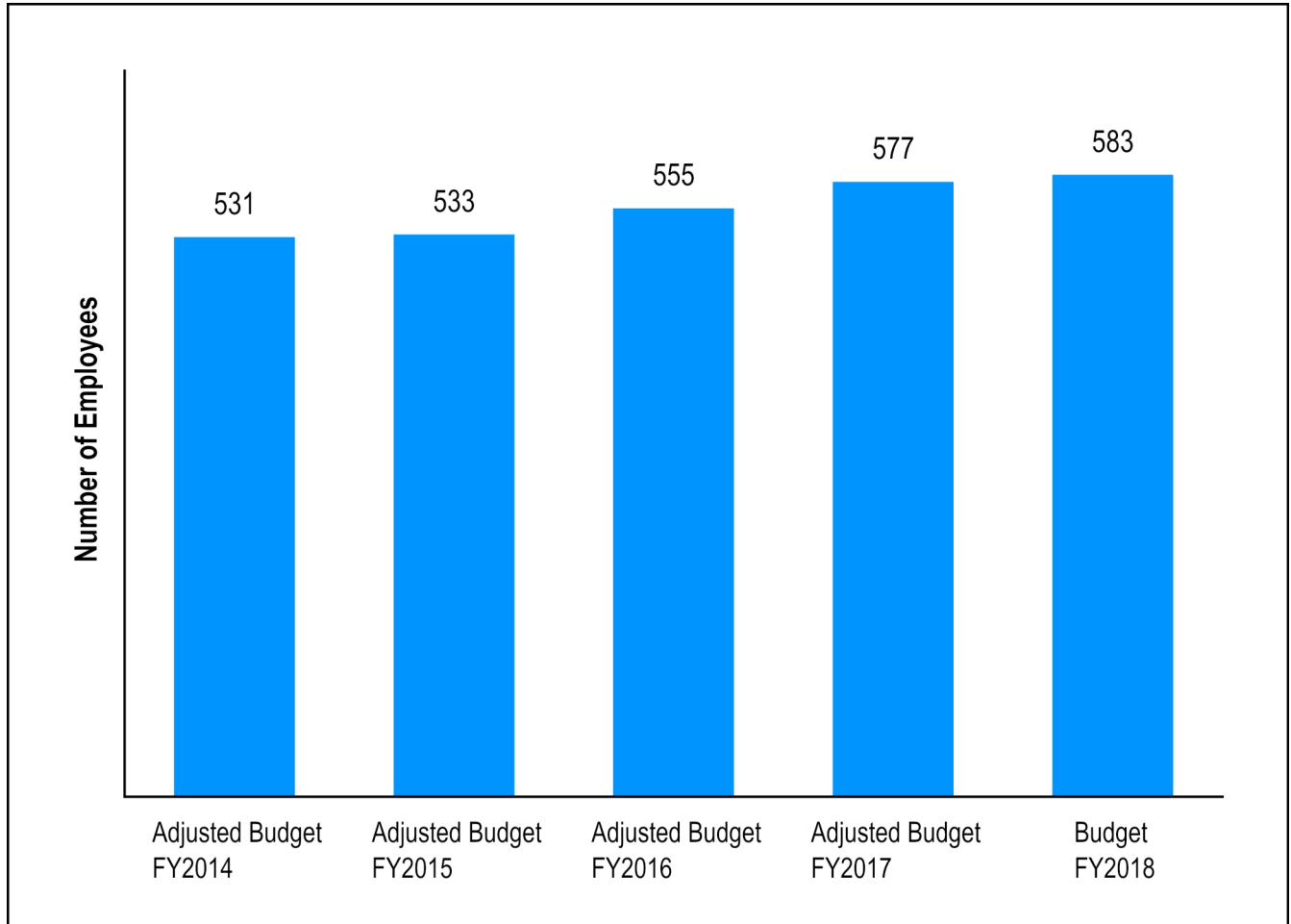
	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Legal Settlements	1,424,560	—	—	—	N/A
Misc Other Non-Operating Revenue	696,310	100,000	100,000	—	0.0 %
Restitution	525	—	—	—	N/A
Sale of Surplus Items - Proceeds	78,003	60,000	60,000	—	0.0 %
Gain/Loss from Disposal of Fixed Assets	3,061,004	—	—	—	N/A
Asset Forfeiture Proceeds-Harbor Police	176,350	—	—	—	N/A
Interest - Investments	795,152	480,000	620,000	140,000	29.2 %
Interest - Unamortized Bond Premium	(93,033)	—	—	—	N/A
Unrealized Gain/Loss On Inv. (GASB 31)	92,005	—	—	—	N/A
Interest - Miscellaneous	56,785	—	—	—	N/A
Discounts Earned	8,319	—	—	—	N/A
NON-OPERATING REVENUE	\$ 9,560,941	\$ 7,712,600	\$ 13,878,600	\$ 6,166,000	79.9 %
TOTAL REVENUE	\$ 169,840,299	\$ 176,371,700	\$ 188,874,800	\$ 12,503,100	7.1 %

REVENUE BY ACCOUNT



TOTAL REVENUE \$ 188,874,800

STAFFING OVERVIEW



STAFFING OVERVIEW

REGULAR POSITIONS	ADJUSTED		CHANGE
DEPARTMENT	BUDGET FY 2017	BUDGET FY 2018	FY 2018-2017 BUDGET
Aquaculture & Blue Technology	1	1	0
Attractions & Advertising	1	1	0
Development Services	13	13	0
Energy	6	6	0
Engineering - Construction	36	36	0
Environmental Conservation	0	2	2
Environmental Protection	0	10	10
Executive Offices	14	16	2
Financial Services	25	25	0
General Services	94	94	0
Government & Civic Relations	7	6	(1)
Harbor Police Department	166	172	6
Human Resources	11	11	0
Information Technology	31	31	0
Maritime	24	23	(1)
Marketing & Communications	17	12	(5)
Office of the District Clerk	14	14	0
Office of the General Counsel	13	13	0
Office of the Port Auditor	7	7	0
People Strategies	5	5	0
Planning	22	12	(10)
Port as a Service - Parking	2	2	0
Procurement Services	18	18	0
Real Estate	23	23	0
Real Estate Development - Performance & Reporting	4	4	0
Waterfront Arts & Activation	4	9	5
TOTAL	558	566	8

STAFFING OVERVIEW

LIMITED POSITIONS		ADJUSTED		CHANGE
DEPARTMENT	JOB TITLE	BUDGET FY 2017	BUDGET FY 2018	FY 2018-2017 BUDGET
Attractions & Advertising	Assistant Advertising Manager	0	1	1
Attractions & Advertising	Director, Port as a Service	1	0	(1)
Attractions & Advertising	Events & Attractions Manager	1	0	(1)
Development Services	Staff Assistant II	1	1	0
Development Services	Project Review Associate	1	1	0
Energy	Program Manager, Energy & Sustainability	2	0	(2)
Engineering - Construction	Staff Assistant II	1	1	0
Enterprise Strategy & Innovation	Director, Enterprise Strategy & Innovation	1	1	0
Enterprise Strategy & Innovation	Manager, Citizen & Customer Intelligence	1	1	0
Enterprise Strategy & Innovation	Manager, Innovation & User Experience	1	1	0
Environmental Conservation	Senior Environmental Specialist	0	1	1
Harbor Police Department	Community Service Officer	2	2	0
Harbor Police Department	Harbor Police Officer	1	1	0
Harbor Police Department	Police Background Investigator	1	1	0
Maritime	Principal, Maritime Business Development	1	1	0
Office of the District Clerk	Document Management Assistant	1	1	0
People Strategies	People Strategies Business Partner	1	1	0
Planning	Senior Environmental Specialist	1	0	(1)
Port as a Service - Parking	Director, Port as a Service	0	1	1
Port as a Service - Parking	Management Analyst	1	1	0
TOTAL		19	17	(2)

STAFFING OVERVIEW

INTERN / STUDENT WORKER POSITIONS		ADJUSTED		CHANGE
DEPARTMENT	JOB TITLE	BUDGET FY 2017	BUDGET FY 2018	FY 2018-2017 BUDGET
Aquaculture & Blue Technology	Intern	1	1	0
Development Services	Intern	0	1	1
Energy	Intern	2	2	0
Engineering - Construction	Intern	4	4	0
Environmental Protection	Intern	0	1	1
Financial Services	Intern	1	1	0
General Services	Intern	2	2	0
Government & Civic Relations	Intern	0	1	1
Harbor Police Department	Intern	1	2	1
Human Resources	Student Worker (Summer Program)	30	50	20
Human Resources	Intern	1	2	1
Information Technology	Intern	3	3	0
Marketing & Communications	Intern	1	3	2
People Strategies	Intern	2	3	1
Planning	Intern	1	0	(1)
Procurement Services	Intern	1	2	1
Real Estate	Intern	0	1	1
Real Estate Development - Performance & Reporting	Intern	0	1	1
Waterfront Arts & Activation	Intern	0	2	2
TOTAL		50	82	32

EXPENSE HIGHLIGHTS

Total operating and non-operating expenses for the District are budgeted at \$168.0M, an increase of \$6.0M, or 3.7%, from the prior fiscal year. The expenses include strategic initiatives which fulfill the District's rising mission and trust obligations. Significant budget-to-budget variances are projected in the following areas:

Personnel Expense

Overall, FY 2018 Personnel Expense is budgeted at \$97.8M, a \$6.8M increase or 7.4% from the previous year's adjusted budget. This increase is primarily due to an increase in pension contribution and overtime from law enforcement operations. Budgeted Personnel Expense consists of Salaries & Wages, Overtime, Temporary Personnel, and Burden.

Salaries & Wages (not including Overtime or Temporary Personnel) is budgeted at \$53.5M, an increase of \$2.0M, or 3.9%.

Overtime is budgeted at \$2.6M, an increase of \$957k, or 57.3%, primarily due to mandatory staffing and training in law enforcement operation for the Harbor Police Department.

Burden is budgeted at \$36.1M, an increase of \$3.6M, or 11.1%, primarily due to an increase in pension contribution.

Non-Personnel Expense

Overall, Non-Personnel Expense (NPE) is budgeted at \$73.5M, a decrease of \$0.1M, or 0.1%, from the prior fiscal year.

Services - Professional & Other is budgeted at \$12.7M, a decrease of \$1.4M, or 9.6%, due to the budget guidelines of a reduction of 10% of professional fees.

Facilities Management Services is budgeted at \$2.7M, a decrease of \$703k, or 20.4%, mainly due to a projected decrease in parking revenue. Facility management service fees are based on a percentage of parking revenues collected.

Climate Acton Plan is budgeted at \$2.1M, a decrease of \$661k, or 24.2%, from prior fiscal year.

Major Maintenance Expense is budgeted at \$950k, a decrease of \$402k, or 29.7%, mainly attributable to the implementation of the asset management program and planning work on assets holistically to improve them rather than maintain them.

Eligible Environmental Fund Expenditures is budgeted at \$2.3M, an increase of \$1.0M, or 84.2%, primarily due to increased number of environmental projects such as environmental education school partnerships, natural resource consultancy, environmental investigations, stormwater programs, and an increase in mitigation banking program.

Facilities Maintenance - Outside Services is budgeted at \$3.6M, an increase of \$726k, or 24.9%, primarily to do stormwater BMP maintenance streetsweeper maintenance.

Services - Operator Retention is budgeted at \$3.6M, an increase of \$462k, or 14.5%, primarily due to projected increases in Maritime auto cargo revenues. Services - operator retention is based on a percentage of revenues.

Marketing/Outreach is budgeted at \$2.4M, an increase of \$430k, or 22.2%, mainly due to increases in bay-wide special events and corporate/community outreach.

Facilities Maintenance - Supplies is budgeted at \$1.1M, an increase of \$368k, or 52.7%, mainly due to increased maintenance activity on tidelands and increases in the cost of materials.

Capitalized Labor

Capital labor is budgeted at \$3.3M, an increase of \$675k, or 25.5%, 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 2018 is included in the CIP, MM, and Technology capital project budgets.

EXPENSE BY ACCOUNT

LINE ITEM	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries & Wages	\$ 44,323,173	\$ 51,521,700	\$ 53,546,300	\$ 2,024,600	3.9 %
Overtime	2,669,478	1,669,000	2,626,100	957,100	57.3 %
Temporary Personnel	709,972	59,000	259,000	200,000	339.0 %
SALARIES & WAGES	\$ 47,702,623	\$ 53,249,700	\$ 56,431,400	\$ 3,181,700	6.0 %
Burden Expense	\$ 30,708,059	\$ 32,473,900	\$ 36,064,300	\$ 3,590,400	11.1 %
OPEB Annual Required Contribution (GASB)	5,102,456	5,306,700	5,310,000	3,300	0.1 %
SUBTOTAL PERSONNEL	\$ 83,513,138	\$ 91,030,300	\$ 97,805,700	\$ 6,775,400	7.4 %
Awards - Service	\$ 1,197	\$ 5,000	\$ 3,100	\$ (1,900)	(38.0)%
Books & Periodicals	51,715	61,000	71,300	10,300	16.9 %
Employee Recognition	42,856	65,600	66,100	500	0.8 %
Memberships & Dues	276,320	339,000	327,500	(11,500)	(3.4)%
Health & Wellness	17,216	1,500	1,500	—	0.0 %
Recruiting	15,610	50,000	56,000	6,000	12.0 %
Seminars & Training	354,002	896,600	967,000	70,400	7.9 %
Tuition Reimbursement Program	60,874	60,600	60,000	(600)	(1.0)%
STAFF DEVELOPMENT	\$ 819,790	\$ 1,479,300	\$ 1,552,500	\$ 73,200	4.9 %
Mileage Reimbursement	\$ 205,401	\$ 233,800	\$ 234,400	\$ 600	0.3 %
Travel	357,304	710,600	765,800	55,200	7.8 %
TRAVEL	\$ 562,705	\$ 944,400	\$ 1,000,200	\$ 55,800	5.9 %
Services - Professional & Other	\$ 8,920,280	\$ 14,076,900	\$ 12,723,200	\$ (1,353,700)	(9.6)%
Services - Legal - Construction	13,500	—	—	—	N/A
Services - Legal - Port Attorney	2,343,379	3,201,600	3,201,600	—	0.0 %
Services - Security	1,397,972	1,849,300	1,602,800	(246,500)	(13.3)%
Services - Operator Retention	3,478,899	3,185,600	3,648,000	462,400	14.5 %
Climate Action Plan	—	2,732,500	2,072,000	(660,500)	(24.2)%
Aquaculture	—	375,000	310,000	(65,000)	(17.3)%
Blue Technology	—	275,000	307,000	32,000	11.6 %
CONTRACTUAL SERVICES	\$ 16,154,030	\$ 25,695,900	\$ 23,864,600	\$ (1,831,300)	(7.1)%
Breakage & Obsolescence	\$ (69)	\$ —	\$ —	\$ —	N/A
Equipment & Systems	1,352,284	2,353,100	1,918,700	(434,400)	(18.5)%
Equipment Rental/Leasing	144,034	220,900	220,800	(100)	0.0 %
Office & Operating Supplies	285,464	316,200	339,100	22,900	7.2 %
Postage & Shipping	36,045	44,700	53,200	8,500	19.0 %
Safety Equipment & Supplies	194,304	302,400	154,200	(148,200)	(49.0)%
Small Tools	40,937	40,500	73,800	33,300	82.2 %

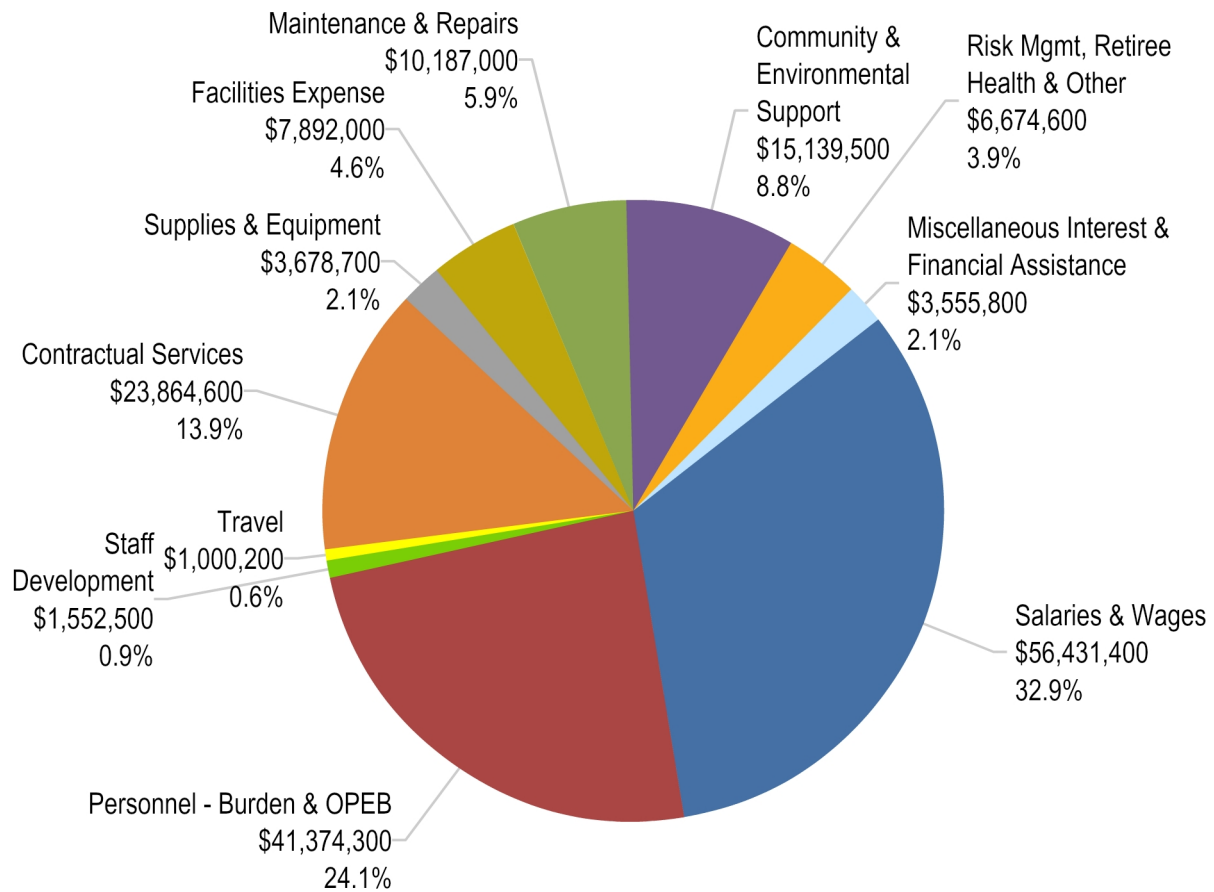
EXPENSE BY ACCOUNT

LINE ITEM	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Fuel & Lubricants	532,078	697,500	642,500	(55,000)	(7.9)%
Parking Meter Supplies	14,902	29,000	—	(29,000)	(100.0)%
Blueprints	587	700	—	(700)	(100.0)%
Uniforms	257,992	260,400	276,400	16,000	6.1 %
SUPPLIES & EQUIPMENT	\$ 2,858,558	\$ 4,265,400	\$ 3,678,700	\$ (586,700)	(13.8)%
Space Rental	\$ 366,160	\$ 472,200	\$ 470,000	\$ (2,200)	(0.5)%
Telephone & Communications	979,410	1,123,500	1,212,200	88,700	7.9 %
Utilities - Gas & Electric	1,642,753	2,078,100	2,000,000	(78,100)	(3.8)%
Utilities - Water	849,301	1,466,700	1,466,700	—	0.0 %
Facility Management Services	2,746,510	3,446,500	2,743,100	(703,400)	(20.4)%
FACILITIES EXPENSE	\$ 6,584,134	\$ 8,587,000	\$ 7,892,000	\$ (695,000)	(8.1)%
Facilities Maintenance - Supplies	\$ 714,189	\$ 699,300	\$ 1,067,500	\$ 368,200	52.7 %
Facilities Maintenance - Outside Services	2,599,458	2,915,500	3,641,000	725,500	24.9 %
Major Maintenance Expense	246,945	1,352,000	950,000	(402,000)	(29.7)%
Equipment Maintenance - Supplies	354,013	211,300	301,800	90,500	42.8 %
Equipment Maintenance - Outside Services	1,336,651	2,032,700	2,082,000	49,300	2.4 %
As - Needed Maintenance	460,176	712,400	1,038,000	325,600	45.7 %
Software Maintenance	1,197,911	1,077,500	1,106,700	29,200	2.7 %
Tenant Improvements	645,000	—	—	—	N/A
MAINTENANCE & REPAIRS	\$ 7,554,343	\$ 9,000,700	\$ 10,187,000	\$ 1,186,300	13.2 %
Advertising	\$ 39,481	\$ 138,800	\$ 57,900	\$ (80,900)	(58.3)%
Marketing/Outreach	1,022,870	1,936,200	2,366,200	430,000	22.2 %
Promotional Services	242,330	405,100	476,100	71,000	17.5 %
Promotional Materials	40,313	73,900	221,600	147,700	199.9 %
Svcs - Fire, Police, Rescue, Emergency	7,446,557	7,656,300	7,777,800	121,500	1.6 %
Eligible Environmental Fund Expenditures	591,524	1,227,500	2,261,000	1,033,500	84.2 %
Grant Funded Expenditures	71,412	189,000	79,500	(109,500)	(57.9)%
Remediation	10,243	—	267,000	267,000	N/A
Refuse & Hazardous Waste Disposal	122,175	110,500	164,000	53,500	48.4 %
Joint Programs/Studies Assistance	438,361	1,223,300	1,313,400	90,100	7.4 %
Public Art Program	25,893	154,000	155,000	1,000	0.6 %
COMMUNITY & ENVIRONMENTAL SUPPORT	\$ 10,051,159	\$ 13,114,600	\$ 15,139,500	\$ 2,024,900	15.4 %
Bank & Credit Card Fees	\$ 278,319	\$ 449,000	\$ 318,500	\$ (130,500)	(29.1)%
Insurance	1,187,632	1,322,000	1,376,000	54,000	4.1 %
Insurance Claims	—	10,000	5,000	(5,000)	(50.0)%
Permits/Certificates/License	50,155	93,200	91,200	(2,000)	(2.1)%

EXPENSE BY ACCOUNT

LINE ITEM	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Legal Settlements	319,035	—	—	—	N/A
Retiree Health Benefits (Paid)	3,162,292	3,396,200	3,573,200	177,000	5.2 %
Preservation of Benefits Plan (POB)	273,000	270,000	250,000	(20,000)	(7.4)%
Other Miscellaneous Operating Expenses	(219,487)	1,060,700	1,060,700	—	0.0 %
RISK MGMT, RETIREE HEALTH & OTHER	\$ 5,050,946	\$ 6,601,100	\$ 6,674,600	\$ 73,500	1.1 %
SUBTOTAL NON-PERSONNEL	\$ 49,635,665	\$ 69,688,400	\$ 69,989,100	\$ 300,700	0.4 %
Capitalized Labor	\$ (2,496,108)	\$ (2,650,000)	\$ (3,325,000)	\$ (675,000)	25.5 %
SUBTOTAL OPERATING	\$ 130,652,695	\$ 158,068,700	\$ 164,469,800	\$ 6,401,100	4.0 %
Financial Assistance/Grants/Contributions	\$ 9,498	\$ 306,500	\$ 406,500	\$ 100,000	32.6 %
FINANCIAL ASSISTANCE	\$ 9,498	\$ 306,500	\$ 406,500	\$ 100,000	32.6 %
Interest-SDCRAA, NEVP, & Other Misc	\$ 2,153,495	\$ 2,371,000	\$ 1,987,300	\$ (383,700)	(16.2)%
Interest Expense - Series A 2004 Bonds	356,207	278,700	181,600	(97,100)	(34.8)%
Interest Expense - Series A 2013 Bonds	1,007,890	988,200	980,400	(7,800)	(0.8)%
MISCELLANEOUS INTEREST	\$ 3,517,592	\$ 3,637,900	\$ 3,149,300	\$ (488,600)	(13.4)%
Seized Asset/Forfeitures-Harbor Police	\$ 84,305	\$ —	\$ —	\$ —	N/A
Other Misc Non-Operating Expense	348,823	—	—	—	N/A
OTHER MISCELLANEOUS	\$ 433,128	\$ —	\$ —	\$ —	N/A
SUBTOTAL NON-OPERATING	\$ 3,960,218	\$ 3,944,400	\$ 3,555,800	\$ (388,600)	(9.9)%
TOTAL	\$ 134,612,914	\$ 162,013,100	\$ 168,025,600	\$ 6,012,500	3.7 %

EXPENSE BY ACCOUNT

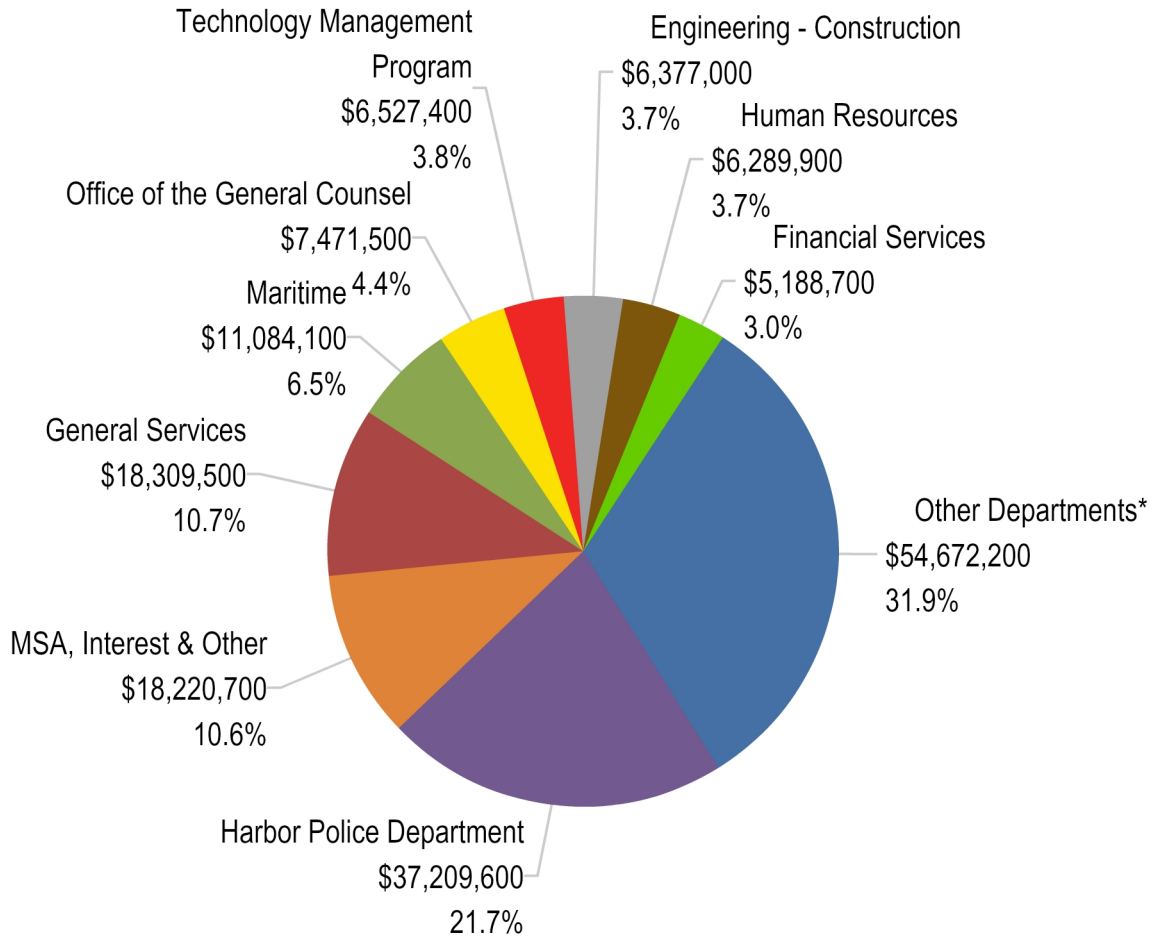


EXPENSE	\$ 171,350,600
CAPITALIZED LABOR	(3,325,000)
TOTAL EXPENSE	\$ 168,025,600

EXPENSE BY DEPARTMENT/COST CENTER

LINE ITEM	ACTUAL	ADJUSTED	BUDGET	CHANGE	
	RESULTS FY 2016	BUDGET FY 2017		FY 2018-2017 BUDGET	% CHANGE
Aquaculture & Blue Technology	\$ 103,981	\$ 1,405,700	\$ 1,320,500	\$ (85,200)	(6.1)%
Attractions & Advertising	175,491	1,117,500	707,600	(409,900)	(36.7)%
Board of Port Commissioners	230,973	246,400	252,400	6,000	2.4 %
Development Services	720,688	2,396,500	3,004,300	607,800	25.4 %
Energy	330,531	4,468,800	3,699,000	(769,800)	(17.2)%
Engineering - Construction	4,950,354	5,935,900	6,377,000	441,100	7.4 %
Enterprise Strategy & Innovation	—	436,400	773,400	337,000	77.2 %
Environmental Conservation	—	—	1,946,900	1,946,900	N/A
Environmental Protection	—	—	3,518,200	3,518,200	N/A
Executive Offices	1,352,366	3,421,900	3,698,300	276,400	8.1 %
Financial Assistance	9,498	306,500	406,500	100,000	32.6 %
Financial Services	4,467,031	5,241,700	5,188,700	(53,000)	(1.0)%
General Services	15,329,959	15,920,800	18,309,500	2,388,700	15.0 %
Government & Civic Relations	1,175,018	1,442,000	1,468,600	26,600	1.8 %
Harbor Police Department	32,137,325	34,750,500	37,209,600	2,459,100	7.1 %
Human Resources	6,149,531	5,516,600	6,289,900	773,300	14.0 %
Information Technology	3,779,706	4,176,300	4,440,600	264,300	6.3 %
Major Maintenance Expense	246,945	1,352,000	950,000	(402,000)	(29.7)%
Maritime	10,786,640	10,886,600	11,084,100	197,500	1.8 %
Marketing & Communications	3,200,187	4,693,400	3,480,100	(1,213,300)	(25.9)%
Miscellaneous Administration Building	158,365	170,900	170,900	—	0.0 %
MSA, Interest & Other	17,431,148	18,565,200	18,220,700	(344,500)	(1.9)%
Office of the District Clerk	2,012,451	1,765,900	1,853,900	88,000	5.0 %
Office of the General Counsel	5,946,601	7,375,500	7,471,500	96,000	1.3 %
Office of the Port Auditor	1,105,092	1,275,200	1,255,300	(19,900)	(1.6)%
People Strategies	147,865	997,500	1,144,900	147,400	14.8 %
Planning	7,187,076	8,234,400	2,921,100	(5,313,300)	(64.5)%
Port as a Service - Parking	77,889	4,245,300	3,566,900	(678,400)	(16.0)%
Procurement Services	1,741,597	2,007,400	2,014,500	7,100	0.4 %
Real Estate	7,827,292	4,404,100	4,849,500	445,400	10.1 %
Real Estate & Development Services - Performance & Reporting	234,406	516,300	610,700	94,400	18.3 %
Technology Management Program	5,198,076	6,658,200	6,527,400	(130,800)	(2.0)%
Utilities	2,491,608	3,543,800	3,465,700	(78,100)	(2.2)%
Waterfront Arts & Activation	403,332	1,187,900	3,152,400	1,964,500	165.4 %
SUBTOTAL	\$137,109,022	\$164,663,100	\$171,350,600	\$ 6,687,500	4.1 %
Capitalized Labor	\$ (2,496,108)	\$ (2,650,000)	\$ (3,325,000)	\$ (675,000)	25.5 %
TOTAL	\$134,612,914	\$162,013,100	\$168,025,600	\$ 6,012,500	3.7 %

EXPENSE BY DEPARTMENT/COST CENTER



EXPENSE	\$ 171,350,600
CAPITALIZED LABOR	(3,325,000)
TOTAL EXPENSE	\$ 168,025,600

* Includes Department/Cost Center with expenses less than \$5.0M (detail on prior page)

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 interest rates ranging from 2.0% to 5.0% 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. The District commenced repaying Civic San Diego \$850,000 annually on July 1, 2013 at an interest rate of 4.77% per annum. After applying certain credits for previous work on Broadway Pier, principal payments, and offsets for future maintenance and security credits of \$7.9 million, the loan balance as of June 30, 2016 is \$3.6 million.

Debt Service Payments FY 2018. Payments are estimated at \$7.9 million (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 2018
SDCRAA Promissory Note	\$ 1,801,700	\$ 1,882,800	\$ 3,684,500
2004 Revenue Bonds (Series A)	1,880,000	227,500	2,107,500
2013 Revenue Bonds (Series A)	—	1,236,900	1,236,900
Civic San Diego	745,500	104,500	850,000
TOTAL	\$ 4,427,200	\$ 3,451,700	\$ 7,878,900

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EQUIPMENT OUTLAY

DEPARTMENT	DESCRIPTION	QTY	BUDGET FY 2018
Environmental Protection	HAZARDOUS WASTE STORAGE SHED	1	\$ 7,700
		1	\$ 7,700
General Services Fleet Motive	17' BOSTON WHALER VESSEL	1	\$ 40,000
General Services Fleet Motive	ALL TERRAIN LITTER VACUUM	1	50,500
General Services Fleet Motive	COLLECTION TRUCKS	2	140,000
General Services Fleet Motive	EQPT RIDING SCRUBBER	1	80,000
General Services Fleet Motive	HEAVY DUTY FORK LIFT	1	100,000
General Services Fleet Motive	HPD FIREBOAT ENGINES ⁽¹⁾	2	150,000
General Services Fleet Motive	JD GATOR UTILITY CART	1	10,000
General Services Fleet Motive	RIDING ROTARY MOWER	3	73,500
General Services Fleet Motive	TIRE CHANGING MACHINE	1	20,000
		13	\$ 664,000
Harbor Police	4X4 PICKUP TRUCK & EQUIPMENT ⁽²⁾	1	\$ 50,000
Harbor Police	ALL TERRAIN VEHICLES & EQUIPMENT	3	17,100
Harbor Police	CANINE KENNEL	1	8,500
Harbor Police	EVIDENCE LOCKER	1	7,600
Harbor Police	K9 SUV EQUIPMENT BUILD-OUT	2	76,000
Harbor Police	MOBILE AUDIO/VIDEO SYSTEM UPGRADE	1	11,000
Harbor Police	PERSONAL WATERCRAFT & EQUIPMENT	1	20,000
Harbor Police	POLICE COMMAND FULL SIZE SUV	2	88,000
Harbor Police	VEHICLE DATA COMMS SYSTEM ⁽¹⁾	1	75,000
		13	\$ 353,200
Information Technology	CORE NETWORK SWITCH REPLACEMENT	2	\$ 450,000
Information Technology	NETWORK OPERATIONS CENTER	1	330,000
		3	\$ 780,000
Maritime	10' x 16' YOKOHAMA FENDERS	3	\$ 74,700
Maritime	6' X 20' YOKOHAMA FENDERS	1	126,200
Maritime	CRUISE SHIP TERMINAL SIGNAGE	1	147,000
Maritime	DOUBLE BLOCK AND BLEED VALVES	16	96,000
Maritime	STORMDRAIN MEDIA INSERTS FOR NCMT	1	77,400
Maritime	STORMDRAIN MEDIA INSERTS FOR TAMT	1	129,000
		23	\$ 650,300
Port as a Service - Parking	PAY STATIONS	4	\$ 20,000
		4	\$ 20,000
Technology Program Expense	FURNITURE AND ROOM REFURBISHMENT	1	\$ 20,000
Technology Program Expense	MONITORS AND MONITORING HARDWARE	3	15,000
Technology Program Expense	PRIVILEGED CREDENTIAL MGT SYSTEM	1	60,000
		5	\$ 95,000
TOTAL		62	\$ 2,570,200

Notes:

⁽¹⁾ Partially grant funded.

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

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PUBLIC ART FUND HIGHLIGHTS

In 1982, the Public Art Fund was established in BPC Policy No. 609: Public Art Programs (see Section 5 Appendix), for the purpose of accumulating funds for the inclusion of public artworks within the tidelands of the District's five member cities to help create a vibrant waterfront destination. Since then, most of the 70 permanent public artworks now in the District's "Tidelands Collection," plus numerous temporary artwork exhibitions, have been funded from the Public Art Fund. Though originally funded by an annual budget set-aside equivalent to a fraction of one-percent of the District's projected annual gross revenues, plus accrued interest, the Public Art Fund, beginning with the FY 2017 budget, has served as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated percent for art contributions from Capital Improvement Program projects; art-related grants, donations or bequests from outside sources; and income from the sale, loan or licensing of artworks. Monies in the Public Art Fund are reserved for expenditures for special art acquisitions or exhibitions of exceptional merit, quality, and significance for the tidelands and the greater San Diego region.

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

PUBLIC ART FUND HIGHLIGHTS

SUMMARY OF PUBLIC ART FUND

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Beginning Balance	\$ 1,011,145	\$ 1,180,000	\$ 1,186,100
<u>Income Sources</u>			
Public Art Set-Aside ⁽¹⁾	\$ 1,200,000	\$ —	\$ —
Public Art Set-Aside Reduction ⁽²⁾	(850,000)	—	—
Interest Income ⁽³⁾	8,505	6,100	7,100
Donation	4,455	—	—
Tenant Percent for Art in-lieu Contributions ⁽⁴⁾	—	—	388,000
Total Income	\$ 362,960	\$ 6,100	\$ 395,100
<u>Expenditures</u>			
Public Art	\$ 185,629	\$ —	\$ 388,000
Transfer Cost ⁽⁵⁾	6,913	—	—
Depreciation ⁽⁶⁾	1,607	—	—
Total Expenditures	\$ 194,149	\$ —	\$ 388,000
Ending Balance	\$ 1,179,956	\$ 1,186,100	\$ 1,193,200

Notes:

- (1) 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). At the May 2016 BPC meeting, BPC Policy No. 609 was amended to permanently remove the annual appropriation of \$1.2M into the Fund.
- (2) The BPC waived BPC Policy No. 609 and authorized a reduction in the FY 2016 annual appropriation for the Public Art Fund from \$1.2M to \$350k.
- (3) Monies placed in the Fund shall be accounted for separately from other District funds and any earnings thereon shall accrue to the Fund.
- (4) FY 2018 budget includes a prior year Tenant percent for art in-lieu contributions.
- (5) Primarily include support services from General Services and Engineering-Construction. At the May 2016 BPC meeting, BPC Policy No. 609 was amended and transfer costs will no longer be expensed to the Fund.
- (6) At the May 2016 BPC meeting, BPC Policy No. 609 was amended and depreciation will no longer be expensed to the Fund.

ENVIRONMENTAL FUND HIGHLIGHTS

The District's Environmental Policy, BPC Policy No. 730 (see Section 5 Appendix) provides 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 ensure the protection and improvement of the environmental conditions of the bay and surrounding tidelands and meets the District's goal of "A Port with a healthy and sustainable bay and its environment." Environmental Fund projects 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, 76 projects have been funded, of which 68 have been completed.

ELIGIBLE ENVIRONMENTAL FUND PROJECTS	BUDGET FY 2018
BAYWIDE BIRD SURVEYS	\$ 15,000
CLAPPER RAIL PROPOGATION PROGRAM	20,000
CV BAYFRONT SETTLEMENT AGREEMENT STUDIES	50,000
ENDANGERED SPECIES MANAGEMENT	75,000
ENVIRONMENTAL EDUCATION	15,000
ENVIRONMENTAL EDUCATION SCHOOL PARTNERSHIP	300,000
LIVING COAST DISCOVERY CENTER	40,000
MITIGATION BANKING	700,000
ON-CALL NATURAL RESOURCE CONSULTANT	125,000
RESTORATION PROJECTS	5,000
SHORELINE EROSION STUDY - OYSTER REEF	100,000
ENVIRONMENTAL INVESTIGATIONS	273,000
STORMWATER PROGRAM IMPLEMENTATION	543,000
TOTAL	\$ 2,261,000

SUMMARY OF ENVIRONMENTAL FUND

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Beginning Balance	\$ 4,575,326	\$ 4,256,300	\$ 3,812,400
<u>Income Sources</u>			
Port Revenues for Environmental Fund ⁽¹⁾	\$ 130,573,000	\$ 151,815,900	\$ 156,821,300
Set-Aside Percentage	0.5%	0.5%	0.5%
Total Set-Aside	\$ 652,900	\$ 759,100	\$ 784,100
Interest Income ⁽²⁾	33,060	24,500	20,700
Total Income	\$ 685,960	\$ 783,600	\$ 804,800
<u>Expenditures</u>			
Non-Capital Project Costs ⁽³⁾	\$ 591,524	\$ 1,227,500	\$ 2,261,000
Capital Project Costs ⁽⁴⁾	413,465	—	—
Total Expenditures	\$ 1,004,989	\$ 1,227,500	\$ 2,261,000
Ending Balance	\$ 4,256,297	\$ 3,812,400	\$ 2,356,200

Notes:

- (1) 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.
- (2) Monies placed in the Fund shall be accounted for separately from other District funds and any earnings thereon shall accrue to the Fund.
- (3) Refer to Section 4, Page 44 for Environmental Conservation and Page 50 for Environmental Protection's Expense Budget Breakdowns account "660135 Eligible Environmental Fund Expenditures" for details.
- (4) FY 2016 includes 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 2011. The annual set-aside is calculated at one-half of one percent (1/2 of 1%) of the actual gross revenues earned from the Tenth Avenue Marine Terminal (TAMT) and the National City Marine Terminal (NCMT).

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

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Beginning Balance	\$ 1,451,751	\$ 1,612,100	\$ 1,473,100
<u>Income Sources</u>			
Revenues ⁽¹⁾	\$ 18,000,000	\$ 33,500,000	\$ 33,100,000
Set-Aside Percentage	0.5%	0.5%	0.5%
Total Set-Aside	\$ 90,000	\$ 167,500	\$ 165,500
Estimated Set-Aside ⁽²⁾	60,000	—	—
Set-Aside True-Up ⁽³⁾	19,875	—	—
Total Income	\$ 169,875	\$ 167,500	\$ 165,500
<u>Expenditures</u>			
Project Costs	\$ 9,498	\$ 306,500	\$ 406,500
Total Expenditures	\$ 9,498	\$ 306,500	\$ 406,500
Ending Balance	\$ 1,612,128	\$ 1,473,100	\$ 1,232,100

Notes:

- ⁽¹⁾ FY 2016 Revenues refers only to revenues from TAMT and NCMT. In accordance with BPC Policy No. 773 amendment, FY 2017 and FY 2018 Revenues refers to revenues from TAMT, NCMT, and maritime industrial tenants between the two terminals.
- ⁽²⁾ At the FY 2016 budget workshop on April 27, 2015, the Board directed that \$60k be set-aside in anticipation of an increase in annual set-asides due to revision in BPC Policy No. 773 in June 2015.
- ⁽³⁾ FY 2014 and FY 2015 set-aside true-up of actual revenues from TAMT and NCMT were recorded in FY 2016.

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CAPITAL IMPROVEMENT PROGRAM HIGHLIGHTS

The Five Year Capital Improvement Program (CIP) FY 2014-2018 has been previously approved and adopted by the Board in accordance with BPC Policy 120. The projects are funded from the CIP reserve (pre-approved/designated funding) and other sources such as grants and contributions for specific projects.

Projects for the 2014-2018 CIP are shown below. Refer to the District's CIP book (available from the Office of the District Clerk) for a complete list and description of each project. The amounts shown totaling \$35.9M represent the estimated remaining program budget including capital labor. Actual remaining project funds will be revised when end of year expenditures are realized. An estimated \$22.0M will be spent in FY 2018 to execute these projects.

PROJECT NAME	REMAINING 2014-2018 PROGRAM BUDGET
Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT ⁽¹⁾	\$ 8,550,000
Shelter Island Boat Launch Facility Improvements ⁽²⁾	6,500,000
Former Navy Pier Head House Demolition	6,000,000
Chula Vista Bayfront - Triangle Parcel Acquisition or Marina Parkway Realignment	2,900,000
Beach Avenue Street End Improvements and Comfort Station	2,000,000
Site Preparation at Chula Vista Bayfront	1,775,000
Chula Vista Bayfront - South Campus Pavement & Foundation Demolition	1,402,000
National City Marina District Vision Plan Preliminary Planning	1,394,900
B Street Mooring Dolphin	936,800
Setback Park/Plaza	900,000
Escalator Installation at B Street Pier	650,000
Remaining CIP Projects	873,100
TOTAL CAPITAL IMPROVEMENT PROJECTS	\$ 33,881,800
Capitalized Labor	1,600,000
CIP Contingency	246,700
CIP Reserve	130,100
TOTAL CAPITAL IMPROVEMENT PROGRAM	\$ 35,858,600

Notes:

⁽¹⁾ Includes \$3.4M of TIGER Grant.

⁽²⁾ Fully grant funded.

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MAJOR MAINTENANCE PROGRAM HIGHLIGHTS

The following list of Major Maintenance projects for FY 2018 will be implemented in accordance with BPC Policy No. 130 (see Section 5 Appendix). This list represents projects that were generated through the Asset Management Program (AMP) which uses a scientifically based methodology to determine repairs or replacements of high risk assets before they fail. The Major Maintenance Program is part of the District's five-year strategic initiative and many of the projects span multiple years. The amount budgeted is for the work that is anticipated to be completed in FY 2018.

PROJECT NAME	PROPOSED PHASE FY 2018	BUDGET FY 2018
Major Maintenance Capital Projects		
Demolition of Anthony's Fish Grotto	Construction	\$ 1,700,000
Pavement Repairs at TAMT Berths 10-7 & 10-8	Construction	850,000
Structural Repairs to Broadway Pier ⁽¹⁾	Construction	575,000
Street Light Replacement at Imperial Beach Pier	Design & Construction	500,000
Cruise Ship Terminal Security Enhancements ^{(2) (3)}	Construction	447,000
Porous Pavement Repairs at Various Locations	Design & Construction	400,000
TAMT Entry Gate Security Improvements ^{(2) (3)}	Construction	362,500
NCMT Berth 24-10 Structural & Mooring Repair	Construction	340,000
Fire Alarm System Improvements at San Diego Convention Center	Design & Construction	253,000
Structural Repairs to B Street Pier ⁽¹⁾	Design	250,000
UFT Removal at Port Administration Building	Construction	140,000
Storm Water Treatment Upgrades at TAMT	Design	100,000
Roof Replacement at NCMT Vehicle Maintenance Building	Design & Construction	75,000
Major Maintenance Capital Contingency	N/A	367,000
Capitalized Labor	N/A	1,575,000
TOTAL MAJOR MAINTENANCE CAPITAL		\$ 7,934,500

Notes:

⁽¹⁾ Carryover project from FY 2017.

⁽²⁾ Carryover project from FY 2016.

⁽³⁾ Partially grant funded project.

PROJECT NAME	PROPOSED PHASE FY 2018	BUDGET FY 2018
Major Maintenance Expense Projects		
Mobile Gangway Repairs at Cruise Ship Terminal	Design & Construction	\$ 450,000
FY 2018 Pavement Repairs at Various Locations	Design & Construction	400,000
Major Maintenance Expense Contingency	N/A	100,000
TOTAL MAJOR MAINTENANCE EXPENSE		\$ 950,000
TOTAL MAJOR MAINTENANCE PROGRAM		\$ 8,884,500

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TECHNOLOGY MANAGEMENT PROGRAM

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

DESCRIPTION	BUDGET FY 2018
Services - Professional & Other	\$ 2,340,700
Equipment & Systems	1,501,700
Telephone & Communications	873,000
Equipment Maintenance - Outside Services	772,500
Software Maintenance	1,039,500
NON-PERSONNEL EXPENSE	\$ 6,527,400
Furniture and Room Refurbishment	\$ 20,000
Monitors and Monitoring Hardware	15,000
Privileged Credential Mgt System	60,000
EQUIPMENT OUTLAY	\$ 95,000
Computer Aided Dispatch ⁽¹⁾	\$ 1,450,000
PSG FY16 - Emergency Operations Center (AMSC MUC) ⁽¹⁾	610,000
GIS Roadmap Implementation	600,000
Fiber Optic Phase 4A ⁽¹⁾	400,000
Lease Management Solution	400,000
District Website Redesign	400,000
Install Co-Location Center and Disaster Recovery	400,000
CRM Application	375,000
Security Grant Matching Fund	269,200
Asset Management	250,000
Park Permitting	200,000
PSG FY15 Maritime Area Sensor Program ⁽¹⁾	160,000
Novell Integrated Database Management System Replacement	135,000
Advertising Demand Metric Collection System	120,000
Workforce Planning/Succession Planning - Professional Development - Org Structure Delegation	115,000
Windows 10, Office 2016, Enterprise Cloud Suite Implementation	90,000
Replace Fuel Management Application System	80,000
International Narcotics Liaison (INL)	80,000
Coaching/Mentoring	60,000
Performance Management Overhaul	60,000
Rewards & Recognition Program	60,000

TECHNOLOGY MANAGEMENT PROGRAM

DESCRIPTION	BUDGET FY 2018
Document Management System Front End Replacement	50,000
Employee Portal	50,000
Integration Middleware	40,000
Talent Selection - 21st Century Recruitment Plan "Diversity"	35,000
Leadership Dev - 21st Century Govt - Values (Blue Thinking) - Servant Leadership (Blue Thinking) - 360	25,000
PSG FY15 Cruise Ship Terminal CCTV Refresh ⁽¹⁾	20,000
Automatic Vehicle Location Server - GPS MobileCop Upgrade	20,000
Stormwater Database Refurbishment	20,000
TECHNOLOGY CAPITAL PROJECTS	\$ 6,574,200
TOTAL	\$ 13,196,600

Note:

⁽¹⁾ Partially grant funded projects.

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 District tidelands waterfront for recreation and on educating the public in regards to the District and its mission.

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

Event sponsorships through the TAP are 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 2018, the Waterfront Arts & Activation department has budgeted a total of \$517k for event sponsorships, and \$1.0M 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.

ANTICIPATED GRANTS	BUDGET FY 2018
Capital Grants – Recreational	\$ 6,500,000
Capital Grants – Information Technology	2,463,700
Capital Grants – Maritime	3,400,000
Capital Grants – Harbor Police	116,200
Non-Operating Grants – Harbor Police	562,700
Non-Operating Grants – Maritime	10,000
TOTAL	\$ 13,052,600

Grants that are expected to be received in FY 2018 include the following:

Grants for Recreational Project. The District will receive grant funds from the Department of Parks and Recreation Division of Boating and Waterways for the Shelter Island Boat Launching Facility project.

Grants for Information Technology Project. The District will receive grant funds from the Department of Homeland Security for the Computer Aided Dispatch project, Maritime Area Sensor Program project, Cruise Ship Terminal Security Enhancements, Tenth Avenue Marine Terminal Entry Gate Security Improvements, Area Maritime Security Committee (AMSC) Emergency Operations Center, and San Diego Bay Regional Fiber Optic Infrastructure project.

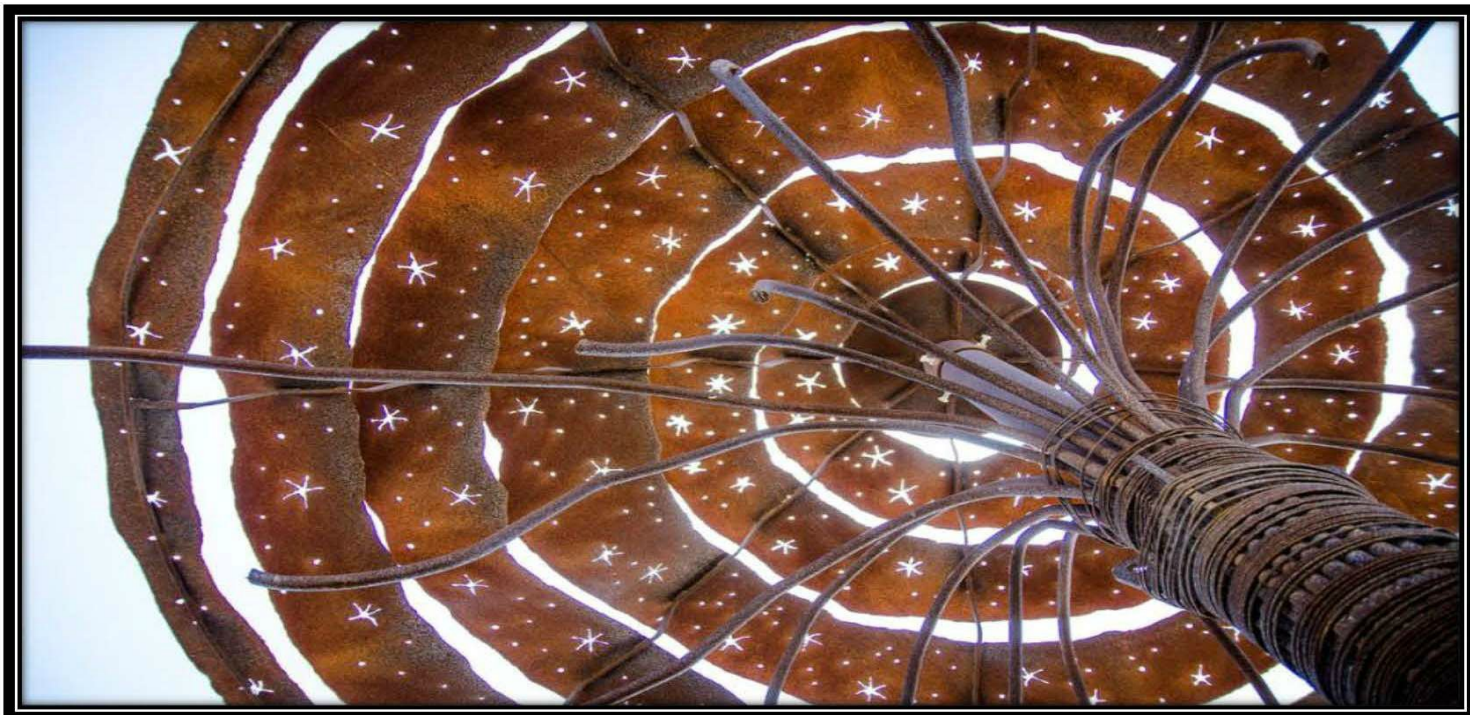
SPONSORSHIPS & GRANTS

Grants for Maritime. The District will receive grant funds from the Department of Transportation Maritime Administration's Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant program for the Tenth Avenue Marine Terminal Modernization project, and from the Department of Fish and Game for the Harbor Safety Committee Secretariat program.

Grants for Harbor Police. 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 Patrol Vessel Maintenance and Patrol Vessel Data Communications System.

Partnership/Cost Sharing Reimbursement for Environmental Projects. The District will receive reimbursements from: 1) SDG&E for Efficiency Partnership Program to enhance the District's capacity to incorporate energy efficiency throughout the District, and 2) Regional Harbor Monitoring Program for a coordinated monitoring program among San Diego region.

PARTNERSHIP/COST SHARING REIMBURSEMENT		BUDGET FY 2018
SDG&E Energy Efficiency Partnership		\$ 693,000
Regional Harbor Monitoring Program		61,200
TOTAL		\$ 754,200



4 | DEPARTMENTS/ COST CENTERS

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

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Aquaculture & Blue Technology

Mission Statement

Diversify the District's Blue Economy portfolio by developing new Aquaculture & Blue Technology opportunities which offer multiple co-benefits including fisheries enhancement, ecosystem restoration, and education and outreach. The Aquaculture & Blue Technology team plan on developing and managing a Blue Economy incubator to attract and support new and innovative water-dependent businesses and opportunities.

Vision Statement

Develop and grow best in class Blue Economy businesses and opportunities by promoting entrepreneurship, driving Blue Tech innovation, and fostering sustainable fisheries and aquaculture.

Objectives

Diversify Blue Economy portfolio by:

- Developing new aquaculture and Blue Tech business lines with new sources of revenue and multiple co-benefits that improve the regional economy, the marine and coastal environment, and surrounding communities
- Developing Blue Economy incubator to build new business lines and opportunity
- Removing barriers to entry to innovators and encouraging Blue Economy investment and growth
- Establishing permit-ready infrastructure that meets regulatory requirements
- Establishing new cross-departmental collaboration process to drive innovation and channel ideas
- Seeking new business revenues and grant opportunities to support the development of the required infrastructure to build the foundation of a world-class Blue Economy incubator
- Conducting planning and pre-development work to facilitate timely deployment of pilot projects and new business lines

Current Services

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

- Facilitate pilot, testing, and technology validation demonstration of innovative projects
- Develop joint ventures and partnerships with early stage and specialized market-ready ventures
- Develop strategic business plan to support aquaculture and blue technology ventures
- Support Aquaculture pilot projects focused on shellfish nursery
- Support Blue Tech pilot projects focused on restoration and mitigation
- Support fisheries enhancement and coastal ecosystem restoration
- Conduct bay-wide infrastructure feasibility study for aquaculture and blue tech ventures
- Utilize bay and ocean planning tools to inform future developments for aquaculture and blue tech
- Coordinate with other departments to ensure project consistency with the District's Mission
- Provide community outreach, environmental education, and foster stakeholder collaboration
- Support San Diego Ocean Planning Partnership

The Aquaculture & Blue Technology team currently has one regular position.

Aquaculture & Blue Technology

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Program Manager, Aquaculture & Blue Tech	1	1
TOTAL	1	1

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	1	1
TOTAL	1	1

Aquaculture & Blue Technology

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 103,981	\$ 187,700	\$ 200,300	\$ 12,600	6.7 %
Non-Personnel Expense	—	1,218,000	1,120,200	(97,800)	(8.0)%
Total Direct Expense	\$ 103,981	\$ 1,405,700	\$ 1,320,500	\$ (85,200)	(6.1)%
Less: Capitalized Expense	(1,347)	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 102,634	\$ 1,405,700	\$ 1,320,500	\$ (85,200)	(6.1)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 73,288	\$ 109,900	\$ 156,400	\$ 46,500	42.3 %
Overtime	—	—	—	—	N/A
Burden	30,693	77,800	43,900	(33,900)	(43.6)%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 103,981	\$ 187,700	\$ 200,300	\$ 12,600	6.7 %

Aquaculture & Blue Technology
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals BOOKS & PERIODICAL	\$ —	\$ —		\$ 2,000		
Total:	\$ —	\$ —	\$ —	\$ 2,000	\$ 2,000	N/A
610120 Memberships & Dues MEMBERSHIPS & DUES	\$ —	\$ —		\$ 4,500		
Total:	\$ —	\$ —	\$ —	\$ 4,500	\$ 4,500	N/A
610140 Seminars & Training SEMINARS & TRAINING	\$ —	\$ —		\$ 3,000		
Total:	\$ —	\$ —	\$ —	\$ 3,000	\$ 3,000	N/A
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$ —	\$ —		\$ 600		
Total:	\$ —	\$ —	\$ —	\$ 600	\$ 600	N/A
615110 TRAVEL TRAVEL	\$ —	\$ —		\$ 16,100		
Total:	\$ —	\$ —	\$ —	\$ 16,100	\$ 16,100	N/A
620100 Services - Professional & Other AQUACULTURE PILOT PLANNING & PRE-DEV		\$ 218,000		\$ 175,000		
AQUACULTURE PROGRAM IMPLEMENTATION		160,000		35,000		
BLUE TECH PROGRAM IMPLEMENTATION		70,000		25,000		
MARINE SPATIAL PLANNING - BAY & OCEAN		100,000		70,000		
Total:	\$ —	\$ 548,000	\$ 548,000	\$ 305,000	\$ (243,000)	(44.3)%
620150 Aquaculture PARTNERSHIPS & JOINT VENTURE INVEST	\$ —	\$ 375,000		\$ 310,000		
Total:	\$ —	\$ 375,000	\$ 375,000	\$ 310,000	\$ (65,000)	(17.3)%
620160 Blue Technology PARTNERSHIPS & JOINT VENTURE INVEST	\$ —	\$ 275,000		\$ 307,000		
Total:	\$ —	\$ 275,000	\$ 275,000	\$ 307,000	\$ 32,000	11.6 %
630140 Postage & Shipping POSTAGE & SHIPPING	\$ —	\$ —		\$ 8,000		
Total:	\$ —	\$ —	\$ —	\$ 8,000	\$ 8,000	N/A
630150 Safety Equipment & Supplies SAFETY EQUIPMENT & SUPPLIES	\$ —	\$ —		\$ 1,500		

Aquaculture & Blue Technology
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
Total:	\$ —	\$ —	\$ —	\$ 1,500	\$ 1,500	N/A
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ —	\$ —	\$ —	\$ 15,000		
Total:	\$ —	\$ —	\$ —	\$ 15,000	\$ 15,000	N/A
660120 Promotional Materials						
PROMOTIONAL MATERIALS	\$ —	\$ —	\$ —	\$ 2,500		
Total:	\$ —	\$ —	\$ —	\$ 2,500	\$ 2,500	N/A
660170 Joint Programs/Studies Assistance						
AQUACULTURE PILOT PROJECT	\$ 20,000			\$ —		
CA SEA GRANT FELLOWS	—			115,000		
EDUCATION & OUTREACH	—			15,000		
Total:	\$ —	\$ 20,000	\$ 20,000	\$ 130,000	\$ 110,000	550.0 %
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE	\$ —	\$ —	\$ —	\$ 15,000		
Total:	\$ —	\$ —	\$ —	\$ 15,000	\$ 15,000	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ —	\$ 1,218,000	\$ 1,218,000	\$ 1,120,200	\$ (97,800)	(8.0)%
GRAND TOTAL:	\$ —	\$ 1,218,000	\$ 1,218,000	\$ 1,120,200	\$ (97,800)	(8.0)%

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Attractions & Advertising

Mission Statement

To fully engage the 1.6 million citizens of the District's five member cities and the over 35 million guests to San Diego with rich and entertaining experiences that also work to increase visitors to the tidelands and enhance annual operating revenues. Within the District's planning and regulatory framework; we will design, develop, manage, and optimize new attractions and advertising assets (traditional, digital, and apps) that will improve the visitor experience on tidelands, and help us create a Smart Port environment.

Vision Statement

To enhance America's Finest Waterfront with "new and dynamic attractions, events, and public access," supported with the latest media and technology that create a world class experience for visitors, tenants, their employees, and customers.

Objectives

- ELG Strategic Goal - Critical Success Factor #7 is to develop Advertising as a Business and create a new, sustainable revenue stream for the District
- ELG Strategic Goal - Critical Success Factor #9 is to develop Attractions as a Business and create a new, sustainable revenue stream for the District
- Maintain the District's financial stability by launching the Attractions & Advertising team as a core-business to help fund increasing public service needs and costs
- Build a multi-faceted media program as part of the District's Smart City Strategy to optimize media and messaging needs on the waterfront
- Attract San Diegans and visitors by promoting maritime and commercial interests of businesses both on and off tidelands for recreation and enjoyment of the waterfront
- Capitalize on the untapped revenue potential from underleveraged assets
- Facilitate new advertising or media assets where feasible to generate incremental revenue
- Convert existing advertising space to new technology
- Recruit and retain a highly skilled, diverse workforce to support the Attractions & Advertising team
- Continuously evaluate and improve business systems and processes related to advertising
- Promote vision for underutilized tidelands and assess advertising market and revenue growth potential

Current Services

To achieve the Attractions & Advertising team's Mission and Vision statements, staff is committed to providing the following services:

Attractions

Designing and developing attractions is a new competency at the District. Work has begun to outline potential new attractions and related business models. As we continue to develop these plans, we will further the work of defining and delivering the specific services of this new team based on achieving the objectives outlined above.

Advertising Asset Management

- Advertising asset and operations management
- Contract, lease, tidelands use and occupancy permit and temporary use permit negotiations; administration, monitoring, and enforcement
- Tenant and contractor relationship management

Attractions & Advertising

- Advertising asset inspections
- Special event coordination for advertising
- Advertising data management
- Monthly and quarterly performance reporting

Advertising Management and Development

- Planning and development for advertising assets
- Feasibility studies for new advertising assets
- Market research/financial analysis
- Customer service for the public and visitors to tidelands
- New development project monitoring and reporting
- Interdepartmental and inter-agency coordination
- Appraisals of media value
- Consultant management
- Marketing of available advertising or media opportunities
- Project management for media installations
- New contract and agreement negotiations

The Attractions & Advertising team currently has one regular position.

Attractions & Advertising

Replace: 1 Events & Attractions Manager (Limited) with Assistant Advertising Manager (Limited)

Transfer: 1 Director, Port as a Service (Limited) to Port as a Service - Parking

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Department Manager, Advertising	1	1
TOTAL	1	1

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant Advertising Manager	0	1
Director, Port as a Service	1	0
Events & Attractions Manager	1	0
TOTAL	2	1

Attractions & Advertising

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 175,491	\$ 544,100	\$ 289,300	\$ (254,800)	(46.8)%
Non-Personnel Expense	—	573,400	418,300	(155,100)	(27.0)%
Total Direct Expense	\$ 175,491	\$ 1,117,500	\$ 707,600	\$ (409,900)	(36.7)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 175,491	\$ 1,117,500	\$ 707,600	\$ (409,900)	(36.7)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 91,916	\$ 358,400	\$ 199,700	\$ (158,700)	(44.3)%
Overtime	—	—	—	—	N/A
Burden	83,575	185,700	89,600	(96,100)	(51.8)%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 175,491	\$ 544,100	\$ 289,300	\$ (254,800)	(46.8)%

Attractions & Advertising
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
BOOKS & PERIODICALS	\$	300		\$ 300		
Total:	\$ —	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$	300		\$ 200		
Total:	\$ —	\$ 300	\$ 300	\$ 200	\$ (100)	(33.3)%
610120 Memberships & Dues						
ASSOCIATIONS	\$	500		\$ 500		
OUTDOOR ADV ASSN OF AMERICA		500		500		
SUBSCRIPTIONS - SRDS		500		500		
Total:	\$ —	\$ 1,500	\$ 1,500	\$ 1,500	\$ —	0.0 %
610140 Seminars & Training						
ADVERTISING CONFERENCE	\$	1,000		\$ 1,000		
COURSES & SEMINARS		2,000		2,000		
MICROSOFT OFFICE SUITE TRAINING		500		500		
Total:	\$ —	\$ 3,500	\$ 3,500	\$ 3,500	\$ —	0.0 %
610150 Tuition Reimbursement Program						
TUITION REIMBURSEMENT PROGRAM	\$	600		\$ —		
Total:	\$ —	\$ 600	\$ 600	\$ —	\$ (600)	(100.0)%
615100 Mileage & Parking						
MILEAGE & PARKING	\$	—		\$ 600		
Total:	\$ —	\$ —	\$ —	\$ 600	\$ 600	N/A
615110 Travel						
BUSINESS TRAVEL	\$	2,400		\$ 2,400		
Total:	\$ —	\$ 2,400	\$ 2,400	\$ 2,400	\$ —	0.0 %
620100 Services - Professional & Other						
AS-NEEDED PEER DESIGN REVIEW	\$	5,000		\$ 3,500		
DEV CONSULTING - COMIC-CON VENUE		100,000		—		
DEV CONSULTING - PACIFIC HWY		100,000		75,000		
DEV CONSULTING - SHELTER ISLAND		100,000		75,000		
DEV CONSULTING - SYMPHONY VENUE		100,000		75,000		
FEASIBILITY - CONCEPT DEVELOPMENT		100,000		150,000		

Attractions & Advertising
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
MKT STUDY - NEW ADVERTISING VENUE		20,000		8,000		
ON-CALL ARCHITECT		20,000		7,000		
VALUATION OF ADVERTISING SITES		10,000		6,500		
Total:	\$ —	\$ 555,000	\$ 555,000	\$ 400,000	\$ (155,000)	(27.9)%
630110 Equipment & Systems						
MISC EQUIPMENT & FURNITURE		\$ 3,000		\$ 3,000		
Total:	\$ —	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
630120 Equipment Rental/Leasing						
EQUIPMENT RENTAL/LEASING		\$ 300		\$ 300		
Total:	\$ —	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES		\$ 2,000		\$ 2,000		
Total:	\$ —	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 400		\$ 400		
Total:	\$ —	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES		\$ 100		\$ 100		
Total:	\$ —	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
650130 Equipment Maintenance - Outside Services						
OFFICE EQUIPMENT MAINTENANCE		\$ 1,000		\$ 1,000		
Total:	\$ —	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
660110 Promotional Services						
TENANT & PUBLIC OUTREACH		\$ 3,000		\$ 3,000		
Total:	\$ —	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ —	\$ 573,400	\$ 573,400	\$ 418,300	\$ (155,100)	(27.0)%
GRAND TOTAL:	\$ —	\$ 573,400	\$ 573,400	\$ 418,300	\$ (155,100)	(27.0)%

Board of Port Commissioners

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	230,972	246,400	252,400	6,000	2.4%
Total Direct Expense	\$ 230,972	\$ 246,400	\$ 252,400	\$ 6,000	2.4%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 230,972	\$ 246,400	\$ 252,400	\$ 6,000	2.4%

Board of Port Commissioners
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610120 Memberships & Dues						
Total:	\$ 220	\$ —	\$ —	\$ —	\$ —	N/A
610140 Seminars & Training SEMINARS & TRAINING	\$ 20,000			\$ 19,000		
Total:	\$ 9,393	\$ 20,000	\$ 20,000	\$ 19,000	\$ (1,000)	(5.0)%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$ 84,000			\$ 84,000		
Total:	\$ 84,342	\$ 84,000	\$ 84,000	\$ 84,000	\$ —	N/A
615110 Travel TRAVEL	\$ 60,000			\$ 58,000		
Total:	\$ 46,828	\$ 60,000	\$ 60,000	\$ 58,000	\$ (2,000)	(3.3)%
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHER	\$ 40,000			\$ 49,000		
Total:	\$ 35,938	\$ 40,000	\$ 40,000	\$ 49,000	\$ 9,000	22.5 %
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES	\$ 1,000			\$ 1,000		
Total:	\$ 430	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	N/A
630140 Postage & Shipping POSTAGE & SHIPPING	\$ 500			\$ 500		
Total:	\$ 333	\$ 500	\$ 500	\$ 500	\$ —	N/A
640110 Telephone & Communications TELEPHONE & COMMUNICATIONS	\$ 8,900			\$ 8,900		
Total:	\$ 8,400	\$ 8,900	\$ 8,900	\$ 8,900	\$ —	N/A
660110 Promotional Services PROMOTIONAL SERVICES	\$ 30,000			\$ 30,000		
Total:	\$ 43,429	\$ 30,000	\$ 30,000	\$ 30,000	\$ —	N/A
660120 Promotional Materials PROMOTIONAL MATERIALS	\$ 2,000			\$ 2,000		
Total:	\$ 1,659	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 230,972	\$ 246,400	\$ 246,400	\$ 252,400	\$ 6,000	2.4 %
GRAND TOTAL:	\$ 230,972	\$ 246,400	\$ 246,400	\$ 252,400	\$ 6,000	2.4 %

Development Services

Mission Statement

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

Vision Statement

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

Objectives

- Continuously evaluate and improve the District and tenant project review process
- Attract visitors from all over the world through high quality development on San Diego Bay
- Create and sustain positive relationships throughout the San Diego region
- Recruit, retain, and prepare for advancement a highly skilled, diverse workforce

Current Services

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

Project Review and Mapping Services

- Prepare and provide lease exhibits including plat maps and legal descriptions
- Maintain records of submitted District and tenant project plans
- Perform District and tenant project review and approval
- Conform District and tenant project submittals to standards
- Coordinate with other District departments and other public agencies
- Establish and maintain standards for project and design review

Current Planning

- Oversee preparation and processing of CEQA documents for District and tenant projects
- Prepare all environmental review language for Board of Port Commissioner agendas
- Prepare and process all CEQA and Coastal Determinations for District and tenant projects
- Prepare and process all Coastal Development Permits for Board review
- Coordinate project reviews and information as needed with the California Coastal Commission
- Coordinate as needed with Planning & Green Port to ensure consistency with the Port Master Plan
- Prepare and process Port Master Plan Amendments (except those which are processed by Planning & Green Port for comprehensive Port Master Plan updates and location-specific planning initiatives)
- Coordinate with other District departments and other public agencies

Enforcement

- Monitor and enforce conditions of approval in project reviews and CEQA/Coastal documents.
- Coordinate with the Real Estate department to ensure lease obligations reflect conditions of approval.

Development Services

The Development Services department currently has 13 regular positions.

Development Services

Reclass: 1 Associate Planner to Senior Planner
 1 Principal, Development Services to Director, Development Services

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	1	1
Architect	2	2
Assistant Planner	1	1
Associate Planner	2	1
Department Manager, Development Services	1	1
Department Manager, Real Estate	1	1
Director, Development Services	0	1
Mapping Technician II	1	1
Principal, Development Services	1	0
Senior Planner	2	3
Senior Project Architect	1	1
TOTAL	13	13

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Staff Assistant II	1	1
Project Review Associate	1	1
TOTAL	2	2

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	0	1
TOTAL	0	1

Development Services

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 719,339	\$ 1,792,300	\$ 1,962,100	\$ 169,800	9.5%
Non-Personnel Expense	1,349	604,200	1,121,200	517,000	85.6%
Total Direct Expense	\$ 720,688	\$ 2,396,500	\$ 3,083,300	\$ 686,800	28.7%
Less: Capitalized Expense	(8,540)	—	(8,100)	(8,100)	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 712,148	\$ 2,396,500	\$ 3,075,200	\$ 678,700	28.3%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 365,181	\$ 1,160,600	\$ 1,266,900	\$ 106,300	9.2%
Overtime	1,854	1,400	1,400	—	0.0%
Burden	352,304	630,300	693,800	63,500	10.1%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 719,339	\$ 1,792,300	\$ 1,962,100	\$ 169,800	9.5%

Development Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 1,400		\$ 1,400		
Total:	\$ 1,854	\$ 1,400	\$ 1,400	\$ 1,400	\$ —	0.0 %
SUBTOTAL: OVERTIME & TEMPS	\$ 1,854	\$ 1,400	\$ 1,400	\$ 1,400	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 600		\$ 500		
Total:	\$ —	\$ 600	\$ 600	\$ 500	\$ (100)	(16.7)%
610120 Memberships & Dues						
AMER INST OF CERTIFIED PLANNERS		\$ —		\$ 400		
AMER PLANNING ASSOCIATION		1,600		3,200		
AMERICAN INSTITUTE OF ARCHITECTS		800		800		
ASSOC OF ENV'L PROFESSIONALS		1,300		1,200		
ASSOCIATIONS		300		300		
HOTEL MOTEL ASSOCIATION		500		500		
NAT'L ASSOC OF IND'L OFFICE PROP		500		500		
URBAN LAND INSTITUTE		100		800		
Total:	\$ —	\$ 5,100	\$ 5,100	\$ 7,700	\$ 2,600	51.0 %
610140 Seminars & Training						
ADA TRAINING		\$ 100		\$ 100		
AMERICAN INSTITUTE OF ARCHITECTS		500		500		
CEQA TRAINING		4,800		8,000		
GIS TRAINING		1,000		1,000		
LEED CONTINUING EDUCATION		300		300		
MS OFFICE TRAINING		5,000		5,000		
PROJECT MANAGEMENT		5,000		5,000		
SMARTSHEET TRAINING		1,000		1,000		
WRITING CLASSES		5,000		2,000		
Total:	\$ —	\$ 22,700	\$ 22,700	\$ 22,900	\$ 200	0.9 %
615100 Mileage Reimbursement						
MILEAGE/PARKING		\$ 1,300		\$ 1,300		
Total:	\$ 375	\$ 1,300	\$ 1,300	\$ 1,300	\$ —	0.0 %
615110 Travel						
CEQA/COASTAL CONFERENCE		\$ —		\$ 3,000		
COASTAL COMMISSION HEARINGS		1,000		3,000		

Development Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
Total:	\$ 974	\$ 1,000	\$ 1,000	\$ 6,000	\$ 5,000	500.0 %
620100 Services - Professional & Other						
AMERICA'S CUP HARBOR PILOT PARKING		\$ 9,000		\$ 5,000		
B STREET MOORING DOLPHIN CEQA		30,000		—		
BUILDING SERVICES CONSULTANT		—		100,000		
CHULA VISTA BAYFRONT CEQA		45,000		75,000		
COREDATA		5,000		5,000		
COURIER SERVICES		10,000		—		
DESIGN REVIEW CONSULTANT		50,000		50,000		
FIREWORKS ENVIRONMENTAL REVIEW		110,000		—		
MINISTERIAL ORDINANCE		—		20,000		
MISCELLANEOUS CEQA REQUIREMENTS		141,200		175,000		
NORTH EMBARCADERO PLAN		—		399,000		
PLANNING PROJ MANAGER CONSULTANT		—		100,000		
PLANNING/COASTAL CONSULTANT		40,000		—		
PROJECT REVIEW CONSULTANT		50,000		100,000		
SHELTER ISLAND BOAT LAUNCH CEQA		20,000		—		
SURVEYS		50,000		50,000		
Total:	\$ —	\$ 560,200	\$ 560,200	\$ 1,079,000	\$ 518,800	92.6 %
670130 Permits/Certificates/License						
FILING FEES		\$ 8,300		\$ 3,100		
NOTICE OF EXEMPTION		5,000		700		
Total:	\$ —	\$ 13,300	\$ 13,300	\$ 3,800	\$ (9,500)	(71.4)%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,349	\$ 604,200	\$ 604,200	\$ 1,121,200	\$ 517,000	85.6 %
GRAND TOTAL:	\$ 3,203	\$ 605,600	\$ 605,600	\$ 1,122,600	\$ 517,000	85.4 %

Energy

Mission Statement

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

Vision Statement

Be recognized as a global leader in energy and sustainability practice.

Objectives

- Advance the District's priorities and strategies through the implementation of the Climate Action Plan (CAP)
- Ensure the District is on track to meet the greenhouse gas emissions reduction goals established in the CAP and goals set by the State of California
- Reduce the environmental footprint and increase economic value of District tidelands through the advancement of resource conservation, renewable energy generation, and clean transportation projects
- Facilitate sustainable development and redevelopment opportunities for District and tenant projects
- Create and sustain positive relationships with internal and external stakeholders and educate the community on energy and climate planning initiative
- Foster an environmentally responsible culture among District staff, tenants, and the public
- Pursue funding opportunities to advance sustainable technologies on District tidelands including freight and energy related projects
- Engage the community through District sponsored large-scale activation and educational events

Current Services

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

- Implement CAP measures
- Report and monitor CAP progress
- Energy master planning
- Clean transportation planning
- Sustainable Freight and Smart Mobility planning
- Sustainable Leasing Program facilitation and monitoring
- Green Business Network implementation and monitoring
- Climate Adaptation Planning
- Community outreach and stakeholder collaboration
- Lead employee environmental engagement campaigns

The Energy team currently has six regular positions.

Energy

Transfer: 1 Associate Environmental Specialist to Planning
1 Staff Assistant II to Planning

Convert: 2 Program Manager, Energy & Sustainability (Limited) to Program Manager, Energy & Sustainability

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Associate Environmental Specialist	1	0
Principal, Planning & Green Port	1	1
Program Manager, Energy & Sustainability	0	2
Senior Environmental Specialist	3	3
Staff Assistant II	1	0
TOTAL	6	6

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Program Manager, Energy & Sustainability	2	0
TOTAL	2	0

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	2	2
TOTAL	2	2

Energy

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 330,501	\$ 1,013,800	\$ 918,300	\$ (95,500)	(9.4)%
Non-Personnel Expense	30	3,455,000	2,780,700	\$ (674,300)	(19.5)%
Total Direct Expense	\$ 330,531	\$ 4,468,800	\$ 3,699,000	\$ (769,800)	(17.2)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 330,531	\$ 4,468,800	\$ 3,699,000	\$ (769,800)	(17.2)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 189,755	\$ 713,000	\$ 660,500	\$ (52,500)	(7.4)%
Overtime	568	—	400	400	N/A
Burden	140,178	300,800	257,400	(43,400)	(14.4)%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 330,501	\$ 1,013,800	\$ 918,300	\$ (95,500)	(9.4)%

Energy
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME	\$	—		\$ 400		
Total:	\$ 568	\$ —	\$ —	\$ 400	\$ 400	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 568	\$ —	\$ —	\$ 400	\$ 400	N/A
610120 Memberships & Dues MEMBERSHIPS & DUES	\$	—		\$ 8,000		
Total:	\$ —	\$ —	\$ —	\$ 8,000	\$ 8,000	N/A
610140 Seminars & Training SEMINARS & TRAINING	\$	—		\$ 1,600		
Total:	\$ —	\$ —	\$ —	\$ 1,600	\$ 1,600	N/A
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$	—		\$ 700		
Total:	\$ 120	\$ —	\$ —	\$ 700	\$ 700	N/A
615110 TRAVEL TRAVEL	\$	—		\$ 4,000		
Total:	\$ (90)	\$ —	\$ —	\$ 4,000	\$ 4,000	N/A
620100 Services - Professional & Other CLIMATE ACTION PLAN MANAGEMENT	\$	130,000		\$ 67,200		
CLIMATE RESILIENCY		68,000		—		
PROJECT PLANNING		—		28,200		
Total:	\$ —	\$ 198,000	\$ 198,000	\$ 95,400	\$ (102,600)	(51.8)%
620140 Climate Action Plan CAP STRATEGIC INITIATIVES	\$	2,078,000		\$ 2,072,000		
ENERGY EFFICIENCY RETROFITS		154,500		—		
SUSTAINABLE LEASING PROGRAM		500,000		—		
Total:	\$ —	\$ 2,732,500	\$ 2,732,500	\$ 2,072,000	\$ (660,500)	(24.2)%
630140 Postage & Shipping ORDINANCE NOTIFICATIONS	\$	—		\$ 1,100		
Total:	\$ —	\$ —	\$ —	\$ 1,100	\$ 1,100	N/A
660110 Promotional Services PROMOTIONAL SERVICES	\$	—		\$ 9,000		
Total:	\$ —	\$ —	\$ —	\$ 9,000	\$ 9,000	N/A

Energy
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
660120 Promotional Materials						
PROMOTIONAL MATERIALS	\$ —	\$ —	\$ —	\$ 60,500		
Total:	\$ —	\$ —	\$ —	\$ 60,500	\$ 60,500	N/A
660170 Joint Programs/Studies Assistance						
REGIONAL CLIMATE INITIATIVES	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500		
SDG&E LOCAL ENERGY PARTNERSHIP	519,000	519,000	519,000	522,900		
Total:	\$ —	\$ 524,500	\$ 524,500	\$ 528,400	\$ 3,900	0.7 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 30	\$ 3,455,000	\$ 3,455,000	\$ 2,780,700	\$ (674,300)	(19.5)%
GRAND TOTAL:	\$ 598	\$ 3,455,000	\$ 3,455,000	\$ 2,781,100	\$ (673,900)	(19.5)%

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Engineering - Construction

Mission Statement

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

Vision Statement

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

Objectives

- ELG Strategic Goal - Critical Success Factor #1 is to continuously support the Chula Vista Bayfront development with engineering services
- ELG Strategic Goal - Critical Success Factor #12 is to develop the next phase of the Asset Management Program (AMP)
- 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 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 36 regular positions.

Engineering - Construction

Reclass: 1 Associate Engineer to Capital Project Manager I
 1 GIS Analyst to Assistant Engineer
 1 Senior Administrative Asst (Classified) to Management Analyst
 1 Senior Management Analyst to Department Administrative Manager

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant Engineer	3	4
Associate Engineer	5	4
Capital Project Manager I	2	3
Capital Project Manager II	3	3
Chief Engineer/Engineering-Construction	1	1
Civil Designer	2	2
Construction Inspector	2	2
Department Administrative Manager	0	1
Executive Assistant I (Classified)	1	1
GIS Analyst	1	0
Land Surveyor	1	1
Management Analyst	0	1
Manager, Engineering-Construction	5	5
Project Scheduler	1	1
Senior Administrative Asst (Classified)	1	0
Senior Construction Inspector	2	2
Senior Engineer	1	1
Senior Management Analyst	3	2
Staff Assistant II	1	1
Survey Technician II	1	1
TOTAL	36	36

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Staff Assistant II	1	1
TOTAL	1	1

INTERN POSITIONS

Engineering - Construction

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	4	4
TOTAL	4	4

Engineering - Construction

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 4,798,288	\$ 5,450,100	\$ 5,676,800	\$ 226,700	4.2 %
Non-Personnel Expense	152,066	485,800	700,200	214,400	44.1 %
Total Direct Expense	\$ 4,950,354	\$ 5,935,900	\$ 6,377,000	\$ 441,100	7.4 %
Less: Capitalized Expense	(2,120,635)	(2,313,700)	(2,928,100)	(614,400)	26.6 %
Major Maintenance	246,945	1,352,000	950,000	(402,000)	(29.7)%
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 3,076,664	\$ 4,974,200	\$ 4,398,900	\$ (575,300)	(11.6)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 2,836,442	\$ 3,431,000	\$ 3,569,500	\$ 138,500	4.0%
Overtime	53,573	52,000	52,000	—	0.0%
Burden	1,747,976	1,967,100	2,055,300	88,200	4.5%
Temporary Personnel	160,297	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 4,798,288	\$ 5,450,100	\$ 5,676,800	\$ 226,700	4.2%

Engineering - Construction
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 52,000		\$ 52,000		
Total:	\$ 53,573	\$ 52,000	\$ 52,000	\$ 52,000	\$ —	0.0 %
600120 Temporary Personnel						
Total:	\$ 160,297	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 213,870	\$ 52,000	\$ 52,000	\$ 52,000	\$ —	0.0 %
610100 Awards - Services						
Total:	\$ 24	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
BOOKS & PERIODICALS		\$ 1,000		\$ 1,000		
Total:	\$ 534	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 1,100		\$ 1,100		
Total:	\$ 1,043	\$ 1,100	\$ 1,100	\$ 1,100	\$ —	0.0 %
610120 Memberships & Dues						
AMERICAN PUBLIC WORKS ASSOCIATION		\$ —		\$ 3,200		
AMERICAN SOCIETY OF CIVIL ENGINEERS		—		1,700		
AMERICAN WATER WORKS ASSOCIATION		—		200		
CONSTRUCTION MGMT ASSOC OF AMERICA		—		2,700		
MEMBERSHIPS & DUES		9,400		500		
Total:	\$ 6,960	\$ 9,400	\$ 9,400	\$ 8,300	\$ (1,100)	(11.7)%
610140 Seminars & Training						
AUTOCAD TRAINING		\$ —		\$ 70,000		
COMPUTER TRAINING		400		—		
PROF DEVELOPMENT/REGULATORY		1,700		—		
PROFESSIONAL DEVELOPMENT		10,700		6,800		
PROJECT MANAGEMENT		27,000		13,500		
Total:	\$ 16,624	\$ 39,800	\$ 39,800	\$ 90,300	\$ 50,500	126.9 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 23,000		\$ 23,000		
Total:	\$ 21,740	\$ 23,000	\$ 23,000	\$ 23,000	\$ —	0.0 %
615110 Travel						
SEMINAR TRAVEL		\$ —		\$ 12,000		

Engineering - Construction
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
TRAVEL		10,000		—		
Total:	\$ 10,099	\$ 10,000	\$ 10,000	\$ 12,000	\$ 2,000	20.0 %
620100 Services - Professional & Other						
ASSET MANAGEMENT	\$ —			\$ 300,000		
CIP WORKSHOP - PROJECT ASSESSMENTS		45,000		19,600		
CIP WORKSHOP CONSULTANTS		25,000		—		
INTERDEPARTMENT PLANNING SUP		5,000		—		
SURVEYING (BASE MAPPING)		—		130,000		
SURVEYING (NON-PROJECT)		300,000		—		
TAMT ELEC SYST PLANNING ANALYSIS		—		88,000		
Total:	\$ 69,114	\$ 375,000	\$ 375,000	\$ 537,600	\$ 162,600	43.4 %
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$ 21,000			\$ 21,000		
TWIC CARDS		400		400		
Total:	\$ 20,383	\$ 21,400	\$ 21,400	\$ 21,400	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$ 400			\$ 400		
Total:	\$ 144	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES	\$ 2,500			\$ 2,500		
Total:	\$ 3,062	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
630160 Small Tools						
CONSTRUCTION STAKING SUPPLIES	\$ —			\$ 500		
SMALL TOOLS		300		300		
Total:	\$ 237	\$ 300	\$ 300	\$ 800	\$ 500	166.7 %
630190 Blueprints						
BLUEPRINTS	\$ 700			\$ —		
Total:	\$ 587	\$ 700	\$ 700	\$ —	\$ (700)	(100.0)%
640120 Utilities Gas & Electric						
Total:	\$ 18	\$ —	\$ —	\$ —	\$ —	N/A
650130 Equipment Maintenance - Outside Services						
Total:	\$ 93	\$ —	\$ —	\$ —	\$ —	N/A
660110 Promotional Services						

Engineering - Construction
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
ASSOCIATION GENERAL CONTRACTORS		\$ 300		\$ 500		
PROMOTIONAL SERVICES		—		200		
REG CONST PROCUREMENT COMMITTEE		—		200		
Total:	\$ 946	\$ 300	\$ 300	\$ 900	\$ 600	200.0 %
670130 Permits/Certificates/License						
PERMITS CERTIFICATES LICENSE		\$ 900		\$ 900		
Total:	\$ 460	\$ 900	\$ 900	\$ 900	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 152,066	\$ 485,800	\$ 485,800	\$ 700,200	\$ 214,400	44.1 %
GRAND TOTAL:	\$ 365,936	\$ 537,800	\$ 537,800	\$ 752,200	\$ 214,400	39.9 %

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Enterprise Strategy & Innovation

Mission Statement

To know with rich quantitative and qualitative data the District's "customers" (citizens, guests, business customers, etc.), understand what they value, and design and deliver engaging experiences for them that demonstrate business innovation and better public service. There are currently over 1.6 million citizens living in the District's five member cities, over 35 million guests to San Diego and the Port District, and over 800 direct/indirect District business customers. All of these customers share common and unique experiences at the District: "live, work, play, and visit."

Vision Statement

To be the most customer-centric and innovative public service agency in the world and in doing so enhance San Diego's reputation as America's Finest City.

Objectives

- To become a center of excellence for customer intelligence and insights, data aggregation and management, predictive analytics, and user experience (UX) design
- To be data-driven in developing, managing, and accounting for the District's consumer and customer businesses as well as all of our public service activities
- To quantify various customer sub-segments to gain rich, relevant, and meaningful insights among our: over 1.6 million citizens, 35 million guests, and 800 direct/indirect business customers
- To provide engagement metrics and accountability based on the general categories of: time spent, % participation, and dollars spent in various District related business and public service activities
- Discover, design, develop, and deliver insights to improve and innovate the District's many business and public service experiences
- Design, develop, and deliver a world class Smart Port experience

Current Services

The Enterprise Strategy & Innovation (ES&I) department was new to the District in 2017. With the department being relatively new, its services are being developed and refined based on the District's priority needs. These services may include but are not limited to: the creation of project briefs for developers, derived from the use of Human-Centered Design tools and processes, providing crucial UX guidance to the web development team, driving a holistic customer-experience view toward the District's park assets, and creating the framework for the District's culture of innovation and intellectual property.

The Enterprise Strategy & Innovation department currently has no regular positions.

Enterprise Strategy & Innovation

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Director, Enterprise Strategy & Innovation	1	1
Manager, Citizen & Customer Intelligence	1	1
Manager, Innovation & User Experience	1	1
TOTAL	3	3

Enterprise Strategy & Innovation

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ 436,400	\$ 504,900	\$ 68,500	15.7%
Non-Personnel Expense	—	—	268,500	268,500	N/A
Total Direct Expense	\$ —	\$ 436,400	\$ 773,400	\$ 337,000	77.2%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ —	\$ 436,400	\$ 773,400	\$ 337,000	77.2%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ —	\$ 336,300	\$ 391,700	\$ 55,400	16.5%
Overtime	—	—	—	—	N/A
Burden	—	100,100	113,200	13,100	13.1%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ —	\$ 436,400	\$ 504,900	\$ 68,500	15.7%

Enterprise Strategy & Innovation
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET dollars pct	
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610115 Employee Recognition EMPLOYEE RECOGNITION	\$ —	\$ —	\$ —	\$ 200		
Total:	\$ —	\$ —	\$ —	\$ 200	\$ 200	N/A
610140 Seminars & Training SEMINARS & TRAINING	\$ —	\$ —	\$ —	\$ 6,000		
Total:	\$ —	\$ —	\$ —	\$ 6,000	\$ 6,000	N/A
615110 Travel TRAVEL	\$ —	\$ —	\$ —	\$ 10,000		
Total:	\$ —	\$ —	\$ —	\$ 10,000	\$ 10,000	N/A
620100 Services - Professional & Other MOBILITY & AV STUDY	\$ —	\$ —	\$ —	\$ 50,000		
PEOPLE CENTERED DESIGN TRAINING				25,000		
PUBLIC SERVICE BENCHMARKING				100,000		
SMART CITY/21 CENT DIGITAL PROTO				30,000		
SMART CITY/21 CENT DIGITAL WAYFIND				25,000		
SMART CITY/21 CENT PHYSICAL PROTO				20,000		
Total:	\$ —	\$ —	\$ —	\$ 250,000	\$ 250,000	N/A
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES	\$ —	\$ —	\$ —	\$ 2,000		
Total:	\$ —	\$ —	\$ —	\$ 2,000	\$ 2,000	N/A
660110 Promotional Services PROMOTIONAL SERVICES	\$ —	\$ —	\$ —	\$ 300		
Total:	\$ —	\$ —	\$ —	\$ 300	\$ 300	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ —	\$ —	\$ —	\$ 268,500	\$ 268,500	N/A
GRAND TOTAL:	\$ —	\$ —	\$ —	\$ 268,500	\$ 268,500	N/A

Environmental Conservation

Mission Statement

Create and support a well-planned and integrated waterfront through sustainable development for District and tenant operations, and protection and enhancement of natural resources that celebrate tidelands and waterfront life.

Vision Statement

Advance a thriving waterfront that is sustainable, prosperous, and improves the quality of life and natural environment for present and future generations.

Objectives

- Provide for the environmental conservation and improvement of San Diego Bay and tidelands
- Protect and conserve the Bay's endangered species
- To establish a mitigation bank on Pond 20
- To assist with planning and permitting support for the redevelopment of the Chula Vista Bayfront, National City Bayfront, Harbor Island, Central Embarcadero, and North Embarcadero
- To assist with integrating new development and redevelopment opportunities for District and tenant projects into an update to the Port Master Plan
- Implementation of the Bay's Integrated Natural Resources Management Plan and Chula Vista Natural Resources Management Plan
- Create and sustain positive relationships with stakeholders and the community at large on environmental and planning issues
- Foster environmentally responsible behavior among District staff, tenants, and the public to minimize environmental impacts
- Meet all mandated regulatory requirements

Current Services

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

- Endangered species and natural resources management
- Conducting volunteer clean up events
- Conduct restoration and enhancement of the Bay's natural resources
- Compliance with the Clean Water Act, Endangered Species Act, California Environmental Quality Act, Army Corps of Engineers, and Regional Water Quality Control Board permits
- Environmental Advisory Committee support
- Manage the Environmental Fund
- Provide environmental education
- Wildlife Advisory Group support
- Collaboration with Federal and State natural resource agencies
- Ensure permit compliance for all of the District's in-water construction projects
- Support San Diego Ocean Planning Partnership

The Environmental Conservation team currently has two regular positions.

Environmental Conservation

Transfer: 1 Principal, Planning & Green Port from Planning
1 Senior Environmental Specialist from Planning
1 Senior Environmental Specialist (Limited) from Planning

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Principal, Planning & Green Port	0	1
Senior Environmental Specialist	0	1
TOTAL	0	2

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Senior Environmental Specialist	0	1
TOTAL	0	1

Environmental Conservation

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ 445,700	\$ 445,700	N/A
Non-Personnel Expense	—	—	1,501,200	1,501,200	N/A
Total Direct Expense	\$ —	\$ —	\$ 1,946,900	\$ 1,946,900	N/A
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ —	\$ —	\$ 1,946,900	\$ 1,946,900	N/A

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ —	\$ —	\$ 304,500	\$ 304,500	N/A
Overtime	—	—	—	—	N/A
Burden	—	—	141,200	141,200	N/A
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ —	\$ —	\$ 445,700	\$ 445,700	N/A

Environmental Conservation
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610120 Memberships & Dues MEMBERSHIPS & DUES	\$ —	\$ —	\$ —	\$ 2,900		
Total:	\$ —	\$ —	\$ —	\$ 2,900	\$ 2,900	N/A
610140 Seminars & Training SEMINARS & TRAINING	\$ —	\$ —	\$ —	\$ 800		
Total:	\$ —	\$ —	\$ —	\$ 800	\$ 800	N/A
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$ —	\$ —	\$ —	\$ 700		
Total:	\$ —	\$ —	\$ —	\$ 700	\$ 700	N/A
615110 Travel TRAVEL	\$ —	\$ —	\$ —	\$ 1,800		
Total:	\$ —	\$ —	\$ —	\$ 1,800	\$ 1,800	N/A
620100 Services - Professional & Other EELGRASS SURVEYS	\$ —	\$ —	\$ —	\$ 15,000		
Total:	\$ —	\$ —	\$ —	\$ 15,000	\$ 15,000	N/A
630150 - Safety Equipment & Supplies SAFETY EQUIPMENT & SUPPLIES	\$ —	\$ —	\$ —	\$ 300		
Total:	\$ —	\$ —	\$ —	\$ 300	\$ 300	N/A
660110 - Promotional Services PROMOTIONAL SERVICES	\$ —	\$ —	\$ —	\$ 21,200		
Total:	\$ —	\$ —	\$ —	\$ 21,200	\$ 21,200	N/A
660135 - Eligible Environment Fund Expenditures						
BAYWIDE BIRD SURVEYS	\$ —	\$ —	\$ —	\$ 15,000		
CLAPPER RAIL PROPOGATION PROGRAM				20,000		
CV BAYFRONT SETTLEMENT AGREEMENT STUDIES				50,000		
ENDANGERED SPECIES MANAGEMENT				75,000		
ENVIRONMENTAL EDUCATION				15,000		
ENVIRONMENTAL EDUCATION SCHOOL PARTNERSHIP				300,000		
LIVING COAST DISCOVERY CENTER				40,000		
MITIGATION BANKING				700,000		
ON-CALL NATURAL RESOURCE CONSULTANT				125,000		

Environmental Conservation
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
RESTORATION PROJECTS		—		5,000		
SHORELINE EROSION STUDY - OYSTER REEF		—		100,000		
Total:	\$ —	\$ —	\$ —	\$ 1,445,000	\$ 1,445,000	N/A
660170 Joint Program Studies Assistance						
SANDAG-IMPERIAL BEACH SAND	\$ —	\$ —	\$ —	\$ 3,500		
Total:	\$ —	\$ —	\$ —	\$ 3,500	\$ 3,500	N/A
670130 Permits/Certificates/License						
PERMITS & LICENSES	\$ —	\$ —	\$ —	\$ 10,000		
Total:	\$ —	\$ —	\$ —	\$ 10,000	\$ 10,000	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ —	\$ —	\$ —	\$ 1,501,200	\$ 1,501,200	N/A
GRAND TOTAL:	\$ —	\$ —	\$ —	\$ 1,501,200	\$ 1,501,200	N/A

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Environmental Protection

Mission Statement

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

Vision Statement

Waterfront activities and operations conducted in sync with clean water and healthy ecosystems.

Objectives

- Improve and enhance the water and sediment quality within the bay
- Reduce pollution from District and tenant operations
- Advocate for effective and efficient cleanup of legacy pollution
- Enhance water recreation and fishing opportunities for the public
- Integrate design concepts that provide maximum water capture, re-use, and pollutant control
- Conduct hazardous materials management efforts in accordance with applicable laws, regulations, and best practices
- Monitor and assess the long-term trends and ambient conditions of water, sediment, and bay ecosystems
- Create and sustain positive relationships with stakeholders and the community at large on environmental issues
- Foster environmentally responsible behavior among District staff, tenants, and the public to minimize environmental impacts
- Conduct education and outreach programs that promote clean water, pollution prevention, and environmental stewardship
- Provide environmental regulatory compliance for the District and tenants
- Meet all mandated regulatory requirements

Current Services

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

- Hazardous waste and disposal management
- Air permit compliance management
- Industrial hygiene investigation support for the District
- Stormwater management support for the District and tenants
- Stormwater compliance, oversight, and enforcement on tidelands
- Review of stormwater management prevention plans and project design plans
- Compliance with Regional Water Quality Control Board permits, investigations, and clean up orders
- Collaboration with regulatory agencies, stakeholders, and the community
- Environmental education and outreach to District staff and tenants
- Monitoring and assessment of the bay, groundwater, and stormwater runoff
- Site investigations that identify hazardous materials impacts on District project sites, or support lease termination, commencement, or property acquisition

The Environmental Protection department currently has ten regular positions.

Environmental Protection

Transfer: 3 Associate Environmental Specialist from Planning
 1 Principal, Planning & Green Port from Planning
 1 Environmental Compliance Inspector from Planning
 2 Program Manager, Planning & Green Port from Planning
 1 Assistant Environmental Specialist from Planning
 2 Senior Environmental Specialist from Planning

Replace: 1 Principal, Planning & Green Port with Director, Environmental Protection
 1 Assistant Environment Specialist with Senior Environment Specialist
 1 Associate Environment Specialist with Senior Environment Specialist

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Associate Environmental Specialist	0	2
Director, Environmental Protection	0	1
Environmental Compliance Inspector	0	1
Program Manager, Planning & Green Port	0	2
Senior Environmental Specialist	0	4
TOTAL	0	10

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	0	1
TOTAL	0	1

Environmental Protection

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ 1,414,600	\$ 1,414,600	N/A
Non-Personnel Expense	—	—	2,103,600	2,103,600	N/A
Total Direct Expense	\$ —	\$ —	\$ 3,518,200	\$ 3,518,200	N/A
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	7,700	7,700	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ —	\$ —	\$ 3,525,900	\$ 3,525,900	N/A

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ —	\$ —	\$ 927,800	\$ 927,800	N/A
Overtime	—	—	1,300	1,300	N/A
Burden	—	—	485,500	485,500	N/A
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ —	\$ —	\$ 1,414,600	\$ 1,414,600	N/A

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
HAZARDOUS WASTE STORAGE SHED	1	\$ 7,700	\$ 7,700
TOTAL EQUIPMENT OUTLAY	1		\$ 7,700

**Environmental Protection
EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ —		\$ 1,300		
Total:	\$ —	\$ —	\$ —	\$ 1,300	\$ 1,300	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ 1,300	\$ 1,300	N/A
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ —		\$ 1,400		
Total:	\$ —	\$ —	\$ —	\$ 1,400	\$ 1,400	N/A
610140 Seminars & Training SEMINARS & TRAINING		\$ —		\$ 6,000		
Total:	\$ —	\$ —	\$ —	\$ 6,000	\$ 6,000	N/A
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ —		\$ 2,200		
Total:	\$ —	\$ —	\$ —	\$ 2,200	\$ 2,200	N/A
615110 Travel TRAVEL		\$ —		\$ 4,500		
Total:	\$ —	\$ —	\$ —	\$ 4,500	\$ 4,500	N/A
620100 Services - Professional & Other MS4 PERMIT-WATERSHED IMPLEMENTATION REGIONAL HARBOR MONITORING		\$ — —		\$ 29,000 125,000		
Total:	\$ —	\$ —	\$ —	\$ 154,000	\$ 154,000	N/A
630150 - Safety Equipment & Supplies SAFETY EQUIPMENT & SUPPLIES		\$ —		\$ 900		
Total:	\$ —	\$ —	\$ —	\$ 900	\$ 900	N/A
660135 - Eligible Environmental Fund Expenditures ENVIRONMENTAL INVESTIGATIONS STORMWATER PROGRAM IMPLEMENTATION		\$ — —		\$ 273,000 543,000		
Total:	\$ —	\$ —	\$ —	\$ 816,000	\$ 816,000	N/A
660140 - Remediation REMEDIATION		\$ —		\$ 267,000		
Total:	\$ —	\$ —	\$ —	\$ 267,000	\$ 267,000	N/A
660150 - Refuse & Hazardous Waste Disposal HAZARDOUS WASTE MANAGEMENT		\$ —		\$ 163,000		

**Environmental Protection
EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS	ORIGINAL BUDGET	ADJUSTED BUDGET	BUDGET	CHANGE FROM ADJUSTED BUDGET	
	FY 2016	FY 2017	FY 2017	FY 2018	dollars	pct
Total:	\$ —	\$ —	\$ —	\$ 163,000	\$ 163,000	N/A
660170 Joint Program Studies Assistance						
BAYWIDE COLLABORATION		\$ —		\$ 115,000		
CO-PERMITTEE COST SHARE		—		26,000		
COPPER REDUCTION PROGRAM		—		208,000		
INTEGRATED PEST MANAGEMENT		—		10,000		
REGULATORY FEES		—		140,500		
SHELTER ISLAND TMDL		—		90,000		
TDML IMPLEMENTATION		—		62,000		
Total:	\$ —	\$ —	\$ —	\$ 651,500	\$ 651,500	N/A
670130 Permits/Certificates/License						
PERMITS & LICENCES		\$ —		\$ 37,100		
Total:	\$ —	\$ —	\$ —	\$ 37,100	\$ 37,100	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ —	\$ —	\$ —	\$ 2,103,600	\$ 2,103,600	N/A
GRAND TOTAL:	\$ —	\$ —	\$ —	\$ 2,104,900	\$ 2,104,900	N/A

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Executive Offices

Transfer: 1 Executive Assistant I (Classified) from Government & Civic Relations
 1 Assistant Vice President from Marketing & Communications
Reclass: 1 Executive Assistant I (Classified) to Assistant to Vice President
 2 Executive Assistant II (Classified) to Assistant to Vice President

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant to President/CEO	1	1
Assistant to Vice President	3	6
Assistant Vice President	3	4
Chief Administrative Officer/Vice President	1	1
Chief Financial Officer/Treasurer	1	1
Chief Marketing Officer/Vice President	1	1
Chief Operating Officer/Vice President	1	1
Executive Assistant II (Classified)	2	0
Executive Director	1	1
TOTAL	14	16

Executive Offices

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 1,341,072	\$ 3,000,500	\$ 3,286,200	\$ 285,700	9.5 %
Non-Personnel Expense	11,295	421,400	412,100	(9,300)	(2.2)%
Total Direct Expense	\$ 1,352,367	\$ 3,421,900	\$ 3,698,300	\$ 276,400	8.1 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 1,352,367	\$ 3,421,900	\$ 3,698,300	\$ 276,400	8.1 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 893,763	\$ 1,900,000	\$ 2,079,900	\$ 179,900	9.5%
Overtime	3,359	5,000	15,000	10,000	200.0%
Burden	443,950	1,095,500	1,191,300	95,800	8.7%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 1,341,072	\$ 3,000,500	\$ 3,286,200	\$ 285,700	9.5%

Executive Offices
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 5,000		\$ 15,000		
Total:	\$ 3,359	\$ 5,000	\$ 5,000	\$ 15,000	\$ 10,000	200.0 %
SUBTOTAL: OVERTIME & TEMPS	\$ 3,359	\$ 5,000	\$ 5,000	\$ 15,000	\$ 10,000	200.0 %
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 2,300		\$ 2,300		
Total:	\$ —	\$ 2,300	\$ 2,300	\$ 2,300	\$ —	N/A
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 4,400		\$ 5,100		
Total:	\$ —	\$ 4,400	\$ 4,400	\$ 5,100	\$ 700	15.9 %
610120 Memberships & Dues MEMBERSHIP & DUES		\$ 4,900		\$ 6,400		
Total:	\$ —	\$ 4,900	\$ 4,900	\$ 6,400	\$ 1,500	30.6 %
610140 Seminars & Training DIVISION TRAINING SEMINARS & TRAINING		\$ — 64,400		\$ 48,000 64,400		
Total:	\$ 25	\$ 64,400	\$ 64,400	\$ 112,400	\$ 48,000	74.5 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 20,700		\$ 21,200		
Total:	\$ 7,623	\$ 20,700	\$ 20,700	\$ 21,200	\$ 500	2.4 %
615110 Travel TRAVEL		\$ 141,800		\$ 134,800		
Total:	\$ 3,303	\$ 141,800	\$ 141,800	\$ 134,800	\$ (7,000)	(4.9)%
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHER		\$ 50,000		\$ 45,000		
Total:	\$ —	\$ 50,000	\$ 50,000	\$ 45,000	\$ (5,000)	(10.0)%
630130 Office & Operating Supplies OFFICE SUPPLIES		\$ 10,000		\$ 10,000		
Total:	\$ 268	\$ 10,000	\$ 10,000	\$ 10,000	\$ —	N/A
630140 Postage & Shipping POSTAGE		\$ 300		\$ 300		
Total:	\$ —	\$ 300	\$ 300	\$ 300	\$ —	N/A

Executive Offices
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630150 Safety						
	\$ 76	\$ —	\$ —	\$ —	\$ —	N/A
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ 62,300			\$ 14,300		
Total:	\$ —	\$ 62,300	\$ 62,300	\$ 14,300	\$ (48,000)	(77.0)%
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE	\$ 300			\$ 300		
Total:	\$ —	\$ 300	\$ 300	\$ 300	\$ —	N/A
670190 Other Miscellaneous Operating Expenses						
CONTINGENCY	\$ 60,000			\$ 60,000		
Total:	\$ —	\$ 60,000	\$ 60,000	\$ 60,000	\$ —	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 11,295	\$ 421,400	\$ 421,400	\$ 412,100	\$ (9,300)	(2.2)%
GRAND TOTAL:	\$ 14,654	\$ 426,400	\$ 426,400	\$ 427,100	\$ 700	0.2 %

Financial Assistance

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	9,498	306,500	406,500	100,000	32.6%
Total Direct Expense	\$ 9,498	\$ 306,500	\$ 406,500	\$ 100,000	32.6%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 9,498	\$ 306,500	\$ 406,500	\$ 100,000	32.6%

Financial Assistance
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
660160 Financial Assistance/Grants/Contribution						
MARITIME INDUSTRIAL IMPACT FUND		\$ 306,500		\$ 406,500		
Total:	\$ 9,498	\$ 306,500	\$ 306,500	\$ 406,500	\$ 100,000	32.6%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 9,498	\$ 306,500	\$ 306,500	\$ 406,500	\$ 100,000	32.6%
GRAND TOTAL:	\$ 9,498	\$ 306,500	\$ 306,500	\$ 406,500	\$ 100,000	32.6%

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

Financial Services

Payroll

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

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 25 regular positions, including the Deputy Treasurer and four Risk Management & Safety positions.

Financial Services

Reclass: 1 Senior Management Analyst to Senior Financial Analyst

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Accounting Supervisor	1	1
Department Manager, Financial Services	3	3
Deputy Treasurer	1	1
Director, Financial Services	1	1
Executive Assistant I (Unclassified)	1	1
Financial Analyst	1	1
Financial Technician	3	3
Lead Accounting Technician	2	2
Payroll Specialist	1	1
Payroll Technician	1	1
Risk and Safety Manager	1	1
Risk Management Analyst	1	1
Safety Specialist II	2	2
Senior Accountant	2	2
Senior Financial Analyst	3	4
Senior Management Analyst	1	0
TOTAL	25	25

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	1	1
TOTAL	1	1

Financial Services

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 3,051,842	\$ 3,245,800	\$ 3,237,700	\$ (8,100)	(0.2)%
Non-Personnel Expense	1,415,190	1,995,900	1,951,000	(44,900)	(2.2)%
Total Direct Expense	\$ 4,467,032	\$ 5,241,700	\$ 5,188,700	\$ (53,000)	(1.0)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	14,529	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 4,481,561	\$ 5,241,700	\$ 5,188,700	\$ (53,000)	(1.0)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 1,810,398	\$ 1,986,200	\$ 2,031,600	\$ 45,400	2.3 %
Overtime	2,156	—	—	—	N/A
Burden	1,221,687	1,259,600	1,206,100	(53,500)	(4.2)%
Temporary Personnel	17,601	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 3,051,842	\$ 3,245,800	\$ 3,237,700	\$ (8,100)	(0.2)%

Financial Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME						
Total:	\$ 2,156	\$ —	\$ —	\$ —	\$ —	N/A
600120 Temporary Personnel TEMPORARY PERSONNEL						
Total:	\$ 17,601	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 19,757	\$ —	\$ —	\$ —	\$ —	N/A
610100 Awards - Service RISK - SAFETY AWARDS	\$ 2,500			\$ 2,000		
Total:	\$ —	\$ 2,500	\$ 2,500	\$ 2,000	\$ (500)	(20.0)%
610110 Books & Periodicals PROFESSIONAL PUBLICATIONS RISK - PUBLICATIONS	\$ 1,000 1,200			\$ 1,000 1,200		
Total:	\$ 777	\$ 2,200	\$ 2,200	\$ 2,200	\$ —	0.0 %
610115 Employee Recognition EMPLOYEE RECOGNITION	\$ 1,200			\$ 800		
Total:	\$ 1,180	\$ 1,200	\$ 1,200	\$ 800	\$ (400)	(33.3)%
610120 Memberships & Dues AMER INST OF CPA'S ASSN FOR FINANCIAL PROF'LS CA MUNI TREASURERS ASSN CA SOC OF CPA'S CA SOC OF MUNI FINANCE OFFICER GOVT FINANCE OFFICERS ASSN MEMBERSHIPS & DUES RISK - RELATED SAN DIEGO CREDIT ASSOCIATION	\$ 300 500 200 900 300 500 900 1,000 300			\$ 300 600 300 1,600 500 800 1,000 1,000 300		
Total:	\$ 5,063	\$ 4,900	\$ 4,900	\$ 6,400	\$ 1,500	30.6 %
610140 Seminars & Training ANNUAL GOVT GAAP UPDATE AP/1099/SALES TAX TRAINING APA PAYROLL TRAINING ASSN FOR FINANCIAL PROF'LS CA MUNI TREASURER'S ASSN	\$ 1,800 1,000 — 1,500 400			\$ 1,600 2,000 1,000 1,600 400		

Financial Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS	ORIGINAL BUDGET	ADJUSTED BUDGET	BUDGET	CHANGE FROM ADJUSTED BUDGET	
	FY 2016	FY 2017	FY 2017	FY 2018	dollars	pct
CA SOC OF CPA'S		800		1,500		
CA SOC OF MUNI FINANCE OFFICER		1,500		1,000		
CERTIFICATION COURSES & WEBINARS		—		500		
GASB TRAINING		—		26,500		
GOVT FINANCE OFFICERS ASSN		3,500		3,000		
REGULATORY TRAINING		53,200		—		
RISK - RELATED		3,000		2,500		
TECHNICAL TRAINING		—		24,200		
WORKIVA		—		5,000		
Total:	\$ 11,563	\$ 66,700	\$ 66,700	\$ 70,800	\$ 4,100	6.1 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 4,500		\$ 4,500		
RISK - RELATED		1,500		300		
Total:	\$ 3,979	\$ 6,000	\$ 6,000	\$ 4,800	\$ (1,200)	(20.0)%
615110 Travel						
APA CONFERENCE		\$ 2,000		\$ 2,000		
ASSN FOR FINANCIAL PROF'LS		1,500		1,800		
CA SOC OF MUNI FINANCE OFFICER		1,800		1,800		
GOVT FINANCE OFFICERS ASSN		5,000		3,500		
RISK - RELATED		1,500		1,500		
WORKIVA		—		3,000		
Total:	\$ 7,220	\$ 11,800	\$ 11,800	\$ 13,600	\$ 1,800	15.3 %
620100 Services - Professional & Other						
ACTUARIAL VALUATION SERVICES		\$ 46,000		\$ 46,000		
ARBITRAGE FEES - BONDS		2,000		4,000		
BLOOMBERG FINANCE LP		32,000		33,000		
FINANCIAL ADVISOR		110,800		99,700		
INVESTMENT PORTFOLIO FEE		1,800		1,900		
LEASE ACCT/CODIFICATION FIN RPT		—		58,100		
OPEB-GASB 75 IMPLEMENTATION		—		35,000		
PROCESS ENHANCEMENT/IMPROVE		189,000		—		
RATING AGENCY SURVEILLANCES		15,000		15,000		
REVENUE BONDS TRUSTEE		1,400		1,500		
RISK - ACCIDENT INVESTIGATIONS		3,000		3,000		
RISK - AED PROGRAM		600		600		
RISK - HEARING CONSERVATION		2,500		2,500		

Financial Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
RISK - INSURANCE CERT TRACKING		12,000		15,000		
RISK - MARINE SURVEYS		1,000		—		
RISK - PHYSICALS		16,000		19,000		
UNION BANK OF CA TRUST ACCT		10,500		10,500		
US BANK (ESCROW AGNT DEP FEE)		1,400		1,500		
Total:	\$ 81,179	\$ 445,000	\$ 445,000	\$ 346,300	\$ (98,700)	(22.2)%
630110 Equipment & Systems						
EQUIPMENT & SYSTEMS	\$ 4,500			\$ 4,500		
RISK - RELATED		18,500		20,000		
Total:	\$ 30,758	\$ 23,000	\$ 23,000	\$ 24,500	\$ 1,500	6.5 %
630130 Office & Operating Supplies						
OFFICE SUPPLIES	\$ 16,200			\$ 17,000		
Total:	\$ 15,688	\$ 16,200	\$ 16,200	\$ 17,000	\$ 800	4.9 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$ 6,000			\$ 6,000		
Total:	\$ 4,900	\$ 6,000	\$ 6,000	\$ 6,000	\$ —	0.0 %
630150 Safety Equipment & Supplies						
RISK - RELATED	\$ 4,500			\$ 5,500		
Total:	\$ 11,858	\$ 4,500	\$ 4,500	\$ 5,500	\$ 1,000	22.2 %
650120 Equipment Maintenance - Supplies						
RISK - RELATED	\$ 1,200			\$ 1,200		
Total:	\$ —	\$ 1,200	\$ 1,200	\$ 1,200	\$ —	0.0 %
650130 Equipment Maintenance - Outside Services						
RISK - RELATED	\$ 2,000			\$ 2,000		
Total:	\$ —	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ 1,000			\$ 1,000		
RISK - RELATED		1,500		1,500		
Total:	\$ 561	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
660120 Promotional Materials						
PROMOTIONAL MATERIALS	\$ —			\$ —		
Total:	\$ 217	\$ —	\$ —	\$ —	\$ —	N/A
670105 Bank & Credit Card Fees						
BANK FEES	\$ 47,000			\$ 49,000		

Financial Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CREDIT CARD FEES		18,000		12,000		
Total:	\$ 51,758	\$ 65,000	\$ 65,000	\$ 61,000	\$ (4,000)	(6.2)%
670110 Insurance						
RISK - BROKER FEES	\$ 41,000			\$ 45,000		
RISK - INSURANCE PREMIUMS	1,281,000			1,331,000		
Total:	\$ 1,187,632	\$ 1,322,000	\$ 1,322,000	\$ 1,376,000	\$ 54,000	4.1 %
670120 Insurance Claims						
RISK - RELATED	\$ 10,000			\$ 5,000		
Total:	\$ —	\$ 10,000	\$ 10,000	\$ 5,000	\$ (5,000)	(50.0)%
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE	\$ 200			\$ 400		
RISK - RELATED	3,000			3,000		
Total:	\$ 857	\$ 3,200	\$ 3,200	\$ 3,400	\$ 200	6.3 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,415,190	\$ 1,995,900	\$ 1,995,900	\$ 1,951,000	\$ (44,900)	(2.2)%
GRAND TOTAL:	\$ 1,434,947	\$ 1,995,900	\$ 1,995,900	\$ 1,951,000	\$ (44,900)	(2.2)%

General Services

Mission Statement

Protect the Tidelands Trust by providing cost-effective, reliable, and responsive support services through efficient and sustainable operation and maintenance of the District's assets, equipment, facilities, grounds, and infrastructure.

Vision Statement

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

Objectives

- Develop and maintain District infrastructure to support business and economic goals
- Optimize infrastructure investments; provide top quality facility and fleet management
- Provide responsive, cost-effective support and services to internal and external customers
- Control costs through systematic approaches to maintenance and repairs
- Utilize the Asset Management Program to generate efficiencies and improve the availability, safety, reliability, and longevity of physical assets.
- Be an innovative leader in facilities management; a partner in solving customers' problems; and the provider of choice
- Foster an environment of continuous and measurable improvement across all business lines, systems, and processes
- Promote an atmosphere of trust that encourages creativity and innovation
- Maintain a culture of safety for employees, visitors, and the general public
- Reduce and prevent safety mishaps/accidents
- Cultivate a collaborative, diverse work force, where all employees are treated equitably and honestly; empowered and supported to reach their full potential
- Invest in the professional development and training of all employees

Current Services

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

- Preventive maintenance of District assets
- Corrective maintenance of District assets
- Landscaping and grounds maintenance
- Centralized fleet maintenance program (vehicles and vessels)
- Waste collection, debris removal, and recycling
- Support services for cruise ship and maritime terminal operations
- Special events support services
- Other support services, including: custodial, parking meters, locksmith, pest control, and furniture and equipment moves
- New construction (limited to \$45,000 and below by law)
- Maintenance services agreement management
- Utilities management support
- Project management support

The General Services department currently has 94 regular positions, and provides support from three locations: Maintenance Facility located in National City, Vessel Maintenance Shop located on Shelter Island, and the Administration Building located on Pacific Highway.

General Services

Reclass: 1 Lighting Technician to Electrician

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	2	2
Assistant Director, General Services	1	1
Carpenter	1	1
Department Business Manager	2	2
Director, General Services	1	1
Electrician	4	5
Equipment Operator	4	4
Executive Assistant I (Classified)	1	1
Financial Technician	1	1
Fleet Maintenance Technician	3	3
Gardener	10	10
HVAC Technician	1	1
Lead Carpenter	1	1
Lead Custodian	1	1
Lead Electrician	1	1
Lead Equipment Operator	1	1
Lead Fleet Maintenance Technician	1	1
Lead Gardener	4	4
Lead Maintenance Mechanic	1	1
Lead Maintenance Worker	3	3
Lead Marine Mechanic	1	1
Lead Painter	1	1
Lead Plumber	1	1
Lighting Technician	1	0
Locksmith	1	1
Maintenance Mechanic	1	1
Maintenance Planner/Inspector	3	3
Maintenance Planning Supervisor	1	1
Maintenance Supervisor	3	3
Maintenance Worker I	14	14
Maintenance Worker II	12	12
Manager, Maintenance Systems	1	1
Marine Mechanic	2	2
Painter	2	2
Parking Meter Repair/Collector	2	2
Plumber	2	2
Senior Tool Room Technician	1	1
Tool Room Technician	1	1
TOTAL	94	94

General Services

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	2	2
TOTAL	2	2

General Services

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 11,093,216	\$ 10,639,400	\$ 11,587,800	\$ 948,400	8.9 %
Non-Personnel Expense	4,236,742	5,281,400	6,721,700	1,440,300	27.3 %
Total Direct Expense	\$ 15,329,958	\$ 15,920,800	\$ 18,309,500	\$ 2,388,700	15.0 %
Less: Capitalized Expense	(144,450)	(248,700)	(162,100)	86,600	(34.8)%
Equipment Outlay	526,915	1,364,600	664,000	(700,600)	(51.3)%
TOTAL DEPARTMENTAL EXPENSE	\$ 15,712,423	\$ 17,036,700	\$ 18,811,400	\$ 1,774,700	10.4 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 6,218,746	\$ 6,433,200	\$ 6,752,800	\$ 319,600	5.0%
Overtime	208,288	125,000	250,000	125,000	100.0%
Burden	4,660,658	4,057,200	4,445,000	387,800	9.6%
Temporary Personnel	5,524	24,000	140,000	116,000	483.3%
TOTAL PERSONNEL EXPENSE	\$ 11,093,216	\$ 10,639,400	\$ 11,587,800	\$ 948,400	8.9%

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
17' BOSTON WHALER VESSEL	1	\$ 40,000	\$ 40,000
ALL TERRAIN LITTER VACUUM	1	50,500	50,500
COLLECTION TRUCKS	2	70,000	140,000
EQPT RIDING SCRUBBER	1	80,000	80,000
HEAVY DUTY FORK LIFT	1	100,000	100,000
HPD FIREBOAT ENGINES	2	75,000	150,000
JD GATOR UTILITY CART	1	10,000	10,000
RIDING ROTARY MOWER	3	24,500	73,500
TIRE CHANGING MACHINE	1	20,000	20,000
TOTAL EQUIPMENT OUTLAY	13		\$ 664,000

General Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 125,000		\$ 250,000		
Total:	\$ 208,288	\$ 125,000	\$ 125,000	\$ 250,000	\$ 125,000	100.0 %
600120 Temporary Personnel TEMPORARY PERSONNEL		\$ 24,000		\$ 140,000		
Total:	\$ 5,524	\$ 24,000	\$ 24,000	\$ 140,000	\$ 116,000	483.3 %
SUBTOTAL: OVERTIME & TEMPS	\$ 213,812	\$ 149,000	\$ 149,000	\$ 390,000	\$ 241,000	161.7 %
610110 Books & Periodicals TRADE RELATED		\$ 2,500		\$ 1,900		
Total:	\$ 1,884	\$ 2,500	\$ 2,500	\$ 1,900	\$ (600)	(24.0)%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 2,800		\$ 2,800		
Total:	\$ 1,970	\$ 2,800	\$ 2,800	\$ 2,800	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 1,900		\$ 1,900		
Total:	\$ 2,949	\$ 1,900	\$ 1,900	\$ 1,900	\$ —	0.0 %
610140 Seminars & Training COMPREHENSIVE DEPT TRAINING PROG SKILLS TRAINING		\$ 124,000 43,400		\$ 80,000 44,100		
Total:	\$ 44,058	\$ 167,400	\$ 167,400	\$ 124,100	\$ (43,300)	(25.9)%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 3,200		\$ 2,300		
Total:	\$ 2,391	\$ 3,200	\$ 3,200	\$ 2,300	\$ (900)	(28.1)%
615110 Travel CUMMINS ENGINE TRAINING TRAVEL		\$ 26,000 3,600		\$ 7,500 9,400		
Total:	\$ 2,936	\$ 29,600	\$ 29,600	\$ 16,900	\$ (12,700)	(42.9)%
620125 Services - Security SERVICES - SECURITY		\$ —		\$ —		
Total:	\$ 438	\$ —	\$ —	\$ —	\$ —	N/A
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ —		\$ —		
Total:	\$ 3,733	\$ —	\$ —	\$ —	\$ —	N/A

General Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630120 Equipment Rental/Leasing						
CRANE RENTAL		\$ —		\$ 30,000		
EMISSION ANALYZER		6,000		7,000		
HEAVY EQUIPMENT		40,000		40,000		
PORTABLE TOILET RENTAL		30,000		30,000		
Total:	\$ 55,741	\$ 76,000	\$ 76,000	\$ 107,000	\$ 31,000	40.8 %
630130 Office & Operating Supplies						
SUPPLIES		\$ 16,700		\$ 18,000		
TWIC-TRANSPORTATION WORKER ID		1,300		7,000		
Total:	\$ 21,861	\$ 18,000	\$ 18,000	\$ 25,000	\$ 7,000	38.9 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 400		\$ 500		
Total:	\$ 505	\$ 400	\$ 400	\$ 500	\$ 100	25.0 %
630150 Safety Equipment & Supplies						
FIRE EXTINGUISHERS		\$ 7,500		\$ 7,000		
SAFETY BOOTS		—		1,400		
SAFETY INCENTIVE		8,800		8,800		
SAFETY SHOES		13,200		13,200		
SAFETY SUPPLIES & EQUIPMENT		18,000		18,000		
Total:	\$ 36,765	\$ 47,500	\$ 47,500	\$ 48,400	\$ 900	1.9 %
630160 Small Tools						
SMALL TOOLS FOR MAINT OPERS		\$ 40,200		\$ 73,000		
Total:	\$ 40,700	\$ 40,200	\$ 40,200	\$ 73,000	\$ 32,800	81.6 %
630170 Fuel & Lubricants						
CNG/PROPANE		\$ 5,000		\$ 5,000		
GAS/DIESEL		685,000		630,000		
MOTOR OIL		7,500		7,500		
Total:	\$ 532,220	\$ 697,500	\$ 697,500	\$ 642,500	\$ (55,000)	(7.9)%
630180 Parking Meter Supplies						
BATTERIES		\$ 3,000		\$ —		
METER REPAIR PARTS		10,500		—		
METER REPLACEMENT		12,000		—		
STICKERS		3,500		—		
Total:	\$ 14,902	\$ 29,000	\$ 29,000	\$ —	\$ (29,000)	(100.0)%

General Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630200 Uniforms						
UNIFORM JACKET		\$ 1,000		\$ 5,500		
UNIFORM SERVICE		38,000		40,000		
Total:	\$ 34,123	\$ 39,000	\$ 39,000	\$ 45,500	\$ 6,500	16.7 %
650100 Facilities Maintenance-Supplies						
ALL CREWS		\$ 500,000		\$ 726,000		
EMPS FISHING PIER LIGHT FIXTURE RPL		—		125,000		
LANDSCAPE, LAWNS, SHRUBS, PLANTERS		—		200,000		
PARK RECYCLING CANS		180,000		—		
RUOCCO PARK FIXTURE CONTINGENCY		14,300		14,500		
Total:	\$ 714,189	\$ 694,300	\$ 694,300	\$ 1,065,500	\$ 371,200	53.5 %
650110 Facilities Maintenance-Outside Services						
ANIMAL AND PEST CONTROL		\$ 31,800		\$ 32,000		
COLD IRONING & HIGH VOLTAGE MAINT		20,000		44,000		
CUSTODIAL SERVICES		382,000		541,000		
ELEVATOR MAINT		55,600		60,000		
FIRE ALARMS MONITORING		35,500		35,000		
GRAFFITI REMOVAL		70,000		70,000		
HARBOR DRIVE LANDSCAPE		160,600		147,000		
HVAC OTHER LOCATIONS		115,000		158,000		
NEVP MAINTENANCE CONTRACT		329,400		291,000		
PILOT PARK RECYCLING PROGRAM		20,000		—		
PLAYGROUND INSPECTIONS		4,300		5,500		
RIP RAP MAINT NCMT BERTH 24-5 - 24-10		—		20,000		
RUOCCO PARK MAINTENANCE		90,800		91,000		
SPRINKLER HEAD REPLACE/CERT		13,000		9,000		
STORMWATER BMP MAINTENANCE		—		356,000		
STREET LIGHTING		5,000		5,000		
STREETSWEEP MAINTENANCE		—		144,000		
TAMT 10.3 - 10.5 APRON PAVEMENT IMPROVEMENT		—		71,000		
WASTE MANAGEMENT PROGRAM		142,500		146,000		
WINDOW CLEANING		30,800		31,000		
WINDOW COVERINGS		90,000		90,000		
Total:	\$ 1,563,226	\$ 1,596,300	\$ 1,596,300	\$ 2,346,500	\$ 750,200	47.0 %
650120 Equipment Maintenance-Supplies						
AUTOMOTIVE EQ/BOATS		\$ 170,000		\$ 240,000		

General Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
FORD PARTS		15,300		15,300		
SPARE PARTS - GOTTWALD CRANE		—		20,000		
TIRES		23,000		23,000		
Total:	\$ 354,013	\$ 208,300	\$ 208,300	\$ 298,300	\$ 90,000	43.2 %
650130 Equipment Maintenance-Outside Services						
B ST. RELOC FORKLIFT BATTERY CHRG	\$ —			\$ 75,000		
BOAT HULL MAINTENANCE		30,000		—		
COMPREHENSIVE MARINE VESSEL MAINT		507,500		507,500		
EQUIPMENT CERTIFICATION AND INSPECT		3,500		5,000		
FIRE EXTINGUISHER HYDROTEST		500		1,300		
GOTTWALD TOWER PAINTING		70,000		—		
HAVAC CMMS UPGRADE ADM BLDG		—		75,000		
HPD AUTO BODY REPAIRS		9,000		9,000		
METER PAINTING		5,000		—		
MOWER REEL MAINTENANCE		30,000		30,000		
OTHER EQUIPMENT SERVICE/MAINT		60,000		56,000		
PAINT FMT PASSENGER LOADING BRIDGE		—		45,000		
PARTS CLEANER		2,500		2,800		
TANK FUEL STATIONS, LIFTS & CRANES		15,000		32,000		
TRANSFORMER TESTING		30,000		—		
VEHICLE DETAILING		2,000		2,000		
VEHICLE PAINTING		30,000		30,000		
VESSEL FIRE SUPPRESSION SYS		4,600		—		
Total:	\$ 338,435	\$ 799,600	\$ 904,600	\$ 870,600	\$ (34,000)	(3.8)%
650131 As - Needed Maintenance						
ABANDONED & DERELICT VESSEL	\$ 150,100			\$ 200,000		
ADMIN BLDG TRAINING ROOM CHAIRS		7,600		—		
BROADWAY PAVILION LIGHTING		2,500		52,500		
BRUSH AND WEED REMOVAL		40,000		40,000		
CARPET PROJECT INSTALLATION		40,000		40,000		
CONCRETE PUMP SERVICES		—		10,000		
CST SPRUNG STRUCTURE/WINDOW CL		22,000		22,500		
DOORS (ROLL UP) MAINTENANCE		18,500		30,000		
DOORS AND GATES, ELECTRIC		8,700		20,000		
DROUGHT TOLERANT LANDSCAPES		20,000		—		
DUMPSTER SERVICE TRANSFER		45,000		45,000		

General Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
FENCE AND GATE MAINTENANCE		20,000		20,000		
HOLIDAY LITTER PICKUP		5,000		12,000		
IRRIGATION SYSTEM REPLACEMENT		20,000		—		
MISC SMALL OUTSIDE SERVICES		70,000		70,000		
ROOF MAINTENANCE		30,000		58,000		
STREET SWEEPING MAINT		10,000		45,000		
TRASH & LITTER REMOVAL		65,000		135,000		
TREE TRIMMING		125,000		225,000		
UNDERGROUND SERVICE ALERT		2,000		2,000		
UTILITY LEAK DETECTION		5,000		5,000		
VESSEL SURVEYING		6,000		6,000		
Total:	\$ 460,176	\$ 712,400	\$ 712,400	\$ 1,038,000	\$ 325,600	45.7 %
660150 Refuse & Hazardous Waste Disposal						
REFUSE & HAZ WASTE	\$ 500	\$ 500		\$ 1,000		
Total:	\$ 455	\$ 500	\$ 500	\$ 1,000	\$ 500	100.0 %
670130 Permits/Certificates/License						
PERMIT/CERT/LICENSE	\$ 10,000	\$ 10,000		\$ 10,000		
Total:	\$ 9,072	\$ 10,000	\$ 10,000	\$ 10,000	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 4,236,742	\$ 5,176,400	\$ 5,281,400	\$ 6,721,700	\$ 1,440,300	27.3 %
GRAND TOTAL:	\$ 4,450,554	\$ 5,325,400	\$ 5,430,400	\$ 7,111,700	\$ 1,681,300	31.0 %

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Government & Civic Relations

Mission Statement

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

Vision Statement

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

Objectives

- Advise and advocate on District public policy issues, including maritime, public safety, and transportation
- Cultivate relationships and build partnerships with elected officials, agencies, and stakeholders to advance the District's mission
- Develop legislative platform and strategies aligned with District goals
- Secure grant funded opportunities to implement District priorities, projects, and programs
- Manage BPC Policy No. 773 - Maritime Industrial Impact Fund (MIIF) (see Section 5 Appendix)
- Craft policy messaging for external decision makers

Current Services

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

- Develop and communicate messaging with outside stakeholders, agencies, and communities
- Track, monitor, and communicate external issues, legislation, and events that may impact the District, such as regular meetings of local, state, and federal agencies, as well as other key organizations
- Advocate for District initiatives at the local, state, and federal levels
- Work with internal District staff, the General Counsel's office, and the Board on priorities and projects, including policy design, analysis, and implementation, as well as legislation
- 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 present and future regulatory issues
- Management of the District's grants efforts

The Government & Civic Relations department currently has six regular positions.

Government & Civic Relations

Transfer: 1 Director, Government Relations to Waterfront Arts & Activation
 1 Executive Assistant I (Classified) to Executive Offices
 1 Program Manager from Maritime

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Director, Government Relations	1	0
Executive Assistant I (Classified)	1	0
Legislative Policy Administrator	1	1
Management Analyst	2	2
Manager, Grants & Policy	1	1
Program Manager	1	2
TOTAL	7	6

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	0	1
TOTAL	0	1

Government & Civic Relations

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 703,652	\$ 896,600	\$ 834,300	\$ (62,300)	(6.9)%
Non-Personnel Expense	471,366	545,400	634,300	88,900	16.3 %
Total Direct Expense	\$ 1,175,018	\$ 1,442,000	\$ 1,468,600	\$ 26,600	1.8 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	150,000	—	(150,000)	(100.0)%
TOTAL DEPARTMENTAL EXPENSE	\$ 1,175,018	\$ 1,592,000	\$ 1,468,600	\$ (123,400)	(7.8)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 531,364	\$ 622,100	\$ 587,700	\$ (34,400)	(5.5)%
Overtime	289	—	—	—	N/A
Burden	171,999	274,500	246,600	(27,900)	(10.2)%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 703,652	\$ 896,600	\$ 834,300	\$ (62,300)	(6.9)%

Government & Civic Relations
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600120 Temporary Personnel						
Total:	\$ 289	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 289	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
GOV/PROFESSIONAL PUBLICATIONS	\$ 4,000			\$ 3,500		
Total:	\$ 3,111	\$ 4,000	\$ 4,000	\$ 3,500	\$ (500)	(12.5)%
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$ 200			\$ 200		
Total:	\$ 212	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES	\$ 208,400			\$ 190,000		
Total:	\$ 179,021	\$ 208,400	\$ 208,400	\$ 190,000	\$ (18,400)	(8.8)%
610140 Seminars & Training						
PORT-RELATED CONFERENCES	\$ 5,500			\$ 5,000		
Total:	\$ 11,222	\$ 5,500	\$ 5,500	\$ 5,000	\$ (500)	(9.1)%
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$ 500			\$ 500		
Total:	\$ 354	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
615110 Travel						
OTHER TRIPS	\$ 12,200			\$ 8,000		
SACRAMENTO	12,000			8,000		
WASHINGTON DC	15,000			10,000		
Total:	\$ 25,327	\$ 39,200	\$ 39,200	\$ 26,000	\$ (13,200)	(33.7)%
620100 Services - Professional & Other						
GRANT WRITING SERVICES	\$ —			\$ 50,000		
LEGISLATIVE SERVICES - SACRAMENTO	105,000			130,000		
LEGISLATIVE SERVICES - SAN DIEGO RE	—			50,000		
LEGISLATIVE SERVICES - WASHINGTON	120,000			120,000		
SANDAG GOODS MOVEMENT POLICY	55,000			55,000		
Total:	\$ 234,712	\$ 280,000	\$ 280,000	\$ 405,000	\$ 125,000	44.6 %
620120 Services - Construction						
Total:	\$ 13,500	\$ —	\$ —	\$ —	\$ —	N/A
630130 Office & Operating Supplies						

Government & Civic Relations
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
OFFICE SUPPLIES		\$ 3,400		\$ 3,400		
TWIC CARDS		1,000		500		
Total:	\$ 2,712	\$ 4,400	\$ 4,400	\$ 3,900	\$ (500)	(11.4)%
630140 Postage & Shipping						
POSTAGE		\$ 200		\$ 200		
Total:	\$ 150	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
660110 Promotional Services						
COMMUNITY AND STAKEHOLDER OUTREACH		\$ 3,000		\$ —		
Total:	\$ 1,045	\$ 3,000	\$ 3,000	\$ —	\$ (3,000)	(100.0)%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 471,366	\$ 545,400	\$ 545,400	\$ 634,300	\$ 88,900	16.3 %
GRAND TOTAL:	\$ 471,655	\$ 545,400	\$ 545,400	\$ 634,300	\$ 88,900	16.3 %

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Harbor Police Department

Mission Statement

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

Vision Statement

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

Objectives

- ELG Strategic Goal - Critical Success Factors #6 and #9 are to maintain and create a safe environment for commerce, new business development, and visitor serving amenities throughout District Tidelands
- ELG Strategic Goal - Critical Success Factors #1 and #5 are to provide development guidance from the perspective of Public Safety in new planning and development areas to maximize safety to the public
- Implement and coordinate public safety and homeland security measures on District Tidelands, San Diego Bay, and the San Diego International Airport
- Provide all aspects of community oriented policing, vehicle and vessel patrol, marine firefighting, airport law enforcement, and homeland security operations
- Foster a culture of service through collaboration, integrity, and professionalism
- In alignment with ELG People and Culture development, achieve a high performance department by maximizing the potential of all personnel
- Provide multi-disciplined, highly effective and efficient public safety and homeland security services as a regional asset
- 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 and maritime security
- Community outreach
- Homeless services coordinated with Alpha Project
- Tidelands patrol and law enforcement services
- Marine firefighting
- Maritime firefighting training facility
- 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

Harbor Police Department

- Emergency Medical Services (EMS)
- Permitting
- Mutual aid
- Contract services
- Fast response vessel operations
- Enhanced Regional Communications System Interoperability (RCS)
- Partner with the United States Coast Guard, Customs and Border Protection, and Homeland Security Investigations, in the multi-agency, maritime Regional Coordinating Mechanism (RECOM)
- Maintain a strong partnership with the Joint Harbor Operations Center (JHOC)
- Participation in the Federal and State Port Security Grant Programs
- Participation in three task forces: the FBI Joint Terrorism Task Force (JTTF), San Diego Air and Marine Task Force, and the Drug Enforcement Administration Narcotic Task Force (DEA-NTF)

The Harbor Police Department currently has 172 regular positions.

Harbor Police Department

Add: 6 Harbor Police Officers

Reclass: 1 Homeland Security Intelligence Coordinator to Homeland Security Program Manager

1 Community Service Officer to Lead Community Service Officer

Retitle: 1 Chief of Harbor Police/Vice President to Vice President, Public Safety/Chief of Harbor Police

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	1	1
Assistant Chief of Harbor Police	1	1
Assistant to Vice President	1	1
Chief of Harbor Police/Vice President	1	0
Community Service Officer	4	3
Community Service Officer Supervisor	1	1
Crime Intelligence Analyst	1	1
Facility Security Coordinator	1	1
Harbor Police Captain	2	2
Harbor Police Corporal	15	15
Harbor Police Lieutenant	6	6
Harbor Police Officer	92	98
Harbor Police Sergeant	16	16
Homeland Security Intelligence Coordinator	1	0
Homeland Security Program Manager	0	1
Lead Community Service Officer	0	1
Lead Public Safety Dispatcher	4	4
Office Assistant (Classified)	1	1
Police Records Assistant	3	3
Police Records Supervisor	1	1
Public Safety Dispatch Supervisor	2	2
Public Safety Dispatcher	9	9
Senior Police Records Assistant	1	1
Staff Assistant II	2	2
Vice President, Public Safety/Chief of Harbor Police	0	1
TOTAL	166	172

Harbor Police Department

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Community Service Officer	2	2
Harbor Police Officer	1	1
Police Background Investigator	1	1
TOTAL	4	4

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	1	2
TOTAL	1	2

Harbor Police Department

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 30,144,450	\$ 32,161,400	\$ 35,020,900	\$ 2,859,500	8.9 %
Non-Personnel Expense	1,992,875	2,589,100	2,188,700	(400,400)	(15.5)%
Total Direct Expense	\$ 32,137,325	\$ 34,750,500	\$ 37,209,600	\$ 2,459,100	7.1 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	1,087,011	1,618,100	353,200	(1,264,900)	(78.2)%
TOTAL DEPARTMENTAL EXPENSE	\$ 33,224,336	\$ 36,368,600	\$ 37,562,800	\$ 1,194,200	3.3 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 15,177,256	\$ 17,125,600	\$ 17,226,600	\$ 101,000	0.6%
Overtime	2,352,582	1,430,900	2,238,000	807,100	56.4%
Burden	12,609,721	13,604,900	15,556,300	1,951,400	14.3%
Temporary Personnel	4,891	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 30,144,450	\$ 32,161,400	\$ 35,020,900	\$ 2,859,500	8.9%

Harbor Police Department

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
4X4 PICKUP TRUCK & EQUIPMENT ⁽¹⁾	1	\$ 50,000	\$ 50,000
ALL TERRAIN VEHICLES & EQUIPMENT	3	5,700	17,100
CANINE KENNEL	1	8,500	8,500
EVIDENCE LOCKER	1	7,600	7,600
K9 SUV EQUIPMENT BUILD-OUT	2	38,000	76,000
MOBILE AUDIO/VIDEO SYSTEM UPGRADE	1	11,000	11,000
PERSONAL WATERCRAFT & EQUIPMENT	1	20,000	20,000
POLICE COMMAND FULL SIZE SUV	2	44,000	88,000
VEHICLE DATA COMMS SYSTEM ⁽²⁾	1	75,000	75,000
TOTAL EQUIPMENT OUTLAY	13		\$ 353,200

Notes:

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

⁽²⁾ Partially grant funded.

Harbor Police Department

EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
ADMINISTRATIVE SUPPORT		\$ 5,000		\$ 3,000		
DISPATCH		33,000		36,000		
DIVE TEAM		125,000		200,000		
LAW ENFORCEMENT OPERATIONS		200,000		400,000		
RECRUITING		7,500		8,000		
REIMBURSED EVENTS		73,400		150,000		
SPECIAL EVENTS		92,000		200,000		
SWORN MANDATORY STAFFING		400,000		600,000		
TRAINING DISPATCH		10,000		10,000		
TRAINING SWORN		485,000		631,000		
Total:	\$ 2,352,582	\$ 1,430,900	\$ 1,430,900	\$ 2,238,000	\$ 807,100	56.4 %
600120 Temporary Personnel						
TEMPORARY PERSONNEL		\$ —		\$ —		
Total:	\$ 4,891	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 2,357,473	\$ 1,430,900	\$ 1,430,900	\$ 2,238,000	\$ 807,100	56.4 %
610100 Awards - Service						
AWARDS - SERVICE		\$ 1,400		\$ —		
Total:	\$ 1,100	\$ 1,400	\$ 1,400	\$ —	\$ (1,400)	(100.0)%
610110 Books & Periodicals						
LEGAL MANUALS		\$ —		\$ 3,300		
POST ACADEMY TRAINING BOOKS		700		5,000		
PROFESSIONAL DEVELOPMENT BOOKS		—		2,000		
STATE & FEDERAL CODE		6,500		8,400		
Total:	\$ 9,129	\$ 7,200	\$ 7,200	\$ 18,700	\$ 11,500	159.7 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 6,100		\$ 6,800		
Total:	\$ 6,496	\$ 6,100	\$ 6,100	\$ 6,800	\$ 700	11.5 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 3,000		\$ 3,500		
Total:	\$ 5,413	\$ 3,000	\$ 3,000	\$ 3,500	\$ 500	16.7 %
610140 Seminars & Training						
ACADEMY (ENTRY LEVEL OFFICER)		\$ 3,500		\$ 7,000		
CLERICAL SUPPORT TRAINING		2,500		2,500		

Harbor Police Department
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
DISPATCH TRAINING COURSES		3,600		4,000		
DIVE TRAINING		2,500		2,000		
FIREARMS ARMORER & INSTRUCTOR		1,900		—		
LEXIPOL DAILY TRAINING BULLETINS		—		9,000		
RANGE USE FEES		7,000		7,000		
SEMINARS AND TRAINING		35,500		60,000		
TACTICAL TRAINING		2,500		2,500		
Total:	\$ 51,182	\$ 59,000	\$ 59,000	\$ 94,000	\$ 35,000	59.3 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 18,000		\$ 18,000		
Total:	\$ 16,647	\$ 18,000	\$ 18,000	\$ 18,000	\$ —	0.0 %
615110 Travel						
COMMAND STAFF TRAVEL		\$ 10,000		\$ 10,000		
DISPATCH TRAINING COURSES		2,000		2,000		
TRAINING RELATED TRAVEL		60,000		101,600		
Total:	\$ 104,403	\$ 72,000	\$ 72,000	\$ 113,600	\$ 41,600	57.8 %
620100 Services - Professional & Other						
ALPHA PROJECT - HOMELESS OUTREACH		\$ 92,000		\$ 100,000		
COMPUTER SVCS-SUN, ARJIS, ETC		61,800		114,600		
DIVE PHYSICALS		11,300		11,300		
EXTERIOR PAINT FOR HPD HQ BUILDING		50,000		—		
FINGERPRINT CHECKS-EMPLOYMENT		5,000		5,000		
HEARING CONSERVATION		3,100		3,100		
HPD HQ ANNEX BUILDING IMPROVEMENTS		50,000		—		
MEDICAL EXAMS (SART)		3,000		6,000		
NEVP SECURITY		165,000		171,600		
PARK SECURITY - MISCELLANEOUS		—		30,000		
PROFESSIONAL SERVICES		31,000		94,600		
RECRUITING		20,000		20,600		
RESPIRATOR PHYSICALS		7,200		7,200		
SHERIFF'S DEPT. PROPERTY RETEN		3,000		3,000		
TB SCREENING		5,700		5,700		
VESSEL TOWING SERVICES		20,000		20,000		
VETERINARIAN SERVICES		5,000		6,000		
Total:	\$ 470,066	\$ 533,100	\$ 533,100	\$ 598,700	\$ 65,600	12.3 %

Harbor Police Department
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630110 Equipment & Systems						
AEDS		\$ 2,500		\$ 2,500		
AUTOMATED HANDHELD TICKET WRITERS		22,000		27,500		
COMPUTER HARDWARE		53,000		84,800		
DISPATCH EQUIPMENT		11,600		16,300		
DIVE TEAM EQUIPMENT		38,000		38,000		
EQPT FOR IMP BEACH (NON-CAPITAL)		31,000		—		
FURNITURE		5,400		4,400		
MARTAC EQUIPMENT - MISC		78,200		50,000		
MOBILE ARMORED SHIELDS		17,200		—		
OFFICE EQUIPMENT		1,500		1,500		
P25 COMPLIANT MOBILE RADIOS		24,000		—		
POLICE EQUIPMENT		18,000		37,500		
POWER SOURCES (BATTERIES, UPS)		2,000		4,000		
RSVP PROGRAM		800		800		
SITUATIONAL AWARENESS SOFTWARE		150,000		—		
STALKER RADAR (VEHICLE MOUNTED)		4,800		—		
VESSELS/FIRE		17,000		17,600		
WEAPONS TRAINING UNIT EQPT		800		800		
Total:	\$ 213,531	\$ 477,800	\$ 477,800	\$ 285,700	\$ (192,100)	(40.2)%
630120 Equipment Rental/Leasing						
JULY 4TH EQUIPMENT		\$ 2,200		\$ 2,100		
TRAILERS		21,300		21,300		
Total:	\$ 28,748	\$ 23,500	\$ 23,500	\$ 23,400	\$ (100)	(0.4)%
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 13,000		\$ 14,000		
OPERATING SUPPLIES		34,500		35,000		
PRINTING		9,500		9,500		
Total:	\$ 69,311	\$ 57,000	\$ 57,000	\$ 58,500	\$ 1,500	2.6 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 7,000		\$ 7,000		
Total:	\$ 10,783	\$ 7,000	\$ 7,000	\$ 7,000	\$ —	0.0 %
630150 Safety Equipment & Supplies						
AMMUNITION - .223		\$ 6,500		\$ 18,000		
AMMUNITION - .40		20,600		—		

Harbor Police Department
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS	ORIGINAL BUDGET	ADJUSTED BUDGET	BUDGET	CHANGE FROM ADJUSTED BUDGET	
	FY 2016	FY 2017	FY 2017	FY 2018	dollars	pct
AMMUNITION - .45 AND 9MM		8,900		3,900		
AMMUNITION - 12 GA. BUCKSHOT		3,000		2,700		
AMMUNITION - LESS LETHAL		14,000		8,800		
CHEMICAL GAS DEPLOYMENT GEAR		4,600		—		
CSO SAFETY EQUIPMENT		6,500		1,400		
ELECTRONIC NC HEARING PROTECTION		6,000		—		
FIRE BOOTS FOR INSTRUCTORS		3,100		3,100		
FIRE HELMET NAME FRONT NAMEPLATES		6,000		—		
FIRE TURNOUT GEAR		34,800		41,900		
FIRST AID SUPPLIES		1,500		1,500		
FORCE TACTICS UNIT EQUIPMENT		500		500		
GAS MASKS (PERSONAL AIR PURIFYING)		7,000		—		
PROTECTIVE VESTS		41,000		—		
RAIN GEAR		2,000		—		
RED DOT RIFLE OPTICS (AIMPOINT/MAGP		28,300		—		
SAFETY SHOES (PER MOU)		400		400		
TASER EQUIPMENT & REPLACEMENT		36,000		—		
WEAPONS/PARTS		3,600		3,600		
Total:	\$ 137,659	\$ 234,300	\$ 234,300	\$ 85,800	\$ (148,500)	(63.4)%
630170 Fuel & Lubricants						
Total:	\$ (141)	\$ —	\$ —	\$ —	\$ —	N/A
630200 Uniforms						
BADGES, PINS, PATCHES		\$ 5,900		\$ 6,900		
REPLACE DAMAGED UNIFORM ITEMS		1,000		1,000		
UNIFORM FOR RSVPS		1,500		1,500		
UNIFORM SHIRTS FOR RECORDS		1,000		1,000		
UNIFORMS - COMMUNITY SERV OFFICERS		5,800		8,100		
UNIFORMS - DISPATCH (PER MOU)		6,000		6,000		
UNIFORMS - SWORN (PER MOU)		198,000		198,000		
UNIFORMS FOR HONOR GUARD		800		6,700		
Total:	\$ 222,620	\$ 220,000	\$ 220,000	\$ 229,200	\$ 9,200	4.2 %
640100 Space Rental						
SPACE RENTAL		\$ 3,100		\$ 3,500		
Total:	\$ 4,090	\$ 3,100	\$ 3,100	\$ 3,500	\$ 400	12.9 %
640110 Telephone & Communications						

Harbor Police Department
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
3CS DATA LINES		\$ 7,500		\$ —		
CDPD LINES (WIRELESS CONNECT)		30,000		30,000		
CELLULAR SERVICE		17,000		18,000		
DIRECTV MONTHLY SERVICE		2,000		2,800		
MOBILE LOCK SERVICES		1,000		1,200		
RCS RADIO FEES		77,000		64,000		
SATELLITE PHONES		8,000		9,300		
TELEPHONE EQUIPMENT		5,000		5,000		
TELEPHONE SERVICE		190,500		200,000		
Total:	\$ 330,553	\$ 338,000	\$ 492,000	\$ 330,300	\$ (161,700)	(32.9)%
650130 Equipment Maintenance - Outside Services						
DIVE TEAM EQUIPMENT	\$ 12,000			\$ 12,000		
FIRE EQUIPMENT		30,800		31,300		
GEN EQPT MAINTENANCE		3,000		6,300		
MAINT CAR/VESSEL AUDIO/VIDEO SYSTEM		15,000		15,000		
MAINTENANCE CONTRACTS & EQUIP		48,000		86,600		
TRAFFIC SIGNS MAINT & REPAIRS		2,500		2,500		
Total:	\$ 102,252	\$ 111,300	\$ 111,300	\$ 153,700	\$ 42,400	38.1 %
650140 Software Maintenance						
DISPATCH PACKET CLUSTER LICENS	\$ 15,000			\$ 16,600		
LOGISYS CONTRACT		48,500		48,500		
NETRMS ANNUAL FEES		1,800		2,100		
Total:	\$ 63,174	\$ 65,300	\$ 65,300	\$ 67,200	\$ 1,900	2.9 %
660100 Advertising						
ADVERTISING	\$ —			\$ 100		
Total:	\$ 468	\$ —	\$ —	\$ 100	\$ 100	N/A
660110 Promotional Services						
PROMO SERVICES, GENERAL	\$ 600			\$ 1,500		
RECRUITING ACTIVITIES		1,800		1,800		
RSVP APPRECIATION		500		500		
Total:	\$ 3,866	\$ 2,900	\$ 2,900	\$ 3,800	\$ 900	31.0 %
660120 Promotional Materials						
PROMOTIONAL & RECRUITING SUPPL	\$ 6,100			\$ 7,100		
Total:	\$ 1,068	\$ 6,100	\$ 6,100	\$ 7,100	\$ 1,000	16.4 %
660136 Grant Funded Expenditures						

Harbor Police Department
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
EQUIPMENT - SHSGP		\$ —		\$ 18,000		
FUEL-OPERATION STONEGARDEN		28,000		38,900		
SDCLEF GRANT		2,500		3,000		
TSA - SUPPLIES		2,500		2,500		
VESSEL MAINTENANCE (STONEGARDEN)		10,000		17,100		
Total:	\$ 55,625	\$ 43,000	\$ 189,000	\$ 79,500	\$ (109,500)	(57.9)%
670105 Bank & Credit Card Fees						
BANK & CREDIT CARD FEES	\$ —			\$ 600		
Total:	\$ 528	\$ —	\$ —	\$ 600	\$ 600	N/A
680100 Seized Asset/Forfeitures - Harbor Police						
Total:	\$ 84,305	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,992,875	\$ 2,289,100	\$ 2,589,100	\$ 2,188,700	\$ (400,400)	(15.5)%
GRAND TOTAL:	\$ 4,350,348	\$ 3,720,000	\$ 4,020,000	\$ 4,426,700	\$ 406,700	10.1 %

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 acts as a catalyst, enabling all employees 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 an employer of choice.

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
- 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:

Human Resources Operations

- Recruiting
- Desk audits
- Investigations
- Personnel file management
- Manage the progressive discipline process
- Performance management
- Employee appreciation programs
- Salary Ordinance maintenance
- District classification system maintenance

Human Resources

- Regulatory/human resources related training

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 (ADA) compliance
- Leave administration
- Retirement

Equal Opportunity

- Employment
- ADA Compliance
- Contracting
- Labor Compliance

The Human Resources department currently has 11 regular positions.

Human Resources

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Director, Human Resources	1	1
Equal Opportunity Technician	1	1
Executive Assistant I (Unclassified)	1	1
Human Resources Analyst	2	2
Human Resources Technician	3	3
Manager, Equal Opportunity	1	1
Senior Benefits and Compensation Analyst	1	1
Senior Human Resources Analyst	1	1
TOTAL	11	11

INTERN / STUDENT WORKER POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Student Worker (Summer Program)	30	50
Intern	1	2
TOTAL	31	52

Human Resources

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 2,250,927	\$ 1,405,100	\$ 1,955,700	\$ 550,600	39.2%
Non-Personnel Expense	3,898,604	4,111,500	4,334,200	222,700	5.4%
Total Direct Expense	\$ 6,149,531	\$ 5,516,600	\$ 6,289,900	\$ 773,300	14.0%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 6,149,531	\$ 5,516,600	\$ 6,289,900	\$ 773,300	14.0%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 1,287,318	\$ 979,900	\$ 1,213,100	\$ 233,200	23.8%
Overtime	3,483	4,000	4,000	—	0.0%
Burden	915,100	416,200	733,600	317,400	76.3%
Temporary Personnel	45,026	5,000	5,000	—	0.0%
TOTAL PERSONNEL EXPENSE	\$ 2,250,927	\$ 1,405,100	\$ 1,955,700	\$ 550,600	39.2%

Human Resources

EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 4,000		\$ 4,000		
Total:	\$ 3,483	\$ 4,000	\$ 4,000	\$ 4,000	\$ —	0.0 %
600120 Temporary Personnel						
TEMPORARY PERSONNEL		\$ 5,000		\$ 5,000		
Total:	\$ 45,026	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
SUBTOTAL: OVERTIME & TEMPS	\$ 48,509	\$ 9,000	\$ 9,000	\$ 9,000	\$ —	0.0 %
610100 Awards - Service						
CERTIFICATES		\$ 1,100		\$ 1,100		
Total:	\$ 73	\$ 1,100	\$ 1,100	\$ 1,100	\$ —	0.0 %
610110 Books & Periodicals						
HR - PUBLICATIONS		\$ 2,200		\$ 2,200		
Total:	\$ 1,330	\$ 2,200	\$ 2,200	\$ 2,200	\$ —	0.0 %
610115 Employee Recognition						
DIST EMPLOYEE RECOGNITION		\$ 40,000		\$ 40,000		
HR - EMPLOYEE RECOGNITION		500		400		
Total:	\$ 23,015	\$ 40,500	\$ 40,500	\$ 40,400	\$ (100)	(0.2)%
610120 Memberships & Dues						
HR/EOM RELATED		\$ 3,600		\$ 3,600		
Total:	\$ 5,438	\$ 3,600	\$ 3,600	\$ 3,600	\$ —	0.0 %
610125 Health and Wellness						
HEALTH & WELLNESS PROGRAMS		\$ 1,500		\$ 1,500		
Total:	\$ 17,216	\$ 1,500	\$ 1,500	\$ 1,500	\$ —	0.0 %
610130 Recruiting						
ASSESSMENT SERVICES		\$ —		\$ 6,000		
RECRUITING		50,000		50,000		
Total:	\$ 15,610	\$ 50,000	\$ 50,000	\$ 56,000	\$ 6,000	12.0 %
610140 Seminars & Training						
COMMISSIONER HARASSMENT TRAINING		\$ —		\$ 8,000		
HP HARASSMENT TRAINING		—		8,000		
HR - DISTRICT TRAINING		10,000		10,000		
TRAINING - INVESTIGATION METHODS		84,000		—		
Total:	\$ 67,746	\$ 94,000	\$ 94,000	\$ 26,000	\$ (68,000)	(72.3)%

Human Resources

EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
610150 Tuition Reimbursement Program						
TUITION	\$	60,000		\$ 60,000		
Total:	\$ 60,874	\$ 60,000	\$ 60,000	\$ 60,000	\$ —	0.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$	2,400		\$ 2,400		
Total:	\$ 870	\$ 2,400	\$ 2,400	\$ 2,400	\$ —	0.0 %
615110 Travel						
TRAVEL	\$	3,000		\$ 3,000		
Total:	\$ 20,756	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
620100 Services - Professional & Other						
401(A) & 457 PASSIVE TRUSTEE	\$	1,000		\$ 1,000		
ASSESSMENT SERVICES		1,000		—		
CONSULTANTS - ADA		—		5,000		
CONSULTANTS - DISTRICT		20,000		120,000		
CONSULTANTS - INVESTIGATIVE SEVC		25,000		10,000		
CONSULTANTS - PERSONNEL RULES		10,000		10,000		
EXECUTIVE MEDICALS		21,900		19,700		
EXPERIAN		—		1,100		
FLEX PLAN		18,600		16,500		
PAB HEARINGS		3,000		3,000		
PHYSICALS/TESTS		3,000		3,000		
PRE.EMPLOY. MEDS: GS (GRP II)		2,000		2,000		
RETURN TO WORK MEDICALS		1,500		5,000		
Total:	\$ 215,702	\$ 107,000	\$ 107,000	\$ 196,300	\$ 89,300	83.5 %
630110 Equipment & Systems						
FURNITURE	\$	5,000		\$ 5,000		
MISC. - EQUIPMENT		1,500		1,500		
Total:	\$ 6,036	\$ 6,500	\$ 6,500	\$ 6,500	\$ —	0.0 %
630120 Equipment Rental/Leasing						
EQUIPMENT RENTAL/LEASING	\$	—		\$ 5,000		
Total:	\$ —	\$ —	\$ —	\$ 5,000	\$ 5,000	N/A
630130 Office & Operating Supplies						
GENERAL OFFICE SUPPLIES	\$	13,000		\$ 15,000		
Total:	\$ 10,563	\$ 13,000	\$ 13,000	\$ 15,000	\$ 2,000	15.4 %

Human Resources
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping POSTAGE		\$ 3,200		\$ 3,200		
Total:	\$ 3,985	\$ 3,200	\$ 3,200	\$ 3,200	\$ —	0.0 %
630150 Safety Equipment & Supplies SAFETY- ERGONOMICS EQUIP		\$ 1,000		\$ 1,000		
Total:	\$ —	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
650120 Equipment Maintenance-Supplies EQUIPMENT SUPPLIES		\$ 1,800		\$ 1,800		
Total:	\$ —	\$ 1,800	\$ 1,800	\$ 1,800	\$ —	0.0 %
660100 Advertising ADVERTISEMENTS/MEDIA		\$ 12,000		\$ 12,000		
Total:	\$ 6,912	\$ 12,000	\$ 12,000	\$ 12,000	\$ —	0.0 %
660110 Promotional Services EMPLOYEE EVENT(S)		\$ 10,000		\$ 35,000		
EOM RELATED		7,000		10,000		
JOB FAIRS - OUTREACH INITIATIVE		5,000		5,000		
MEALS (EXTERNAL PARTICIPANTS)		2,000		2,000		
MISCELLANEOUS - DISTRICT		1,000		1,000		
RETIREE EVENT		—		5,000		
RETIREMENT GIFTS/SENDOFF		5,000		5,500		
TRAINING ACCOMMODATIONS		8,000		—		
UNITED WAY		2,000		2,000		
Total:	\$ 6,360	\$ 40,000	\$ 40,000	\$ 65,500	\$ 25,500	63.8 %
660120 Promotional Materials JOB FAIRS		\$ —		\$ 5,000		
PROMOTIONAL MATERIALS		2,500		3,500		
Total:	\$ 825	\$ 2,500	\$ 2,500	\$ 8,500	\$ 6,000	240.0 %
670150 Retiree Health Benefits (Paid) RETIREE HEALTH BENEFITS		\$ 3,396,200		\$ 3,573,200		
Total:	\$ 3,162,292	\$ 3,396,200	\$ 3,396,200	\$ 3,573,200	\$ 177,000	5.2 %
670155 Preservation of Benefits Plan (POB) PRESERVATION OF BENEFITS PLAN		\$ 270,000		\$ 250,000		
Total:	\$ 273,000	\$ 270,000	\$ 270,000	\$ 250,000	\$ (20,000)	(7.4)%

Human Resources
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 3,898,604	\$ 4,111,500	\$ 4,111,500	\$ 4,334,200	\$ 222,700	5.4 %
GRAND TOTAL:	\$ 3,947,113	\$ 4,120,500	\$ 4,120,500	\$ 4,343,200	\$ 222,700	5.4 %

Information Technology

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

- ELG Strategic Goal - Critical Success Factor #11 is to develop Information Technology into a leader in customer satisfaction by providing the users with the latest technology and unparalleled support to improve productivity and data security
- 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 Information Technology department currently has 31 regular positions.

Information Technology

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Business Intelligence Supervisor	1	1
Business Systems Analyst	3	3
Business Systems Supervisor	1	1
Chief Technology Officer	1	1
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	1	1
IT Infrastructure Engineer IV	1	1
Lead Support Services	1	1
Management Analyst	1	1
Network Systems Analyst	1	1
Senior Applications Developer	1	1
Senior Business Intelligence Analyst	1	1
Senior Business Systems Analyst	2	2
Senior Management Analyst	1	1
Senior Systems Administrator	1	1
Systems Administration Supervisor	1	1
Systems Administrator	1	1
Systems Support Analyst I	3	3
Systems Support Analyst II	2	2
Technical Training Specialist	1	1
Technology Security Supervisor	1	1
TOTAL	31	31

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	3	3
TOTAL	3	3

Information Technology

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 3,720,805	\$ 3,981,500	\$ 4,245,800	\$ 264,300	6.6%
Non-Personnel Expense	58,901	194,800	194,800	—	0.0%
Total Direct Expense	\$ 3,779,706	\$ 4,176,300	\$ 4,440,600	\$ 264,300	6.3%
Less: Capitalized Expense	(160,085)	(18,200)	(154,600)	(136,400)	749.5%
Equipment Outlay	13,043	38,000	780,000	742,000	1,952.6%
TOTAL DEPARTMENTAL EXPENSE	\$ 3,632,664	\$ 4,196,100	\$ 5,066,000	\$ 869,900	20.7%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 2,136,576	\$ 2,762,100	\$ 2,852,600	\$ 90,500	3.3%
Overtime	1,734	—	—	—	N/A
Burden	1,322,505	1,219,400	1,393,200	173,800	14.3%
Temporary Personnel	259,991	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 3,720,805	\$ 3,981,500	\$ 4,245,800	\$ 264,300	6.6%

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
CORE NETWORK SWITCH REPLACEMENT	2	\$ 225,000	\$ 450,000
NETWORK OPERATIONS CENTER	1	330,000	330,000
TOTAL EQUIPMENT OUTLAY	3		\$ 780,000

Information Technology
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET dollars pct	
600110 Overtime						
Total:	\$ 1,734	\$ —	\$ —	\$ —	\$ —	N/A
600120 Temporary Personnel						
Total:	\$ 259,991	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 261,725	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals BOOKS & PERIODICALS	\$ —	\$ —		\$ 500		
Total:	\$ 30	\$ —	\$ —	\$ 500	\$ 500	N/A
610115 Employee Recognition EMPLOYEE RECOGNITION	\$ 900	\$ 900		\$ 900		
Total:	\$ 955	\$ 900	\$ 900	\$ 900	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS & DUES	\$ 11,200			\$ 11,400		
Total:	\$ 12,027	\$ 11,200	\$ 11,200	\$ 11,400	\$ 200	1.8 %
610140 Seminars & Training BA ESSENTIALS AND PROCESS ANALYSIS	\$ 64,900			\$ —		
INFRASTRUCTURE	20,000			—		
IT LEADERSHIP	28,500			—		
PROJECT MANAGEMENT	15,000			—		
SEMINARS & TRAINING	18,200			167,000		
SYSTEM DEVELOPMENT LIFE CYCLE	20,000			—		
Total:	\$ 24,833	\$ 166,600	\$ 166,600	\$ 167,000	\$ 400	0.2 %
615100 Mileage Reimbursement MILEAGE AND PARKING	\$ 3,900			\$ 3,200		
Total:	\$ 3,769	\$ 3,900	\$ 3,900	\$ 3,200	\$ (700)	(17.9)%
615110 Travel TRAVEL	\$ 4,400			\$ 4,000		
Total:	\$ 4,785	\$ 4,400	\$ 4,400	\$ 4,000	\$ (400)	(9.1)%
630110 Equipment & Systems						
Total:	\$ 2,442	\$ —	\$ —	\$ —	\$ —	N/A
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES	\$ 7,400			\$ 7,400		
Total:	\$ 8,733	\$ 7,400	\$ 7,400	\$ 7,400	\$ —	0.0 %

Information Technology
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET dollars pct	
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 400		\$ 400		
Total:	\$ 1,327	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 58,901	\$ 194,800	\$ 194,800	\$ 194,800	\$ —	0.0 %
GRAND TOTAL:	\$ 320,626	\$ 194,800	\$ 194,800	\$ 194,800	\$ —	0.0 %

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Maritime

Mission Statement

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

Strategies

- Increase cruise, shipbuilding/maritime industry, and cargo business with a focus on current business retention/growth and new business development
- Upgrade infrastructure, equipment, and facilities for a modern, efficient, and safe working port
- Practice environmentally smart and efficient goods movement
- Foster the economic growth and retention of shipbuilding and repair

Vision Statement

Keeping our region strong through a thriving and modern maritime seaport.

Objectives

The objectives below support ELG Strategic Goal - Critical Success Factor #351, titled Cruise Optimization Plan, as well as supporting continued execution of the TAMT Optimization Plan.

Department-Wide

- 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 Business Retention Group and New Business Development Group

- Retain and expand critical customer accounts
- Pursue new business opportunities in the shipbuilding industry, cargo, and cruise markets
- Develop and maintain regional cargo transportation infrastructure to support businesses and economic activities
- Raise public and industry awareness of the benefits of maritime business
- Diversify the District's revenue base

Maritime Operations Group

- 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 and cargo business

Maritime

- 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

Current Services

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

Maritime Business Retention Group and New Business Development Group

- Generate cargo and cruise business; negotiate and close deals
- Build and maintain relationships with decision-makers and industry experts
- Develop and maintain contacts with cargo and transportation interests
- Have constant market presence
- Conduct and apply relevant market research and analysis
- Jointly market facilities and services with District tenants

Maritime Operations

- Manage cargo terminals
- Manage cruise terminals
- Assist customers with competitive advantage issues and facilitate necessary services (labor, U.S. Customs inspection, stevedoring, tug services, pilot services, etc.)
- Manage commercial and recreational piers, wharves, and docks
- Manage commercial fishing vessel slips
- Ensure maritime transportation security
- Maintain military strategic seaport facilities

The Maritime department currently has 23 regular positions.

Maritime

Transfer: 1 Program Manager to Government & Civic Relations

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Director, Maritime	1	1
Executive Assistant I (Classified)	1	1
Management Analyst	1	1
Manager, Maritime Operations	1	1
Manager, Maritime Trade Development	1	1
Marine Terminal Supervisor	3	3
Principal, Maritime Business Retention	1	1
Program Manager	1	0
Senior Management Analyst	1	1
Senior Trade Account Representative	1	1
Staff Assistant II	1	1
Wharfinger	11	11
TOTAL	24	23

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Principal, Maritime Business Development	1	1
TOTAL	1	1

Maritime

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 4,005,329	\$ 3,711,500	\$ 3,914,100	\$ 202,600	5.5 %
Non-Personnel Expense	6,781,311	7,175,100	7,170,000	(5,100)	(0.1)%
Total Direct Expense	\$ 10,786,640	\$ 10,886,600	\$ 11,084,100	\$ 197,500	1.8 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	137,788	458,300	650,300	192,000	41.9 %
TOTAL DEPARTMENTAL EXPENSE	\$ 10,924,428	\$ 11,344,900	\$ 11,734,400	\$ 389,500	3.4 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 2,472,038	\$ 2,307,600	\$ 2,327,500	\$ 19,900	0.9%
Overtime	30,702	28,000	28,000	—	0.0%
Burden	1,502,589	1,375,900	1,489,600	113,700	8.3%
Temporary Personnel	—	—	69,000	69,000	N/A
TOTAL PERSONNEL EXPENSE	\$ 4,005,329	\$ 3,711,500	\$ 3,914,100	\$ 202,600	5.5%

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
10' x 16' YOKOHAMA FENDERS	3	\$ 24,900	\$ 74,700
6' X 20' YOKOHAMA FENDERS	1	126,200	126,200
CRUISE SHIP TERMINAL SIGNAGE	1	147,000	147,000
DOUBLE BLOCK AND BLEED VALVES	16	6,000	96,000
STORMDRAIN MEDIA INSERTS FOR NCMT	1	77,400	77,400
STORMDRAIN MEDIA INSERTS FOR TAMT	1	129,000	129,000
TOTAL EQUIPMENT OUTLAY	23		\$ 650,300

Maritime
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
MO - WHARFINGERS, MARINE TERM		\$ 28,000		\$ 28,000		
Total:	\$ 30,702	\$ 28,000	\$ 28,000	\$ 28,000	\$ —	0.0 %
600120 Temporary Personnel						
TEMPORARY PERSONNEL		\$ —		\$ 69,000		
Total:	\$ —	\$ —	\$ —	\$ 69,000	\$ 69,000	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 30,702	\$ 28,000	\$ 28,000	\$ 97,000	\$ 69,000	246.4 %
610110 Books & Periodicals						
MARITIME/INDUSTRY PERIODICALS		\$ 2,800		\$ 2,800		
Total:	\$ 155	\$ 2,800	\$ 2,800	\$ 2,800	\$ —	0.0 %
610115 Employee Recognition						
OPS & TRADE		\$ 900		\$ 2,000		
Total:	\$ 1,667	\$ 900	\$ 900	\$ 2,000	\$ 1,100	122.2 %
610120 Memberships & Dues						
MEMBERSHIP & DUES		\$ 43,200		\$ 33,400		
Total:	\$ 28,107	\$ 43,200	\$ 43,200	\$ 33,400	\$ (9,800)	(22.7)%
610140 Seminars & Training						
PROFESSIONAL DEVELOPMENT		\$ 13,600		\$ 14,500		
SALES TRAINING		3,400		3,400		
TRAINING PROGRAMS		8,500		8,500		
Total:	\$ 11,669	\$ 25,500	\$ 25,500	\$ 26,400	\$ 900	3.5 %
615100 Mileage Reimbursement						
MILEAGE		\$ 8,000		\$ 8,000		
Total:	\$ 4,955	\$ 8,000	\$ 8,000	\$ 8,000	\$ —	0.0 %
615110 Travel						
BUSINESS RETENTION / DEVP MISSIONS		\$ —		\$ 25,400		
CLIA LEADERSHIP FORUM CONF		5,000		—		
CRUISE 3SIXTY CONFERENCE		7,000		1,600		
CRUISE SHIPPING MIAMI CONF		11,200		—		
DOMESTIC SALES TRIPS / CONF		41,000		69,700		
EXECUTIVE PARTNER SUMMIT		—		4,700		
FL CARRIBEAN CRUISE ASSN CONF		9,000		8,600		
INTL SALES TRIPS - ASIA		22,500		24,400		

Maritime
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
INTL SALES TRIPS - OTHER		64,000		41,200		
NORTHWEST & CANADA CRUISE CONF		5,000		2,000		
PROFESSIONAL DEVELOPMENT		12,500		13,500		
SEATRADE GLOBAL CONFERENCE		—		8,900		
TRADE MISSIONS - ASIA		24,700		—		
Total:	\$ 33,237	\$ 201,900	\$ 201,900	\$ 200,000	\$ (1,900)	(0.9)%
620100 Services - Professional & Other						
CARGO BROKER	\$ 120,000			\$ —		
CONSULTING SERVICES	250,000			200,000		
FACILITY SEC PLAN ASSESSMT/EXERCISE	—			14,400		
FACILITY SEC PLAN AUDITS	23,600			22,500		
FOREIGN TRADE ZONE OPERATOR FEE	—			10,000		
INT'L SALES TRIP/TRADE MISSION	25,000			13,000		
LAND SURVEY	—			60,000		
MOTEMS - DOCUMENTATION OF OIL TRANS	90,000			—		
MOTEMS STUDIES	—			92,000		
PARTNER AGENCIES AGREEMENTS	75,000			50,000		
PROFESSIONAL SERVICES	12,000			2,000		
TAMT SECURITY PLAN UPDATE	32,400			—		
Total:	\$ 497,290	\$ 628,000	\$ 628,000	\$ 463,900	\$ (164,100)	(26.1)%
620125 Services - Security						
BOARD MEETING SECURITY	\$ 2,600			\$ 2,500		
CCTV WATCHSTANDER	270,000			252,000		
CRUISE SECURITY SCREENING	1,065,500			863,300		
PORT PAVILION SPECIAL EVENT SECURIT	31,200			81,800		
TAMT MAIN/BACK GATE SECURITY	480,000			403,200		
Total:	\$ 1,397,534	\$ 1,849,300	\$ 1,849,300	\$ 1,602,800	\$ (246,500)	(13.3)%
620130 Services - Operator Retention						
PASHA	\$ 3,185,600			\$ 3,648,000		
Total:	\$ 3,478,899	\$ 3,185,600	\$ 3,185,600	\$ 3,648,000	\$ 462,400	14.5 %
630110 Equipment & Systems						
CARGO/CRUISE TERMINAL EQUIPMT	\$ 138,000			\$ 50,000		
Total:	\$ 31,375	\$ 138,000	\$ 138,000	\$ 50,000	\$ (88,000)	(63.8)%
630120 Equipment Rental/Leasing						
CRUISE EQUIPMT/TENT RENTAL	\$ 10,000			\$ 10,000		

Maritime
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
LIGHTS RENTAL - TAMT T/S 1 DEMO		6,000		—		
MO - WATER DISP/COOLERS		1,800		—		
SECURITY/STAFF OFFICE TRAILERS		2,500		2,200		
TENANT OFFICE TRAILER (METRO)		2,000		4,100		
Total:	\$ 13,981	\$ 22,300	\$ 22,300	\$ 16,300	\$ (6,000)	(26.9)%
630130 Office & Operating Supplies						
MO - SUPPLIES FOR 3 TERMINALS	\$ 17,200			\$ 12,000		
OFFICE SUPPLIES	—			5,000		
TWIC CARDS NEW/REPLACE	2,100			2,000		
Total:	\$ 15,983	\$ 19,300	\$ 19,300	\$ 19,000	\$ (300)	(1.6)%
630140 Postage & Shipping						
FEDEX (INT'L)	\$ 1,000			\$ 1,500		
POSTAGE	1,500			1,000		
Total:	\$ 930	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
630150 Safety Equipment & Supplies						
TERMINAL SAFETY EQUIPMENT	\$ 2,100			\$ 4,000		
WHARFINGER SAFETY SUPPLIES	7,000			2,000		
Total:	\$ 3,966	\$ 9,100	\$ 9,100	\$ 6,000	\$ (3,100)	(34.1)%
640100 Space Rental						
CALIF SLC RENT, MOORING AREAS	\$ 20,000			\$ 20,000		
CRUISE PERSONNEL PARKING	75,000			60,000		
HS - CORONADO HOA LEASE	7,200			7,200		
HS ONE AMERICA PLAZA LEASE	41,600			45,000		
Total:	\$ 70,524	\$ 143,800	\$ 143,800	\$ 132,200	\$ (11,600)	(8.1)%
640130 Utilities-Water						
TERMINALS WATER METER/HYDRANT	\$ 1,000			\$ 1,000		
Total:	\$ 428	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
640140 Tenant Improvements						
Total:	\$ 185,000	\$ —	\$ —	\$ —	\$ —	N/A
640150 Facility Management Services						
NATIONAL DISTRIBUTION CENTER	\$ 433,000			\$ 440,000		
Total:	\$ 653,140	\$ 433,000	\$ 433,000	\$ 440,000	\$ 7,000	1.6 %
650100 Facilities Maintenance-Supplies						

Maritime
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CARGO/CRUISE TERMINALS		\$ 5,000		\$ 2,000		
Total:	\$ —	\$ 5,000	\$ 5,000	\$ 2,000	\$ (3,000)	(60.0)%
650110 Facilities Maintenance-Outside Services						
GRAVEL - TAMT FRONT DIRT LOT	\$ 5,000			\$ 5,000		
JANITORIAL - B ST & BDWY TERMINALS		150,000		116,000		
K-RAIL		3,000		3,000		
TAMT DELINEATORS		900		900		
TAMT SIGNAGE		1,000		1,000		
Total:	\$ 80,863	\$ 159,900	\$ 159,900	\$ 125,900	\$ (34,000)	(21.3)%
650130 Equipment Maintenance-Outside Services						
OFFICE EQUIPMENT	\$ 10,600			\$ 10,600		
SHOREPOWER SYSTEMS	—			256,100		
SHOREPOWER SYSTEMS - CST & TAMT		220,000		—		
Total:	\$ 228,687	\$ 230,600	\$ 230,600	\$ 266,700	\$ 36,100	15.7 %
660110 Promotional Services						
BREKBUK CONF - US & INTL	\$ 3,400			\$ 10,700		
CRUISE SEASON KICK OFF MTG	500			500		
CRUISE SHIPPING MIAMI CONF	1,000			—		
CRUISE TRADE SHOWS	6,500			7,600		
CUSTOMER RELATIONS MEETINGS / EVENT	—			20,000		
DOMESTIC & INTL PROMOTIONS	10,000			10,000		
INDUSTRY / BUSINESS CONF - U.S. & INTL	—			38,600		
INDUSTRY / TRADE CONF - U.S. & INTL	6,000			—		
INDUSTRY EVENT SPONSORSHIPS	10,000			25,000		
INTERNATIONAL SALES CALLS	1,000			1,000		
MARITIME RETREAT	2,000			4,000		
OPERATION CUSTOMER MTGS	9,000			—		
SEATRADE GLOBAL	—			2,700		
TAMT REDEVELOPMENT PLAN ROADSHOW	15,000			—		
Total:	\$ 25,970	\$ 64,400	\$ 64,400	\$ 120,100	\$ 55,700	86.5 %
660120 Promotional Materials						
Total:	\$ 2,933	\$ —	\$ —	\$ —	\$ —	N/A
670105 Bank & CC Fees						
Total:	\$ 13,716	\$ —	\$ —	\$ —	\$ —	N/A
670130 Permits/Certificates/License						

Maritime
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
PERMITS/CERTIFICATES/LICENSE		\$ 300		\$ 300		
Total:	\$ 302	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
670190 Other Miscellaneous Operating Expenses						
CRUISE TERMINALS - CITY POLICE		\$ 700		\$ 700		
Total:	\$ —	\$ 700	\$ 700	\$ 700	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 6,781,311	\$ 7,175,100	\$ 7,175,100	\$ 7,170,000	\$ (5,100)	(0.1)%
GRAND TOTAL:	\$ 6,812,013	\$ 7,203,100	\$ 7,203,100	\$ 7,267,000	\$ 63,900	0.9 %

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Marketing & Communications

Mission Statement

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

Vision Statement

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

Objectives

The objectives below support multiple Board of Port Commissioners and/or ELG Strategic Goals that support both the public good and business operations.

- Create and sustain positive relationships with stakeholders and the community at large by educating and informing the public and others in a timely manner on District and related issues
- Develop comprehensive marketing campaigns to support business development with emphasis on the District's primary lines of business including maritime, real estate, and tourism, as well as new lines of business
- Raise awareness of the District, its business lines, activities, and regional value
- Utilize positive relationships with the media to keep the public informed of major initiatives
- Provide effective community outreach to encourage public participation among local stakeholders
- Attract visitors and residents to enjoy tidelands as a public amenity by promoting opportunities for access, public recreation, activation efforts, special events, cultural enrichment activities, and community organized events
- Support activities that generate promotional and economic benefit through marketing sponsorships and signature events

Current Services

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

- Brand management including corporate identity and promotion of overall district awareness among a wide range of stakeholders locally, regionally, nationally, and internationally
- Strategic planning including individual campaign planning, key message development, news and social media monitoring, operational alignment, partnership marketing, positioning strategy, target audience development, and web and social media analytics
- Marketing and advertising including brand alignment and implementation, campaign concept development, copywriting, creative direction, media planning and buying, rate research and negotiations, promotion planning, and sponsorship execution
- Public relations including media relations, advertorials, editorials, fact sheets, staff interview preparation, interviews, media advisories, newsletters, press inquiry responses, press releases, post event releases, social media posting, speaking points, and story pitching
- Community outreach including booth set-up and coordination, delegate visits, e-mail blasts, presentations, speakers bureau, sponsorship of community events, stakeholder facilitation, surveys, tours, town halls, volunteer coordination, workshops and protocol office table sponsorship, and participation

Marketing & Communications

- Internal communications including documentary videos, employee event promotion, employee recognition support, information distribution through various channels, employee newsletter, proclamations, and service awards
- Creative and multi-media production services including annual reports, banners, broadcast video spots, brochures, digital ads/rotating banners, direct marketing pieces, in-app advertising, infographics, inserts, invitations, live video streaming, presentations/slideshows, photo album layout, photography, print ads, program creation, promotional item layout, promotional video, radio spot scripts, signage, social media albums, social media cover photos and memes, and website creation and maintenance

The Marketing & Communications department currently has 12 regular positions.

Marketing & Communications

Transfer: 1 Assistant Vice President to Executive Offices
 1 Administrative Assistant II (Classified) to Waterfront Arts & Activation
 1 Manager, Business Dev & Recreation Svcs to Waterfront Arts & Activation
 1 Marketing/Public Relations Representative to Waterfront Arts & Activation
 1 Special Events Associate to Waterfront Arts & Activation

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	2	1
Assistant Vice President	1	0
Director, Marketing & Communications	1	1
Executive Assistant I (Classified)	1	1
Manager, Business Dev & Recreation Svcs	1	0
Manager, Marketing & Communications	1	1
Marketing/Public Relations Representative	4	3
Multi-Media Specialist	2	2
Principal Marketing/Public Relations Representative	2	2
Senior Web Developer	1	1
Special Events Associate	1	0
TOTAL	17	12

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	1	3
TOTAL	1	3

Marketing & Communications

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 1,592,275	\$ 2,031,400	\$ 1,415,800	\$ (615,600)	(30.3)%
Non-Personnel Expense	1,607,911	2,662,000	2,064,300	(597,700)	(22.5)%
Total Direct Expense	\$ 3,200,186	\$ 4,693,400	\$ 3,480,100	\$ (1,213,300)	(25.9)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	12,916	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 3,213,102	\$ 4,693,400	\$ 3,480,100	\$ (1,213,300)	(25.9)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 1,013,707	\$ 1,397,400	\$ 1,035,600	\$ (361,800)	(25.9)%
Overtime	1,179	1,000	15,000	14,000	1,400.0 %
Burden	533,848	613,000	360,200	(252,800)	(41.2)%
Temporary Personnel	43,541	20,000	5,000	(15,000)	(75.0)%
TOTAL PERSONNEL EXPENSE	\$ 1,592,275	\$ 2,031,400	\$ 1,415,800	\$ (615,600)	(30.3)%

Marketing & Communications
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 1,000		\$ 15,000		
Total:	\$ 1,179	\$ 1,000	\$ 1,000	\$ 15,000	\$ 14,000	1,400.0 %
600120 Temporary Personnel						
TEMPORARY PERSONNEL		\$ 20,000		\$ 5,000		
Total:	\$ 43,541	\$ 20,000	\$ 20,000	\$ 5,000	\$ (15,000)	(75.0)%
SUBTOTAL: OVERTIME & TEMPS	\$ 44,720	\$ 21,000	\$ 21,000	\$ 20,000	\$ (1,000)	(4.8)%
610110 Books & Periodicals						
PROF & MEDIA PUBLICATIONS		\$ 1,000		\$ 2,000		
Total:	\$ 2,193	\$ 1,000	\$ 1,000	\$ 2,000	\$ 1,000	100.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 1,500		\$ 400		
Total:	\$ 1,194	\$ 1,500	\$ 1,500	\$ 400	\$ (1,100)	(73.3)%
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 7,500		\$ 6,500		
Total:	\$ 1,385	\$ 7,500	\$ 7,500	\$ 6,500	\$ (1,000)	(13.3)%
610140 Seminars & Training						
SEMINARS & TRAINING		\$ 8,000		\$ 8,000		
Total:	\$ 6,549	\$ 8,000	\$ 8,000	\$ 8,000	\$ —	0.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 4,000		\$ 2,300		
PARKING/CAR ALLOWANCE		—		1,100		
Total:	\$ 2,990	\$ 4,000	\$ 4,000	\$ 3,400	\$ (600)	(15.0)%
615110 Travel						
TECHNICAL/TRNG/PROFESSIONAL		\$ 12,000		\$ 8,000		
Total:	\$ 7,513	\$ 12,000	\$ 12,000	\$ 8,000	\$ (4,000)	(33.3)%
620100 Services - Professional & Other						
MEDIA MONITORING		\$ —		\$ 35,000		
ECONOMIC IMPACT REPORT		80,000		75,000		
MARKET RESEARCH		—		150,000		
MARKETING PLAN		200,000		—		
PHOTOS, PRINTS, & DISPLAYS		42,000		—		
PUBLIC RELATIONS CONSULTANTS		—		175,000		

Marketing & Communications
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SERVICE CONTRACTS		130,000		—		
STRATEGIC PLANNING		100,000		—		
Total:	\$ 355,011	\$ 552,000	\$ 552,000	\$ 435,000	\$ (117,000)	(21.2)%
630120 Equipment Rental/Leasing						
SPECIAL EVENT RENTALS	\$ 40,000			\$ —		
Total:	\$ 37,593	\$ 40,000	\$ 40,000	\$ —	\$ (40,000)	(100.0)%
630130 Office & Operating Supplies						
OFFICE & GRAPHIC ART SUPPLIES	\$ 9,000			\$ 9,000		
Total:	\$ 14,647	\$ 9,000	\$ 9,000	\$ 9,000	—	0.0 %
630140 Postage & Shipping						
POSTAGE	\$ 2,000			\$ 2,000		
Total:	\$ 1,016	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
660100 Advertising						
ADVERTISING						
Total:	\$ 80	\$ —	\$ —	\$ —	—	N/A
660105 Marketing/Outreach						
ARTS & CULTURE EVENT OUTREACH	\$ —			\$ 10,000		
ARTS & CULTURE PROJECTS	—			10,000		
ARTS MONTH	—			10,000		
BAY-WIDE SPECIAL EVENTS	100,000			—		
BIG BAY BALLOON	145,000			—		
BIG BAY BOOM	145,000			—		
COMP. MKTG, COMM, & WAYFINDING	—			200,000		
CORPORATE/COMMUNITY INTERNAL	—			10,000		
CORPORATE/COMMUNITY OUTREACH	160,000			180,000		
CORPORATE/COMMUNITY PUBLIC ASSETS	—			25,000		
CRUISE	120,000			—		
EVENTS	30,000			—		
GREEN PORT MONTH	—			10,000		
GREEN PORT OUTREACH	—			10,000		
GREEN PORT TASTE OF PORT	—			15,000		
HARBOR POLICE OUTREACH	—			10,000		
MARCOM MARKETING SERVICES	—			100,000		
MARCOM MEDIA RESEARCH	—			40,000		
MARITIME	70,000			—		

Marketing & Communications
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
MARITIME CARGO		—		125,000		
MARITIME CRUISE		—		195,000		
MARITIME MONTH		—		40,000		
MARITIME OUTREACH		—		10,000		
MARKETING SERVICES		155,000		—		
PLANNING PMPU		—		25,000		
REAL ESTATE DLVP SVC OUTREACH		—		10,000		
REAL ESTATE DESTINATION		—		300,000		
REAL ESTATE PLAN/DVLP PROJECTS		—		25,000		
TIDELANDS ACTIVATION PROGRAM		360,000		—		
Total:	\$ 1,019,495	\$ 1,285,000	\$ 1,885,000	\$ 1,360,000	\$ (525,000)	(27.9)%
660110 Promotional Services						
TABLES/BOOTH SPONSORSHIPS		\$ 100,000		\$ 130,000		
Total:	\$ 132,201	\$ 100,000	\$ 100,000	\$ 130,000	\$ 30,000	30.0 %
660120 Promotional Materials						
PHOTOS, PRINTS, & DISPLAYS		\$ —		\$ 30,000		
PROMOTIONAL ITEMS/MATERIALS		40,000		40,000		
SIGNAGE/SPECIAL EVENT MATERIALS		—		30,000		
Total:	\$ 26,043	\$ 40,000	\$ 40,000	\$ 100,000	\$ 60,000	150.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,607,911	\$ 2,062,000	\$ 2,662,000	\$ 2,064,300	\$ (597,700)	(22.5)%
GRAND TOTAL:	\$ 1,652,631	\$ 2,083,000	\$ 2,683,000	\$ 2,084,300	\$ (598,700)	(22.3)%

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Miscellaneous Administration Building

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	158,365	170,900	170,900	—	—
Total Direct Expense	\$ 158,365	\$ 170,900	\$ 170,900	\$ —	0.0%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 158,365	\$ 170,900	\$ 170,900	\$ —	0.0%

Miscellaneous Administration Building
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	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:	\$ 158,365	\$ 170,900	\$ 170,900	\$ 170,900	\$ —	0.0%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 158,365	\$ 170,900	\$ 170,900	\$ 170,900	\$ —	0.0%
GRAND TOTAL:	\$ 158,365	\$ 170,900	\$ 170,900	\$ 170,900	\$ —	0.0%

MSA, Interest & Other

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 5,102,456	\$ 5,306,700	\$ 5,310,000	\$ 3,300	0.1 %
Non-Personnel Expense	12,328,692	13,258,500	12,910,700	(347,800)	(2.6)%
Total Direct Expense	\$ 17,431,148	\$ 18,565,200	\$ 18,220,700	\$ (344,500)	(1.9)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 17,431,148	\$ 18,565,200	\$ 18,220,700	\$ (344,500)	(1.9)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ —	\$ —	\$ —	\$ —	N/A
Overtime	—	—	—	—	N/A
Burden	—	—	—	—	N/A
OPEB Annual Expense	5,102,456	5,306,700	5,310,000	3,300	0.1%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 5,102,456	\$ 5,306,700	\$ 5,310,000	\$ 3,300	0.1%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
630110 Equipment & Systems						
MISCELLANEOUS	\$ 31,000			\$ —		
Total:	\$ —	\$ 31,000	\$ —	\$ —	\$ —	N/A
650110 Facilities Maintenance-Outside Services						
IMPERIAL BEACH MAINTENANCE	\$ 964,300			\$ 983,600		
Total:	\$ 941,710	\$ 964,300	\$ 964,300	\$ 983,600	\$ 19,300	2.0 %
660130 Svcs - Fire, Police, Rescue, Emergency						
MUNICIPAL SERVICE AGREEMENTS	\$ 7,625,300			\$ 7,777,800		
Total:	\$ 7,446,557	\$ 7,625,300	\$ 7,656,300	\$ 7,777,800	\$ 121,500	1.6 %
670140 Legal Cost / Legal Settlements						
Total:	\$ 319,035	\$ —	\$ —	\$ —	\$ —	N/A
670190 Other Miscellaneous Operating Expenses						
CONTINGENCY	\$ 1,000,000			\$ 1,000,000		
Total:	\$ (245,025)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ —	0.0 %
680120 Interest-SDCRAA, NEVP & Other Misc.						
CIVIC SAN DIEGO	\$ 392,000			\$ 104,500		
SDCRAA NOTE INTEREST	1,979,000			1,882,800		
Total:	\$ 2,153,495	\$ 2,371,000	\$ 2,371,000	\$ 1,987,300	\$ (383,700)	(16.2)%
680190 Other Misc Non-Operating Expense						
Total:	\$ 348,823	\$ —	\$ —	\$ —	\$ —	N/A
680621 Interest Expense - Series A 2004 Bonds						
INTEREST	\$ 321,800			\$ 227,500		
PREMIUM AMORTIZATION	(43,100)			(45,900)		
Total:	\$ 356,207	\$ 278,700	\$ 278,700	\$ 181,600	\$ (97,100)	(34.8)%
680623 Interest Expense - Series A 2013 Bonds						
INTEREST	\$ 1,236,900			\$ 1,236,900		
PREMIUM AMORTIZATION	(248,700)			(256,500)		
Total:	\$ 1,007,890	\$ 988,200	\$ 988,200	\$ 980,400	\$ (7,800)	(0.8)%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 12,328,692	\$ 13,258,500	\$ 13,258,500	\$ 12,910,700	\$ (347,800)	(2.6)%
GRAND TOTAL:	\$ 12,328,692	\$ 13,258,500	\$ 13,258,500	\$ 12,910,700	\$ (347,800)	(2.6)%

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 Office'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)

Office of the District Clerk

- Maintain/update BPC Policies, Port District Code, and Administrative Procedures
- Oversee 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 Services

(Included in the Department for budgetary purposes)

- Provide administrative support to the BPC
- Track BPC requests for information and direction to staff
- Manage corporate travel services

The Office of the District Clerk currently has 14 regular positions, including four Commissioner Services positions.

Office of the District Clerk

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	2	2
Commissioner Services Assistant	2	2
Deputy District Clerk/Docket Coordinator	1	1
Deputy District Clerk/Records Manager	1	1
District Clerk	1	1
Document Management Assistant	1	1
Document Management Associate	2	2
Executive Assistant I (Classified)	1	1
Management Analyst	1	1
Manager, Commissioner & Executive Svcs	1	1
Office Assistant	1	1
TOTAL	14	14

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Document Management Assistant	1	1
TOTAL	1	1

Office of the District Clerk

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 1,805,074	\$ 1,501,200	\$ 1,629,700	\$ 128,500	8.6 %
Non-Personnel Expense	207,379	264,700	224,200	(40,500)	(15.3)%
Total Direct Expense	\$ 2,012,453	\$ 1,765,900	\$ 1,853,900	\$ 88,000	5.0 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	6,315	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 2,018,768	\$ 1,765,900	\$ 1,853,900	\$ 88,000	5.0 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 1,132,057	\$ 936,100	\$ 951,400	\$ 15,300	1.6%
Overtime	5,612	15,000	15,000	—	0.0%
Burden	648,733	550,100	638,300	88,200	16.0%
Temporary Personnel	18,672	—	25,000	25,000	N/A
TOTAL PERSONNEL EXPENSE	\$ 1,805,074	\$ 1,501,200	\$ 1,629,700	\$ 128,500	8.6%

Office of the District Clerk
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 15,000		\$ 15,000		
Total:	\$ 5,612	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	— %
600120 Temporary Personnel						
TEMPORARY PERSONNEL		\$ —		\$ 25,000		
Total:	\$ 18,672	\$ —	\$ —	\$ 25,000	\$ 25,000	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 24,284	\$ 15,000	\$ 15,000	\$ 40,000	\$ 25,000	166.7 %
610110 Books & Periodicals						
Total:	\$ 51	\$ —	\$ —	\$ —	\$ —	N/A
610115 Employee Recognition						
COMMISSIONER SERVICES		\$ 200		\$ 100		
OFFICE OF THE DISTRICT CLERK		400		400		
Total:	\$ 928	\$ 600	\$ 600	\$ 500	\$ (100)	(16.7)%
610120 Memberships & Dues						
COMMISSIONER SERVICES		\$ 500		\$ 500		
OFFICE OF THE DISTRICT CLERK		1,100		1,500		
Total:	\$ 4,052	\$ 1,600	\$ 1,600	\$ 2,000	\$ 400	25.0 %
610140 Seminars & Training						
ARMA (MONTHLY MEETINGS)		\$ 300		\$ —		
COMMISSIONER SERVICES		2,700		3,400		
OFFICE OF THE DISTRICT CLERK		3,900		6,800		
Total:	\$ 18,220	\$ 6,900	\$ 6,900	\$ 10,200	\$ 3,300	47.8 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 2,000		\$ 2,000		
Total:	\$ 7,660	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
615110 Travel						
COMMISSIONER SERVICES		\$ 2,600		\$ 2,000		
OFFICE OF THE DISTRICT CLERK		5,700		7,200		
Total:	\$ 14,954	\$ 8,300	\$ 8,300	\$ 9,200	\$ 900	10.8 %
620100 Services - Professional & Other						
BULK ARCHIVING		\$ 53,000		\$ —		
COPY CENTER SERVICES		72,000		72,000		
MICROFILM CONVERSION		—		6,000		

Office of the District Clerk
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS	ORIGINAL BUDGET	ADJUSTED BUDGET	BUDGET	CHANGE FROM ADJUSTED BUDGET	
	FY 2016	FY 2017	FY 2017	FY 2018	dollars	pct
MICROFILMING		600		600		
OFF-SITE STORAGE		500		500		
OFFICE OF THE DISTRICT CLERK		2,500		2,500		
ON-CALL RECORDS RETENTION SERVICES		800		800		
SHREDDING		8,500		8,500		
TRANSCRIPTION SERVICES		2,000		2,000		
Total:	\$ 61,104	\$ 139,900	\$ 139,900	\$ 92,900	\$ (47,000)	(33.6)%
630110 Equipment & Systems						
Total:	\$ 433	\$ —	\$ —	\$ —	\$ —	N/A
630120 Equipment Rental/Leasing						
OFFSITE BOARD MEETINGS	\$ 28,000			\$ 28,000		
Total:	\$ 7,970	\$ 28,000	\$ 28,000	\$ 28,000	\$ —	0.0 %
630130 Office & Operating Supplies						
OFFICE OF THE DISTRICT CLERK	\$ 56,000			\$ 58,500		
Total:	\$ 47,005	\$ 56,000	\$ 56,000	\$ 58,500	\$ 2,500	4.5 %
630140 Postage & Shipping						
OFFICE OF THE DISTRICT CLERK	\$ 2,400			\$ 2,400		
Total:	\$ 2,209	\$ 2,400	\$ 2,400	\$ 2,400	\$ —	0.0 %
650130 Equipment Maintenance - Outside Services						
OFFICE OF THE DISTRICT CLERK	\$ 3,000			\$ 3,000		
Total:	\$ 555	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
660100 Advertising						
OFFICE OF THE DISTRICT CLERK	\$ 15,000			\$ 15,000		
Total:	\$ 14,230	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
660110 Promotional Services						
OFFICE OF THE DISTRICT CLERK	\$ 500			\$ 500		
Total:	\$ 1,830	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
660120 Promotional Materials						
OFFICE OF THE DISTRICT CLERK	\$ 500			\$ —		
Total:	\$ 640	\$ 500	\$ 500	\$ —	\$ (500)	(100.0)%
670190 Other Miscellaneous Operating Expenses						
Total:	\$ 25,538	\$ —	\$ —	\$ —	\$ —	N/A

Office of the District Clerk
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS		ORIGINAL BUDGET		ADJUSTED BUDGET		BUDGET		CHANGE FROM ADJUSTED BUDGET	
	FY 2016		FY 2017		FY 2017		FY 2018		dollars	pct
SUBTOTAL: NON-PERSONNEL EXPENSE	\$	207,379	\$	264,700	\$	264,700	\$	224,200	\$ (40,500)	(15.3)%
GRAND TOTAL:	\$	231,663	\$	279,700	\$	279,700	\$	264,200	\$ (15,500)	(5.5)%

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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 the Office's Mission and Vision statements, staff 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 (CEQA), 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 and District's direction, goals, and applicable law
- Provide legal advice and representation on District initiatives
- 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 regular positions.

Office of the General Counsel

Reclass: 1 Legal Assistant to Paralegal

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant General Counsel	1	1
Deputy General Counsel IV	2	2
Deputy General Counsel V	4	4
General Counsel	1	1
Legal Assistant	3	2
Manager, Office of General Counsel Admin	1	1
Paralegal	1	2
TOTAL	13	13

Office of the General Counsel

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 2,706,307	\$ 2,945,000	\$ 3,150,500	\$ 205,500	7.0 %
Non-Personnel Expense	3,240,296	4,430,500	4,321,000	(109,500)	(2.5)%
Total Direct Expense	\$ 5,946,603	\$ 7,375,500	\$ 7,471,500	\$ 96,000	1.3 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 5,946,603	\$ 7,375,500	\$ 7,471,500	\$ 96,000	1.3 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 1,823,259	\$ 1,917,200	\$ 2,050,200	\$ 133,000	6.9%
Overtime	765	500	500	—	0.0%
Burden	840,968	1,027,300	1,099,800	72,500	7.1%
Temporary Personnel	41,315	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 2,706,307	\$ 2,945,000	\$ 3,150,500	\$ 205,500	7.0%

Office of the General Counsel
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 500		\$ 500		
Total:	\$ 765	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
600120 Temporary Personnel						
Total:	\$ 41,315	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 42,080	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 27,200		\$ 27,200		
Total:	\$ 31,143	\$ 27,200	\$ 27,200	\$ 27,200	\$ —	0.0 %
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 500		\$ 500		
Total:	\$ 908	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 11,000		\$ 11,000		
Total:	\$ 10,857	\$ 11,000	\$ 11,000	\$ 11,000	\$ —	0.0 %
610140 Seminars & Training SEMINARS & TRAINING		\$ 22,000		\$ 22,000		
Total:	\$ 13,890	\$ 22,000	\$ 22,000	\$ 22,000	\$ —	0.0 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 26,000		\$ 26,000		
Total:	\$ 22,651	\$ 26,000	\$ 26,000	\$ 26,000	\$ —	0.0 %
615110 Travel TRAVEL		\$ 23,000		\$ 23,000		
Total:	\$ 15,973	\$ 23,000	\$ 23,000	\$ 23,000	\$ —	0.0 %
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHE		\$ 1,095,000		\$ 985,500		
Total:	\$ 783,105	\$ 1,095,000	\$ 1,095,000	\$ 985,500	\$ (109,500)	(10.0)%
620110 Services - Legal - Port Attorney SERVICES - LEGAL		\$ 3,201,600		\$ 3,201,600		
Total:	\$ 2,343,379	\$ 3,201,600	\$ 3,201,600	\$ 3,201,600	\$ —	0.0 %
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ 2,000		\$ 2,000		

Office of the General Counsel
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
Total:	\$ 3,792	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$ 11,300			\$ 11,300		
Total:	\$ 11,209	\$ 11,300	\$ 11,300	\$ 11,300	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$ 1,000			\$ 1,000		
Total:	\$ 494	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ 9,900			\$ 9,900		
Total:	\$ 2,765	\$ 9,900	\$ 9,900	\$ 9,900	\$ —	0.0 %
660120 Promotional Materials						
Total:	\$ 130	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 3,240,296	\$ 4,430,500	\$ 4,430,500	\$ 4,321,000	\$ (109,500)	(2.5)%
GRAND TOTAL:	\$ 3,282,376	\$ 4,431,000	\$ 4,431,000	\$ 4,321,500	\$ (109,500)	(2.5)%

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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 helping the District accomplish its objectives.

Vision Statement

To be a regional model dedicated to providing professional world-class 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 the Office's Mission and Vision statements, staff is committed to providing the following services:

- Operational reviews
- Financial reviews
- Information systems review and quality assurance
- Program reviews (e.g., CIP)
- 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 seven regular positions.

Office of the Port Auditor

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant Port Auditor	1	1
Assistant to Port Auditor	1	1
Deputy Port Auditor I	2	2
Deputy Port Auditor II	2	2
Port Auditor	1	1
TOTAL	7	7

Office of the Port Auditor

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 771,128	\$ 926,000	\$ 941,900	\$ 15,900	1.7 %
Non-Personnel Expense	333,964	349,200	313,400	(35,800)	(10.3)%
Total Direct Expense	\$ 1,105,092	\$ 1,275,200	\$ 1,255,300	\$ (19,900)	(1.6)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 1,105,092	\$ 1,275,200	\$ 1,255,300	\$ (19,900)	(1.6)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 493,657	\$ 576,700	\$ 600,500	\$ 23,800	4.1 %
Overtime	—	—	—	—	N/A
Burden	181,519	349,300	341,400	(7,900)	(2.3)%
Temporary Personnel	95,952	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 771,128	\$ 926,000	\$ 941,900	\$ 15,900	1.7 %

Office of the Port Auditor
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600120 Temporary Personnel TEMPORARY PERSONNEL		\$ —		\$ —		
Total:	\$ 95,952	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 95,952	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals PROFESSIONAL PUBLICATION		\$ 400		\$ 900		
Total:	\$ 358	\$ 400	\$ 400	\$ 900	\$ 500	125.0 %
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 300		\$ 300		
Total:	\$ 246	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 2,300		\$ 2,600		
Total:	\$ 2,116	\$ 2,300	\$ 2,300	\$ 2,600	\$ 300	13.0 %
610140 Seminars & Training SEMINARS		\$ 10,600		\$ 16,100		
Total:	\$ 6,180	\$ 10,600	\$ 10,600	\$ 16,100	\$ 5,500	51.9 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 14,900		\$ 15,500		
Total:	\$ 15,225	\$ 14,900	\$ 14,900	\$ 15,500	\$ 600	4.0 %
615110 Travel TRAVEL		\$ 7,000		\$ 11,000		
Total:	\$ 3,686	\$ 7,000	\$ 7,000	\$ 11,000	\$ 4,000	57.1 %
620100 Services - Professional & Other EXTERNAL AUDITOR FRAUD/ETHICS HOTLINE OUTSOURCED AUDITS		\$ 155,500 2,500 150,000		\$ 105,500 2,700 152,400		
Total:	\$ 303,371	\$ 308,000	\$ 308,000	\$ 260,600	\$ (47,400)	(15.4)%
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ 1,200		\$ 1,200		
Total:	\$ 828	\$ 1,200	\$ 1,200	\$ 1,200	\$ —	0.0 %
630130 Office & Operating Supplies						

Office of the Port Auditor
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
OFFICE SUPPLIES		\$ 4,100		\$ 4,700		
Total:	\$ 1,842	\$ 4,100	\$ 4,100	\$ 4,700	\$ 600	14.6 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 300		\$ 300		
Total:	\$ 51	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
630150 Safety & Equipment						
SAFETY EQUIPMENT		\$ —		\$ 100		
Total:	\$ —	\$ —	\$ —	\$ 100	\$ 100	N/A
660110 Promotional Services						
PROMOTIONAL SERVICES		\$ 100		\$ 100		
Total:	\$ 62	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 333,964	\$ 349,200	\$ 349,200	\$ 313,400	\$ (35,800)	(10.3)%
GRAND TOTAL:	\$ 429,916	\$ 349,200	\$ 349,200	\$ 313,400	\$ (35,800)	(10.3)%

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People Strategies

Mission Statement

We develop and deliver strategies that create a remarkable workplace where employees do the greatest good at work... and beyond.....

Vision Statement

To build a sustainable 21st century constructive culture.

Objectives

- Support other District departments in strategically running their business
- Support the District's financial and operational goals
- Retain, and develop a highly skilled, diverse workforce
- Encourage a culture of constructive behaviors
- Retain intellectual assets and corporate knowledge of the District
- 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:

- Coaching
- Comprehensive Training
- Leadership Development
- Orientation/On-Boarding
- Performance Management
- Rewards/Recognition
- Talent Selection Process
- Telecommuting Program
- Strategic Workforce Planning/Succession Planning

The People Strategies department currently has five regular positions.

People Strategies

Reclass: 1 Senior Training & Org. Dev. Specialist to People Strategies Business Partner

Retitle: 1 Manager, Human Resources to Manager, People Strategies

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Asst I (Unclassified)	1	1
Director, People Strategies	1	1
Manager, Human Resources	1	0
Manager, People Strategies	0	1
People Strategies Business Partner	1	2
Senior Training & Org. Dev. Specialist	1	0
TOTAL	5	5

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
People Strategies Business Partner	1	1
TOTAL	1	1

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	2	3
TOTAL	2	3

People Strategies

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 147,540	\$ 747,900	\$ 843,500	\$ 95,600	12.8%
Non-Personnel Expense	325	249,600	301,400	51,800	20.8%
Total Direct Expense	\$ 147,865	\$ 997,500	\$ 1,144,900	\$ 147,400	14.8%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 147,865	\$ 997,500	\$ 1,144,900	\$ 147,400	14.8%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 69,419	\$ 532,200	\$ 645,900	\$ 113,700	21.4 %
Overtime	—	1,000	—	(1,000)	(100.0)%
Burden	78,121	204,700	197,600	(7,100)	(3.5)%
Temporary Personnel	—	10,000	—	(10,000)	(100.0)%
TOTAL PERSONNEL EXPENSE	\$ 147,540	\$ 747,900	\$ 843,500	\$ 95,600	12.8 %

People Strategies
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 1,000		\$ —		
Total:	\$ —	\$ 1,000	\$ 1,000	\$ —	\$ (1,000)	(100.0)%
600120 Temporary Personnel TEMPORARY SERVICES		\$ 10,000		\$ —		
Total:	\$ —	\$ 10,000	\$ 10,000	\$ —	\$ (10,000)	(100.0)%
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ 11,000	\$ 11,000	\$ —	\$ (11,000)	(100.0)%
610110 Books & Periodicals PUBLICATIONS		\$ 5,000		\$ 2,500		
Total:	\$ —	\$ 5,000	\$ 5,000	\$ 2,500	\$ (2,500)	(50.0)%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 200		\$ 500		
Total:	\$ —	\$ 200	\$ 200	\$ 500	\$ 300	150.0 %
610120 Memberships & Dues MEMBERSHIPS		\$ 1,000		\$ 1,000		
Total:	\$ —	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
610140 Seminars & Training SEMINARS & TRAINING		\$ 40,000		\$ 50,000		
Total:	\$ —	\$ 40,000	\$ 40,000	\$ 50,000	\$ 10,000	25.0 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 1,000		\$ 1,000		
Total:	\$ 289	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
615110 Travel TRAVEL		\$ 10,000		\$ 5,000		
Total:	\$ —	\$ 10,000	\$ 10,000	\$ 5,000	\$ (5,000)	(50.0)%
620100 Services - Professional & Other LEADERSHIP DEVELOPMENT PROFESSIONAL SERVICES		\$ — 150,000		\$ 66,800 153,200		
Total:	\$ —	\$ 150,000	\$ 150,000	\$ 220,000	\$ 70,000	46.7 %
630110 Equipment & Systems FURNITURE		\$ 6,000		\$ 5,000		
Total:	\$ —	\$ 6,000	\$ 6,000	\$ 5,000	\$ (1,000)	(16.7)%

People Strategies
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 5,000		\$ 5,000		
Total:	\$ 36	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE		\$ 400		\$ 400		
Total:	\$ —	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
660110 Promotional Services						
PROMOTIONAL SERVICE		\$ 30,000		\$ 10,000		
Total:	\$ —	\$ 30,000	\$ 30,000	\$ 10,000	\$ (20,000)	(66.7)%
660120 Promotional Materials						
PROMOTIONAL MATERIALS		\$ 1,000		\$ 1,000		
Total:	\$ —	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 325	\$ 249,600	\$ 249,600	\$ 301,400	\$ 51,800	20.8 %
GRAND TOTAL:	\$ 325	\$ 260,600	\$ 260,600	\$ 301,400	\$ 40,800	15.7 %

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Planning

Mission Statement

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

Vision Statement

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

Objectives

- Integrate new development and redevelopment opportunities for District and tenant projects into a holistic and comprehensive update to the Port Master Plan through a process known as Integrated Planning
- Continue advancement of a comprehensive balanced land use plan for commercial, maritime, and recreational uses for the National City Bayfront
- Guide and support implementation of future growth at the District's maritime facilities
- Provide integrated planning support as a part of the District's efforts to redevelop the Chula Vista Bayfront, Harbor Island, North Embarcadero, Central Embarcadero, and Pond 20
- Focus on highly technical and complex planning and environmental issues with goals of advancing key policy formation in the areas of climate sustainability, greenhouse gas reductions, and air quality improvements
- Create and sustain positive relationships with stakeholders and the community at large on environmental and planning issues
- Foster environmentally responsible behavior among District staff, tenants, and the public to minimize environmental impacts
- Meet all mandated regulatory requirements

Current Services

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

- Integrated land and water use planning
- Compliance with California Environmental Quality Act; National Environmental Policy Act; and California Coastal Act
- Community outreach and stakeholder collaboration
- Provide administrative and operational support for the entire Planning & Green Port Division
- Master planning at the Planning district and sub-district level
- Environmental planning and mitigation
- Supports San Diego Ocean Planning Partnership

The Planning department currently has 12 regular positions.

Planning

Transfer: 1 Associate Environmental Specialist from Energy
 1 Staff Assistant II from Energy
 1 Principal, Planning & Green Port to Environmental Conservation
 1 Senior Environmental Specialist to Environmental Conservation
 3 Associate Environmental Specialist to Environmental Protection
 1 Principal, Planning & Green Port to Environmental Protection
 1 Environmental Compliance Inspector to Environmental Protection
 2 Program Manager, Planning & Green Port to Environmental Protection
 1 Assistant Environmental Specialist to Environmental Protection
 2 Senior Environmental Specialist to Environmental Protection
 1 Senior Environmental Specialist (Limited) to Environmental Conservation

Replace: 1 Associate Environmental Specialist with Staff Assistant II
 1 Principal, Planning & Green Port with Director, Planning
 2 Senior Planner with Program Manager, Planning & Green Port

Reclass: 2 Staff Assistant II to Management Analyst
 1 GIS Analyst to Lead Mapping and Outreach

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant Environmental Specialist	1	0
Associate Environmental Specialist	3	0
Associate Planner	1	1
Director, Planning	0	1
Environmental Compliance Inspector	1	0
GIS Analyst	1	0
Lead Mapping and Outreach	0	1
Management Analyst	1	3
Principal, Planning & Green Port	3	0
Program Manager, Planning & Green Port	3	3
Senior Environmental Specialist	3	0
Senior Planner	3	1
Staff Assistant II	2	2
TOTAL	22	12

Planning

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Senior Environmental Specialist	1	0
TOTAL	1	0

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	1	0
TOTAL	1	0

Planning

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 3,034,759	\$ 2,745,600	\$ 1,368,000	\$ (1,377,600)	(50.2)%
Non-Personnel Expense	4,152,316	5,488,800	1,553,100	(3,935,700)	(71.7)%
Total Direct Expense	\$ 7,187,075	\$ 8,234,400	\$ 2,921,100	\$ (5,313,300)	(64.5)%
Less: Capitalized Expense	(61,053)	(62,200)	(72,100)	(9,900)	15.9 %
Equipment Outlay	202,480	10,000	—	(10,000)	(100.0)%
TOTAL DEPARTMENTAL EXPENSE	\$ 7,328,502	\$ 8,182,200	\$ 2,849,000	\$ (5,333,200)	(65.2)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 2,014,110	\$ 1,914,900	\$ 960,700	\$ (954,200)	(49.8)%
Overtime	2,145	3,000	1,300	(1,700)	(56.7)%
Burden	1,009,291	827,700	406,000	(421,700)	(50.9)%
Temporary Personnel	9,213	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 3,034,759	\$ 2,745,600	\$ 1,368,000	\$ (1,377,600)	(50.2)%

Planning
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME	\$ 3,000			\$ 1,300		
Total:	\$ 2,145	\$ 3,000	\$ 3,000	\$ 1,300	\$ (1,700)	(56.7)%
600110 Overtime						
Total:	\$ 9,213	\$ —	\$ —	\$ —		
SUBTOTAL: OVERTIME & TEMPS	\$ 11,358	\$ 3,000	\$ 3,000	\$ 1,300	\$ (1,700)	(56.7)%
610110 Books & Periodicals						
PROFESSIONAL PUBLICATIONS	\$ 2,000			\$ 300		
Total:	\$ 231	\$ 2,000	\$ 2,000	\$ 300	\$ (1,700)	(85.0)%
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$ 1,200			\$ 1,000		
Total:	\$ 899	\$ 1,200	\$ 1,200	\$ 1,000	\$ (200)	(16.7)%
610120 Memberships & Dues						
MEMBERSHIPS & DUES	\$ 8,000			\$ 1,700		
Total:	\$ 5,345	\$ 8,000	\$ 8,000	\$ 1,700	\$ (6,300)	(78.8)%
610140 Seminars & Training						
SEMINARS & TRAINING	\$ 7,500			\$ 2,100		
Total:	\$ 11,585	\$ 7,500	\$ 7,500	\$ 2,100	\$ (5,400)	(72.0)%
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$ 5,800			\$ 2,900		
Total:	\$ 5,225	\$ 5,800	\$ 5,800	\$ 2,900	\$ (2,900)	(50.0)%
615110 Travel						
TRAVEL	\$ 17,500			\$ 4,300		
Total:	\$ 14,825	\$ 17,500	\$ 17,500	\$ 4,300	\$ (13,200)	(75.4)%
620100 Services - Professional & Other						
ARMY CORPS WRDA PERMIT ASSISTANCE	\$ 125,000			\$ —		
CAMPBELL CAP RECONTAMINATION INVEST	100,000			—		
DESIGN & BUILD OFFICE RECONFIGURE	10,000			10,000		
ENDANGERED SPECIES MANAGEMENT	75,000			—		
ENVIRONMENTAL INVESTIGATIONS	300,000			—		
INTEGRATED PLANNING	997,000			1,010,000		
MARITIME / INDUSTRIAL PLANNING	80,000			6,000		
MS4 PERMIT - WATERSHED IMPLEMENT	51,000			—		

Planning
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
ON-CALL COASTAL CONSULTANT		101,000		—		
ON-CALL NATURAL RESOURCE CONSULTANT		168,000		—		
ON-CALL PLANNING CONSULTANT		360,000		400,000		
PLANNING POLICY, GD LINES & PROCEDUR		130,000		—		
REGIONAL HARBOR MONITORING		125,000		—		
SOUTH BAY PLANNING & ENVIRON REVIEW		220,000		80,000		
STORMWATER PROGRAM IMPLEMENTATION		465,000		—		
Total:	\$ 2,828,305	\$ 3,307,000	\$ 3,307,000	\$ 1,506,000	\$ (1,801,000)	(54.5)%
630110 Equipment & Systems						
OFFICE RECONFIGURATION	\$ 20,000			\$ 5,000		
Total:	\$ 15,603	\$ 20,000	\$ 20,000	\$ 5,000	\$ (15,000)	(75.0)%
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$ 14,500			\$ 17,500		
TWIC CARDS	700			—		
Total:	\$ 18,197	\$ 15,200	\$ 15,200	\$ 17,500	\$ 2,300	15.1 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$ 1,500			\$ 1,500		
Total:	\$ 2,385	\$ 1,500	\$ 1,500	\$ 1,500	\$ —	0.0 %
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES	\$ 1,200			\$ —		
Total:	\$ 409	\$ 1,200	\$ 1,200	\$ —	\$ (1,200)	(100.0)%
660100 Advertising						
ADVERTISING	\$ 800			\$ 800		
Total:	\$ 1,730	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
660110 Promotional Services						
CLEANUP DAY EVENTS	\$ 20,000			\$ —		
Total:	\$ 20,761	\$ 20,000	\$ 20,000	\$ —	\$ (20,000)	(100.0)%
660120 Promotional Materials						
STORMWATER	\$ 800			\$ —		
Total:	\$ 60	\$ 800	\$ 800	\$ —	\$ (800)	(100.0)%
660135 Eligible Environmental Fund Expenditures						
BAYWIDE BIRD SURVEYS	\$ 60,000			\$ —		
CLAPPER RAIL PROPOGATION PROGRAM	25,000			—		
COPPER REDUCTION - INNOVATIVE TECH	87,500			—		

Planning
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CV SCHOOL DIST EDUCATION PROG		7,000		—		
EELGRASS SURVEYS		15,000		—		
ELECTRIC VEHICLES		8,000		—		
ENVIRONMENTAL EDUCATION		75,000		—		
FISH SURVEY - BAYWIDE		25,000		—		
LIVING COAST DISCOVERY CENTER		75,000		—		
MITIGATION BANKING		300,000		—		
NEW ENVIRONMENTAL PROJECTS		50,000		—		
SHORELINE EROSION - OYSTER REEF		500,000		—		
Total:	\$ 591,524	\$ 1,227,500	\$ 1,227,500	\$ —	\$(1,227,500)	(100.0)%
660136 Grant Funded Expenditures						
Total:	\$ 15,786	\$ —	\$ —	\$ —	\$ —	N/A
660140 Remediation						
REMEDATION		\$ 75,000		\$ —		
Total:	\$ 10,243	\$ 75,000	\$ —	\$ —	\$ —	N/A
660150 Refuse & Hazardous Waste Disposal						
HAZARDOUS WASTE MANAGEMENT		\$ 110,000		\$ —		
Total:	\$ 121,720	\$ 110,000	\$ 110,000	\$ —	\$ (110,000)	(100.0)%
660170 Joint Programs/Studies Assistance						
BAYWIDE COLLABORATION		\$ 120,000		\$ —		
CO-PERMITTEE COST SHARE		32,300		—		
COPPER REDUCTION PROGRAM		123,000		—		
INTEGRATED PEST MANAGEMENT		10,000		—		
REGULATORY FEES		168,500		—		
SANDAG - IMPERIAL BEACH SAND		3,500		—		
SCHOOL STORM WATER TRAINING		72,000		—		
SHELTER ISLAND TMDL		130,000		—		
TMDL IMPLEMENTATION		19,500		—		
Total:	\$ 438,361	\$ 678,800	\$ 678,800	\$ —	\$ (678,800)	(100.0)%
660190 Public Art Program						
Total:	\$ 10,200	\$ —	\$ —	\$ —	\$ —	N/A
670130 Permits/Certificates/License						
PERMITS & LICENCES		\$ 64,000		\$ 10,000		
Total:	\$ 38,922	\$ 64,000	\$ 64,000	\$ 10,000	\$ (54,000)	(84.4)%

Planning
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 4,152,316	\$ 5,563,800	\$ 5,488,800	\$ 1,553,100	\$(3,935,700)	(71.7)%
GRAND TOTAL:	\$ 4,163,674	\$ 5,566,800	\$ 5,491,800	\$ 1,554,400	\$(3,937,400)	(71.7)%

Port as a Service - Parking

Mission Statement

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

Vision Statement

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

Objectives

- ELG Strategic Goal - Critical Success Factor #6 is to develop Parking as a Business and create a new, sustainable revenue stream for the District
- Maintain the District's financial stability by growth of parking revenues as a core-business to help fund increasing public service needs and costs
- Create reasonably priced, convenient parking as an important public service and value
- Build a smart parking ecosystem as part of the District's Smart City Strategy to optimize supply and demand matching and yield management
- Attract San Diegans and visitors by marketing and branding tidelands' parking for recreation and enjoyment of the waterfront
- Facilitate new parking development where feasible and redevelop current parking with new technology
- Increase pricing in opportunistic areas based on market and demand
- Create flexible pricing for parking to maximize parking revenues
- Effectively administer agreements and permits for parking on tidelands
- Support other departments as relates to parking needs
- Convert areas of non-paid parking to meters or pay station parking where demand is high
- Recruit and retain a highly skilled, diverse workforce to support the Port as a Service - Parking team
- Continuously evaluate and improve business systems and processes related to parking
- Identify new sources of parking revenue
- Promote vision for underutilized tidelands and assess parking needs and market

Current Services

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

Parking Asset Management

- Parking asset and operations management
- Contract and tidelands use and occupancy permit (TUOP) renegotiations
- Contract and TUOP administration
- Contract and TUOP obligation monitoring and enforcement
- Tenant and contractor relationship management
- Parking asset inspections
- Special event coordination for parking
- Parking financial data management
- Monthly and quarterly performance reporting

Port as a Service - Parking

- Parking asset improvement planning
- Citation and parking coordination with Harbor Police and Community Service Officers team

Parking Management and Development

- Feasibility studies for new parking lots and garages
- Market research/financial analysis
- Customer service for the public and visitors to tidelands' parking
- Request for Proposals (RFP) - solicitations for new operators
- New development project monitoring and reporting
- Interdepartmental and inter-agency coordination
- Appraisals and review of outside appraisals
- Consultant management
- Marketing of available parking locations
- Project management for parking
- Property acquisition for new parking
- New contract and agreement negotiations
- Tenant redevelopment proposal review

The Port as a Service - Parking department currently has two regular positions.

Port as a Service - Parking

Transfer: 1 Director, Port as a Service (Limited) from Attractions & Advertising

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Assistant Parking Manager	1	1
Parking Manager	1	1
TOTAL	2	2

LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Director, Port as a Service	0	1
Management Analyst	1	1
TOTAL	1	2

Port as a Service - Parking

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 77,889	\$ 344,700	\$ 675,000	\$ 330,300	95.8 %
Non-Personnel Expense	—	3,900,600	2,891,900	(1,008,700)	(25.9)%
Total Direct Expense	\$ 77,889	\$ 4,245,300	\$ 3,566,900	\$ (678,400)	(16.0)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	90,000	20,000	(70,000)	(77.8)%
TOTAL DEPARTMENTAL EXPENSE	\$ 77,889	\$ 4,335,300	\$ 3,586,900	\$ (748,400)	(17.3)%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 42,118	\$ 236,200	\$ 391,800	\$ 155,600	65.9%
Overtime	—	—	—	—	N/A
Burden	35,771	108,500	283,200	174,700	161.0%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 77,889	\$ 344,700	\$ 675,000	\$ 330,300	95.8%

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
PAY STATIONS	4	\$ 5,000	\$ 20,000
TOTAL EQUIPMENT OUTLAY	4		\$ 20,000

Port as a Service - Parking
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
BOOKS & PERIODICALS	\$	200		\$ 200		
Total:	\$ —	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$	300		\$ 300		
Total:	\$ —	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610120 Memberships & Dues						
ASSOCIATIONS	\$	500		\$ —		
CA PARKING ASSOCIATION		600		200		
INTERNATIONAL INSTITUTE		—		600		
MEMBERSHIP & DUES		1,200		—		
NATIONAL PARKING ASSOCIATION		600		—		
Total:	\$ —	\$ 2,900	\$ 2,900	\$ 800	\$ (2,100)	(72.4)%
610140 Seminars & Training						
COURSES & SEMINARS	\$	2,200		\$ 2,000		
MICROSOFT OFFICE SUITE TRAINING		500		400		
PARKING CONFERENCE		900		6,000		
Total:	\$ —	\$ 3,600	\$ 3,600	\$ 8,400	\$ 4,800	133.3 %
615100 Mileage Reimbursement						
MILEAGE & PARKING	\$	600		\$ 400		
Total:	\$ —	\$ 600	\$ 600	\$ 400	\$ (200)	(33.3)%
615110 Travel						
COURSES & SEMINARS	\$	600		\$ 800		
PARKING BUSINESS TRAVEL		800		8,300		
TRAVEL		1,000		2,900		
Total:	\$ —	\$ 2,400	\$ 2,400	\$ 12,000	\$ 9,600	400.0 %
620100 Services - Professional & Other						
AS-NEEDED PEER DESIGN REVIEW	\$	1,000		\$ —		
AS-NEEDED REVIEW/CONSULTANT		—		147,000		
BENCH MARKING STUDY		25,000		—		
COMPS DATA SERVICE		2,500		—		
FEASIBILITY STUDY- PKG GARAGES		110,000		—		
PLACE METER TRAFFIC COUNTING		100,000		—		

Port as a Service - Parking
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SURVEY CONSULTANT		3,500		—		
Total:	\$ —	\$ 242,000	\$ 222,000	\$ 147,000	\$ (75,000)	(33.8)%
630110 Equipment & Systems						
MISC EQUIP & FURNITURE	\$	3,000		\$ 2,000		
Total:	\$ —	\$ 3,000	\$ 3,000	\$ 2,000	\$ (1,000)	(33.3)%
630120 Equipment Rental/Leasing						
WATER COOLERS & COFFEE MAKER	\$	300		\$ 300		
Total:	\$ —	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$	2,000		\$ 3,000		
Total:	\$ —	\$ 2,000	\$ 2,000	\$ 3,000	\$ 1,000	50.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$	400		\$ 100		
Total:	\$ —	\$ 400	\$ 400	\$ 100	\$ (300)	(75.0)%
630150 Safety Equipment & Supplies						
SAFETY EQPT & SUPPLIES	\$	100		\$ —		
Total:	\$ —	\$ 100	\$ 100	\$ —	\$ (100)	(100.0)%
640100 Space Rental						
I.B. PARKING LOT AMORTIZATION	\$	7,700		\$ 7,700		
PARKING LEASE - 3275 PAC HWY		108,400		111,700		
PARKING LEASE - 3405 PAC HWY		25,200		26,000		
Total:	\$ —	\$ 141,300	\$ 141,300	\$ 145,400	\$ 4,100	2.9 %
640150 Facility Management Services						
B STREET PIER	\$	47,000		\$ 72,100		
CONV CTR HOTEL PKNG STRUCTURE		475,200		469,300		
CONVENTION CENTER PARKING		1,898,200		1,279,200		
CONVENTION CTR GARAGE		40,400		40,400		
EMBARC CIRCULAR SHUTTLE SYSTEM		25,000		25,000		
NAVY PIER LOT		277,700		283,300		
PARKING METER MANAGEMENT		250,000		133,800		
Total:	\$ —	\$ 3,013,500	\$ 3,013,500	\$ 2,303,100	\$ (710,400)	(23.6)%
650130 Equipment Maintenance - Outside Services						
B STREET PIER CONCRETE REP EVAL	\$	5,000		\$ —		
CONV CTR GARAGE MAINT		70,000		—		

Port as a Service - Parking
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CONVENTION CTR GEN REPAIRS/EQPT		15,000		12,000		
OFFICE EQUIPMENT MAINTENANCE		1,000		—		
Total:	\$ —	\$ 91,000	\$ 21,000	\$ 12,000	\$ (9,000)	(42.9)%
660100 Advertising						
ADVERTISING - RADIO	\$	75,000		\$ —		
Total:	\$ —	\$ 75,000	\$ 75,000	\$ —	\$ (75,000)	(100.0)%
660105 Marketing/Outreach						
MARKETING/OUTREACH	\$	25,000		\$ —		
Total:	\$ —	\$ 25,000	\$ 25,000	\$ —	\$ (25,000)	(100.0)%
660110 Promotional Services						
TENANT & PUBLIC OUTREACH	\$	3,000		\$ —		
Total:	\$ —	\$ 3,000	\$ 3,000	\$ —	\$ (3,000)	(100.0)%
670105 Bank & Credit Card Fees						
B STREET PIER CREDIT CARD FEES	\$	7,400		\$ 20,900		
CONVENTION CTR PARKING CREDIT CARD		172,300		60,500		
CREDIT CARD FEES FOR SMART METERS		84,900		110,000		
HILTON GARAGE CREDIT CARD FEES		34,300		29,700		
NAVY PIER LOT CREDIT CARD FEES		85,100		35,800		
Total:	\$ —	\$ 384,000	\$ 384,000	\$ 256,900	\$ (127,100)	(33.1)%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ —	\$ 3,990,600	\$ 3,900,600	\$ 2,891,900	\$ (1,008,700)	(25.9)%
GRAND TOTAL:	\$ —	\$ 3,990,600	\$ 3,900,600	\$ 2,891,900	\$ (1,008,700)	(25.9)%

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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 the Department's Mission and Vision statements, staff 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 U.S. 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

Procurement Services

- Assist potential 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 18 regular positions, and provides support from the District's General Services Maintenance Facility located at National City.

Procurement Services

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Director, Procurement Services/Chief Procurement Officer	1	1
Distribution & Storage Technician I	2	2
Distribution & Storage Technician II	1	1
Executive Assistant I (Classified)	1	1
Lead Distribution & Storage Technician	1	1
Manager, Distribution & Storage	1	1
Manager, Procurement Services	1	1
Procurement Analyst I	2	2
Procurement Analyst II	5	5
Procurement Supervisor	1	1
Staff Assistant II	2	2
TOTAL	18	18

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	1	2
TOTAL	1	2

Procurement Services

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 1,705,846	\$ 1,936,600	\$ 1,943,800	\$ 7,200	0.4 %
Non-Personnel Expense	35,751	70,800	70,700	(100)	(0.1)%
Total Direct Expense	\$ 1,741,597	\$ 2,007,400	\$ 2,014,500	\$ 7,100	0.4 %
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 1,741,597	\$ 2,007,400	\$ 2,014,500	\$ 7,100	0.4 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 1,028,166	\$ 1,169,600	\$ 1,157,000	\$ (12,600)	(1.1)%
Overtime	773	2,000	2,000	—	0.0 %
Burden	676,907	765,000	784,800	19,800	2.6 %
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 1,705,846	\$ 1,936,600	\$ 1,943,800	\$ 7,200	0.4 %

Procurement Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 2,000		\$ 2,000		
Total:	\$ 773	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
SUBTOTAL: OVERTIME & TEMPS	\$ 773	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 500		\$ 500		
Total:	\$ 424	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
610120 Memberships & Dues						
CAPPO MEMBERSHIP		\$ 1,400		\$ 2,000		
MEMBERSHIPS & DUES		1,000		1,000		
NAT CONTRACT MGT ASSN (NCMA)		1,100		500		
Total:	\$ 2,505	\$ 3,500	\$ 3,500	\$ 3,500	\$ —	0.0 %
610140 Seminars & Training						
ADDITIONAL PROCUREMENT TRAINING		\$ 3,000		\$ 3,500		
CMAA CONSTRUCTION LAW UPDATE		900		700		
MISC PROCUREMENT BASED TRAINING		2,000		3,000		
MONTHLY CAPPO MEETINGS		1,000		—		
NIGP NATIONAL CONFERENCE		1,800		1,800		
NPI NATIONAL CONFERENCE		1,400		1,400		
Total:	\$ 5,523	\$ 10,100	\$ 10,100	\$ 10,400	\$ 300	3.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 2,500		\$ 2,500		
TRANSIT PASSES		500		200		
Total:	\$ 1,315	\$ 3,000	\$ 3,000	\$ 2,700	\$ (300)	(10.0)%
615110 Travel						
TRAINING		\$ 14,100		\$ 18,000		
Total:	\$ 3,760	\$ 14,100	\$ 14,100	\$ 18,000	\$ 3,900	27.7 %
630100 Breakage & Obsolescence						
BREAKAGE & OBSOLESCENCE		\$ —		\$ —		
Total:	\$ (69)	\$ —	\$ —	\$ —	\$ —	N/A
630120 Equipment Rental/Leasing						
EQUIPMENT RENTAL/LEASING		\$ 500		\$ 500		
Total:	\$ —	\$ 500	\$ 500	\$ 500	\$ —	0.0 %

Procurement Services
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
OPERATING SUPPLIES	\$	15,000		\$	20,000	
Total:	\$ 8,079	\$ 15,000	\$ 15,000	\$ 20,000	\$ 5,000	33.3 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$	8,800		\$	5,000	
Total:	\$ 4,597	\$ 8,800	\$ 8,800	\$ 5,000	\$ (3,800)	(43.2)%
630150 Safety Equipment & Supplies						
SAFETY SUPPLIES & EQUIPMENT	\$	2,000		\$	2,000	
Total:	\$ 509	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
630200 Uniforms						
LOSS/DAMAGE ALLOWANCE	\$	200		\$	200	
UNIFORM SERVICE		1,200			1,500	
Total:	\$ 1,249	\$ 1,400	\$ 1,400	\$ 1,700	\$ 300	21.4 %
650120 Equipment Maintenance - Supplies						
EQUIPMENT MAINTENANCE-SUPPLIES	\$	—		\$	500	
Total:	\$ —	\$ —	\$ —	\$ 500	\$ 500	N/A
650130 Equipment Maintenance-Outside Services						
EQUIPMENT MAINTENANCE-OUTSIDE	\$	500		\$	500	
Total:	\$ 120	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
660100 Advertising						
ADVERTISING	\$	10,000		\$	5,000	
Total:	\$ 7,307	\$ 10,000	\$ 10,000	\$ 5,000	\$ (5,000)	(50.0)%
660110 Promotional Services						
CALTRANS PROCUREMENT VENDOR	\$	200		\$	—	
Total:	\$ 190	\$ 200	\$ 200	\$ —	\$ (200)	(100.0)%
670130 Permits/Certificates/License						
PERMIT/CERT/LICENSE	\$	1,200		\$	400	
Total:	\$ 242	\$ 1,200	\$ 1,200	\$ 400	\$ (800)	(66.7)%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 35,751	\$ 70,800	\$ 70,800	\$ 70,700	\$ (100)	(0.1)%
GRAND TOTAL:	\$ 36,524	\$ 72,800	\$ 72,800	\$ 72,700	\$ (100)	(0.1)%

Real Estate

Mission Statement

The Real Estate team manages and enhances the District's commercial and industrial real estate portfolio from end to end from tenant selection, to development, to asset management, to redevelopment. The team is divided into four functional units with the first three focused on specific phases of the lifecycle of development: Business Development, Redevelopment, and Asset Management and a fourth unit, Maritime Industrial, is focused specifically on the maritime industrial portfolio.

Vision Statement

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

Objectives

- Negotiate lease agreements and identify funding necessary to advance the Chula Vista Bayfront through the pre-development and pre-construction phases in consultation with Planning & Green Port, Engineering, and Development Services
- Negotiate leases and other agreements as needed, and identify funding and activation elements, for development and implementation of the National City Balanced Plan as it relates to District tidelands in support of Planning & Green Port
- Facilitate Board review and selection of a master developer, and negotiate a lease and other agreements, to redevelop the former rental car sites on Harbor Island
- Facilitate Board review and selection of one or more developers for the Central Embarcadero and negotiate a lease and other agreements
- Lead a cross-functional team to develop an infrastructure and financing plan, and identify public and private partners, while advancing the North Embarcadero Port Master Plan Amendment in consultation with Planning & Green Port, Engineering, and Development Services
- Generate market rent for District real estate assets
- Attract visitors from all over the world through high quality development on San Diego Bay
- Create and sustain positive relationships throughout the San Diego region
- Facilitate new development and redevelopment through rigorous tenant selection and retention
- Administer the District's commercial and maritime/industrial real estate portfolio
- Recruit, retain, and prepare for advancement a highly skilled, diverse workforce

Current Services

To fulfill the Team's Mission and Vision statements, staff is committed to the following services:

Business Development

- Educate, market, and attract new investment and tenants to enhance the District's real estate portfolio
- Administer solicitations for District property including Requests for Qualifications and Proposals
- Identify opportunities for future solicitations and potential redevelopment opportunities

Redevelopment

- Negotiate new and amended leases associated with development projects
- Manage development and redevelopment projects through the entitlement process
- Analyze the financial feasibility of development projects

Real Estate

- Acquire property for development by the District and its tenants
- Conduct and analyze market studies for development projects
- Consult with other District departments on real estate matters as needed

Asset Management

- Administer the District's commercial leases
- Comply with and update as needed the District's leasing policy, BPC Policy No. 355
- Monitor and enforce tenant lease obligations including conducting leasehold inspections
- Manage and enhance the District's relationships with its tenants
- Conduct rent reviews and process rent adjustments to achieve market rent for the District
- Identify opportunities for future solicitations and potential redevelopment opportunities
- Consult with other District departments on real estate matters as needed

Maritime Industrial

- Administer the District's maritime leases
- Negotiate new and amended leases associated with maritime industrial development projects
- Manage maritime industrial development and redevelopment projects through the entitlement process
- Analyze the financial feasibility of maritime industrial development projects
- Manage and enhance the District's relationships with its tenants both on and off the marine terminals
- Coordinate with Business Development, Redevelopment, and Asset Management teams to ensure consistent management of maritime industrial assets

The Real Estate department currently has 23 regular positions.

Real Estate

Reclass: 1 Principal, Portfolio Management to Director, Real Estate

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	3	3
Asset Manager	7	7
Department Manager, Acquisitions & Development	1	1
Department Manager, Asset Management	1	1
Department Manager, Business Development	1	1
Department Manager, Real Estate	2	2
Department Manager, Redevelopment	1	1
Director, Real Estate	0	1
Principal, Portfolio Management	1	0
Program Manager, Real Estate	5	5
Staff Assistant II	1	1
TOTAL	23	23

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	0	1
TOTAL	0	1

Real Estate

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 3,543,401	\$ 3,034,500	\$ 3,134,900	\$ 100,400	3.3 %
Non-Personnel Expense	4,283,891	1,369,600	1,635,600	266,000	19.4 %
Total Direct Expense	\$ 7,827,292	\$ 4,404,100	\$ 4,770,500	\$ 366,400	8.3 %
Less: Capitalized Expense	—	(14,400)	—	14,400	(100.0)%
Equipment Outlay	95,418	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 7,922,710	\$ 4,389,700	\$ 4,770,500	\$ 380,800	8.7 %

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 2,322,794	\$ 1,979,700	\$ 2,054,200	\$ 74,500	3.8%
Overtime	225	—	—	—	N/A
Burden	1,212,432	1,054,800	1,080,700	25,900	2.5%
Temporary Personnel	7,950	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 3,543,401	\$ 3,034,500	\$ 3,134,900	\$ 100,400	3.3%

Real Estate
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
Total:	\$ 225	\$ —	\$ —	\$ —	\$ —	N/A
600120 Temporary Personnel						
Total:	\$ 7,950	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 8,175	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
Total:	\$ 740	\$ —	\$ —	\$ —	\$ —	N/A
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 1,200		\$ 700		
Total:	\$ 1,600	\$ 1,200	\$ 1,200	\$ 700	\$ (500)	(41.7)%
610120 Memberships & Dues						
HOTEL MOTEL ASSOCIATION		\$ 1,000		\$ 500		
INT'L COUNCIL OF SHOPPING CTRS		—		2,400		
INT'L RIGHT OF WAY ASSOCIATION		300		—		
MARINA RECREATION ASSOCIATION		800		700		
MEMBERSHIP & DUES		500		500		
NAT'L ASSOC OF IND AND OFFICE PROP		300		—		
URBAN LAND INSTITUTE		900		1,800		
Total:	\$ 4,863	\$ 3,800	\$ 3,800	\$ 5,900	\$ 2,100	55.3 %
610140 Seminars & Training						
AMERICAS LODGING INVESTMENT SUMMIT		\$ 6,400		\$ 6,400		
CERT COM'L INVEST MEMBER INST CLASS		4,200		4,500		
COURSES & SEMINARS		—		4,000		
E3 CONFERENCE		—		2,000		
INT'L COUNCIL OF SHOPPING CTRS RECO		3,600		3,600		
LODGING CONFERENCE		6,900		6,900		
MARINA RECREATION ASSOC CONFERENCE		2,000		2,000		
NYU INT'L HOSPITALITY INDUSTRY		5,000		7,500		
P3C - PUBLIC PRIVATE PARTNERSHIP CO		2,500		2,500		
SEMINARS & TRAINING		16,600		11,500		
URBAN LAND INSTITUTE		—		5,000		
USD REAL ESTATE CONFERENCE		2,100		2,100		
Total:	\$ 43,075	\$ 49,300	\$ 49,300	\$ 58,000	\$ 8,700	17.6 %
615100 Mileage Reimbursement						

Real Estate
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
MILEAGE & PARKING		\$ 3,900		\$ 4,000		
Total:	\$ 2,664	\$ 3,900	\$ 3,900	\$ 4,000	\$ 100	2.6 %
615110 Travel						
AMERICAS LODGING INVESTMENT SUMMIT		\$ 3,000		\$ 3,000		
E3 CONFERENCE		—		2,000		
INT'L COUNCIL OF SHOPPING CTRS RECO		3,000		3,000		
LODGING CONFERENCE		3,600		3,600		
MARINA RECREATION ASSOC CONFERENCE		—		3,000		
MTG WITH NAT'L/INT'L DEVELOPERS		5,000		12,500		
NYU INT'L HOSPITALITY INDUSTRY		4,600		6,900		
P3C - PUBLIC PRIVATE PARTNERSHIP CO		2,000		2,000		
TRAVEL		8,000		—		
URBAN LAND INSTITUTE MEETING		2,500		4,500		
Total:	\$ 34,769	\$ 31,700	\$ 31,700	\$ 40,500	\$ 8,800	27.8 %
620100 Services - Professional & Other						
ALT OFFICE SPACE/RELOCATION STUDY		\$ —		\$ 75,000		
CV BAYFRONT FINANCIAL ADVISOR		150,000		—		
CV BAYFRONT MASTER SCHEDULE		32,700		25,000		
HOSPITALITY CONSULTING SERVICES		—		405,000		
INDUSTRY REPORTS		—		10,000		
LOOP NET DATA SERVICES		2,400		4,200		
MARRIOTT APPRAISAL		—		20,000		
MARSHALL VALUATION SERVICE		1,000		1,000		
MISCELLANEOUS REAL ESTATE REPORTS		1,000		1,000		
MISCELLANEOUS STUDIES		—		25,000		
MULTI-YEAR ON CALL CONSULTANTS		722,300		—		
ON-CALL APPRAISER		155,000		25,000		
PKF HOTEL INDUSTRY REPORTS		1,000		1,100		
PORT AS A DEV STUDY & PILOT PROJ		—		150,000		
PORT MAST PLN UPDATE/TRIP BTM LINE		—		445,000		
PROJECT VIDEOS		10,000		—		
REPL COST & REVERSION INT ANALYSIS		—		50,000		
UNANTICIPATED NEEDS (ASSET MGMT)		125,000		—		
WORKPLACE ENVIRONMENT 101		—		50,000		
Total:	\$ 1,262,074	\$ 1,200,400	\$ 1,200,400	\$ 1,287,300	\$ 86,900	7.2 %
630110 Equipment & Systems						

Real Estate
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
Total:	\$ 4,766	\$ —	\$ —	\$ —	\$ —	N/A
630130 Office & Operating Supplies						
Total:	\$ 13,222	\$ —	\$ —	\$ —	\$ —	N/A
630140 Postage & Shipping						
Total:	\$ 2,236	\$ —	\$ —	\$ —	\$ —	N/A
640100 Space Rental						
SLC LEASE, E HARBOR ISLND AREA		\$ 13,100		\$ 18,000		
Total:	\$ 133,181	\$ 13,100	\$ 13,100	\$ 18,000	\$ 4,900	37.4 %
640140 Tenant Improvements						
Total:	\$ 460,000	\$ —	\$ —	\$ —	\$ —	N/A
640150 Facility Management Services						
Total:	\$ 2,093,369	\$ —	\$ —	\$ —	\$ —	N/A
660100 Advertising						
ADVERTISING		\$ 25,000		\$ 25,000		
Total:	\$ 8,754	\$ 25,000	\$ 25,000	\$ 25,000	\$ —	0.0 %
660105 Marketing/Outreach						
HOTEL MOTEL ASSOC GOLD KEY AWARDS		\$ —		\$ 1,200		
MARKETING/OUTREACH		26,200		160,000		
RFP GRAPHIC DESIGN		—		20,000		
Total:	\$ 3,375	\$ 26,200	\$ 26,200	\$ 181,200	\$ 155,000	591.6 %
660110 Promotional Services						
TENANT & PUBLIC OUTREACH		\$ 15,000		\$ 15,000		
Total:	\$ 2,101	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
660120 Promotional Materials						
Total:	\$ 485	\$ —	\$ —	\$ —	\$ —	N/A
670105 Bank & Credit Card Fees						
Total:	\$ 212,317	\$ —	\$ —	\$ —	\$ —	N/A
670130 Permits Certificates License						
Total:	\$ 300	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 4,283,891	\$ 1,369,600	\$ 1,369,600	\$ 1,635,600	\$ 266,000	19.4 %
GRAND TOTAL:	\$ 4,292,066	\$ 1,369,600	\$ 1,369,600	\$ 1,635,600	\$ 266,000	19.4 %

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Real Estate & Development Services - Performance & Reporting

Mission Statement

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

Vision Statement

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

Objectives

- Administer the District's commercial and maritime/industrial real estate portfolio
- Recruit, retain, and prepare for advancement a highly skilled, diverse workforce

Current Services

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

- Update and manage the District's lease administration and task reporting systems
- Manage all common budget expenses of Real Estate and Development Services
- Manage all contracts and task authorizations for the Real Estate's and Development Services' professional services
- Develop and monitor the Real Estate and Development Services Department's revenue and expense budget
- Develop and manage the Real Estate and Development Services Department's metrics and key performance indicators
- Produce reports and identify trends in real estate performance
- Consult with other District departments as needed

The Real Estate & Development Services - Performance & Reporting team currently has four regular positions.

Real Estate & Development Services - Performance & Reporting

Reclass: 1 Senior Management Analyst to Department Administrative Manager

REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Department Administrative Manager	0	1
Management Analyst	1	1
Office Manager	1	1
Senior Management Analyst	1	0
Staff Assistant II	1	1
TOTAL	4	4

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	0	1
TOTAL	0	1

Real Estate & Development Services - Performance & Reporting

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 234,189	\$ 451,600	\$ 544,200	\$ 92,600	20.5%
Non-Personnel Expense	216	64,700	66,500	1,800	2.8%
Total Direct Expense	\$ 234,405	\$ 516,300	\$ 610,700	\$ 94,400	18.3%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 234,405	\$ 516,300	\$ 610,700	\$ 94,400	18.3%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 125,636	\$ 268,900	\$ 313,500	\$ 44,600	16.6%
Overtime	52	200	200	—	0.0%
Burden	108,501	182,500	230,500	48,000	26.3%
Temporary Personnel	—	—	—	—	N/A
TOTAL PERSONNEL EXPENSE	\$ 234,189	\$ 451,600	\$ 544,200	\$ 92,600	20.5%

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

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 200		\$ 200		
Total:	\$ 52	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
SUBTOTAL: OVERTIME & TEMPS	\$ 52	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 600		\$ 700		
Total:	\$ —	\$ 600	\$ 600	\$ 700	\$ 100	16.7 %
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 100		\$ 100		
Total:	\$ —	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
610140 Seminars & Training COURSES & SEMINARS		\$ 2,500		\$ 2,500		
Total:	\$ —	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
615100 Mileage Reimbursement MILEAGE/PARKING		\$ 1,000		\$ 1,000		
Total:	\$ 216	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
630110 Equipment & Systems MISC EQUIPMENT & OFFICE FURNITURE		\$ —		\$ 28,100		
Total:	\$ —	\$ —	\$ —	\$ 28,100	\$ 28,100	N/A
630120 Equipment Rental/Leasing EQUIPMENT RENTAL		\$ 30,000		\$ —		
Total:	\$ —	\$ 30,000	\$ 30,000	\$ —	\$ (30,000)	(100.0)%
630130 Office & Operating Supplies OFFICE SUPPLIES		\$ 24,400		\$ 24,400		
Total:	\$ —	\$ 24,400	\$ 24,400	\$ 24,400	\$ —	0.0 %
630140 Postage & Shipping POSTAGE		\$ 6,100		\$ 9,700		
Total:	\$ —	\$ 6,100	\$ 6,100	\$ 9,700	\$ 3,600	59.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 216	\$ 64,700	\$ 64,700	\$ 66,500	\$ 1,800	2.8 %
GRAND TOTAL:	\$ 268	\$ 64,900	\$ 64,900	\$ 66,700	\$ 1,800	2.8 %

Technology Management Program

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	5,198,076	6,658,200	6,527,400	(130,800)	(2.0)%
Total Direct Expense	\$ 5,198,076	\$ 6,658,200	\$ 6,527,400	\$ (130,800)	(2.0)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	34,790	50,000	95,000	45,000	90.0 %
TOTAL DEPARTMENTAL EXPENSE	\$ 5,232,866	\$ 6,708,200	\$ 6,622,400	\$ (85,800)	(1.3)%

EQUIPMENT OUTLAY

DESCRIPTION	QTY	UNIT COST	BUDGET FY 2018
FURNITURE AND ROOM REFURBISHMENT	1	\$ 20,000	\$ 20,000
MONITORS AND MONITORING HARDWARE	3	5,000	15,000
PRIVILEGED CREDENTIAL MGT SYSTEM	1	60,000	60,000
TOTAL EQUIPMENT OUTLAY	5		\$ 95,000

Technology Management Program
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
620100 Services - Professional & Other						
ACCESS CONTROL		\$ 15,000		\$ 15,000		
AS-NEEDED JOOMLA SUPPORT SERVICES		25,000		25,000		
AS-NEEDED PROJECT MGT SERVICES		50,000		—		
AS-NEEDED PROJECT SERVER - LEVEL		90,000		—		
AS-NEEDED SHAREPOINT - LEVEL 3		50,000		—		
BOARD ROOM MAINTENANCE		6,000		6,000		
BUS WHSE - LOAD MONITORING		8,000		8,000		
CCTV MAINTENANCE		650,000		650,000		
CONFERENCE EQPT MAINTENANCE		15,000		20,000		
CONSULTING FEES		600,000		155,000		
D2 PLAN STORAGE (SKYSITE)		—		25,000		
ENTERPRISE DESKTOP MGT & ENG		8,000		8,000		
ENTERPRISE SERVER ENG SVCS		10,000		10,000		
FIBER OPTIC MAINTENANCE		50,000		30,000		
IT TECH SERVICES - LEVEL 3		200,000		200,000		
IT TECHNICAL SERVICES		200,000		196,000		
MICROSOFT TECH SERVICES-LEVEL 3		100,000		100,000		
NETWORK PROJECT MGT		—		45,000		
NETWORK TIER 3 SUPPORT		—		90,000		
PROJECT MGT CONSULTING SVC		—		200,000		
SAP ADMINISTRATION		113,000		113,000		
SAP CONSULTING SUPPORT		—		200,000		
SAP UNICODE CONVERSION		23,600		—		
SDMIS MAINTENANCE SERVICES		24,700		24,700		
SHAREPOINT APPLICATION PHASE 2		20,000		—		
SOLARIS AND ORACLE - AS-NEEDED		50,000		—		
STORMWATER DATABASE MANAGEMENT		180,000		180,000		
TESTING AND QTY ASSURANCE - ORASI		20,000		—		
VESSEL COPPER REDUCTION MAINT		—		20,000		
VESSEL COPPER/SPEED REDUCTION		20,000		20,000		
WEBSITE REDESIGN		80,000		—		
Total:	\$ 1,717,385	\$ 2,608,300	\$ 2,608,300	\$ 2,340,700	\$ (267,600)	(10.3)%
630110 Equipment & Systems						
800 MHZ RADIOS		\$ 5,000		\$ 5,000		

Technology Management Program
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
ACTIVE DIRECTORY FEDERATED SERVICES		40,000		40,000		
ADOBE CREATIVE CLOUD		4,200		40,000		
ARC PLANWELL		—		10,000		
AUTODESK LICENSES		34,000		80,000		
BACK-UP TAPES		3,000		1,500		
BONFIRE - WEB BASED SOLICITATION		11,500		—		
CABLES, DISKS		35,000		33,600		
CELL PHONES		25,000		25,000		
CISCO INFRASTRUCTURE-MODIFICATIONS		25,000		25,000		
CLOUD BACKUP SERVICES		36,000		36,000		
CLOUD DNS		15,000		—		
CLOUD SOFTWARE AS A SERVICE		322,400		300,000		
COMPUTERS/LAPTOPS		215,000		145,100		
DIRECTORY SVCS & FILE SYSTEM		20,000		20,000		
DISPLAY MONITOR		—		3,000		
E911 INTEGRATION TO CAD		—		30,000		
EBINDER ANNUAL SUBSCRIPTION		3,800		—		
EXECUTIVE CYBER SECURITY TRAINING		6,000		—		
FORM 700 AUTOMATION		5,200		—		
FREEDOM OF INFO ACT SUBSCRIPTION		—		6,500		
HARVARD MGT/ONLINE COURSE LICENSE		7,500		—		
INFRASTRUCTURE AS A SERVICE		30,000		30,000		
INTERNAL APPLICATIONS		41,300		42,000		
IT SECURITY PROGRAM SUBSCRIPTIONS		120,000		120,000		
LCP TRACKER		10,000		10,000		
LINKEDIN		29,000		41,700		
LOGIKCULL SUBSCRIPTION		48,000		96,000		
MARKETING TRAFFIC VIDEO SYSTEM		—		100,000		
MS ISAC - SECURITY INTRUSION		12,000		14,000		
NEW EMPLOYEE COMPUTER EQUIPMENT		10,000		20,000		
PIERS T1 ANNUAL SUBSCRIPTION		10,400		20,000		
PLACEMETER		40,000		—		
PLANNED COLLOBORATIVE - ARC DOC		10,000		10,000		
QUANTUM BACKUP		40,000		40,000		
SECURITY EQPT UPGRADE/REPAIRS		85,000		—		
SMALL TOOLS TRACKING SOFTWARE		4,000		—		
SOFTWARE/SUBSCRIPTIONS		22,600		25,000		

Technology Management Program
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SSL CERTIFICATES		—		5,000		
SURVEY MONKEY		600		1,000		
TWIC ESCORT/FSO ONLINE TRNG		—		20,000		
UPS BATTERIES		—		10,000		
USER SECURITY AWARENESS TRAINING		20,000		25,000		
WDESK ANNUAL SUBSCRIPTION		—		37,300		
WEB HOSTING		12,000		12,000		
WEBDAM - PHOTO & VIDEO ARCHIVING		12,000		12,000		
WINDOW SERVER OS		10,000		10,000		
YARDI - LICENSE/MAINTENANCE		147,000		—		
Total:	\$ 1,038,986	\$ 1,527,500	\$ 1,657,600	\$ 1,501,700	\$ (155,900)	(9.4)%
640110 Telephone & Communications						
3 C'S ANNUAL LINE FEES	\$	3,000		\$ 3,000		
CELLULAR - VOICE/DATA SERVICES		80,000		150,000		
HS - RCS SYSTEM FEES		25,000		25,000		
INTERNET CONNECTIVITY		30,000		30,000		
LOCAL/LONG DIST & TEL CONNECTIVITY		360,600		336,000		
SATELLITE TELEVISION SERVICES		6,000		6,000		
WAN CONNECTIVITY		118,000		305,000		
WIFI / DATA		—		18,000		
Total:	\$ 640,457	\$ 622,600	\$ 622,600	\$ 873,000	\$ 250,400	40.2 %
650130 Equipment Maintenance - Outside Services						
3 C'S-MAINTENANCE	\$	3,000		\$ 3,000		
800 MHZ RADIO		30,000		30,000		
ACCESS CONTROL		15,000		15,000		
AUTOMATED LIC PLATE READER MAINT		10,000		10,000		
BACK-UP HARDWARE		24,500		24,500		
CCTV HARDWARE MAINTENANCE		30,000		30,000		
CISCO INFRASTR SMARTNET MAINT		180,000		180,000		
DATA CTR FIRES SUPPRESSION MAINT		5,000		5,000		
DELL COMPELLENT-SAN MAINT		100,000		—		
FIREWALL MAINTENANCE		15,000		20,000		
PRINTER/COPIER/METER MAINT		270,000		280,000		
SAN MAINT NIMBLE		—		50,000		
SECURITY SYS MAINT - GS BLDG		—		50,000		
UPS-MAINTENANCE		15,000		15,000		

Technology Management Program
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
VIDEO CONFERENCING MAINTENANCE		15,000		15,000		
WAV CAM		45,000		45,000		
Total:	\$ 666,511	\$ 757,500	\$ 757,500	\$ 772,500	\$ 15,000	2.0 %
650140 Software Maintenance						
ACCELOPS SUBSCRIPTION/MAINTENANCE	\$ 25,000			\$ 25,000		
ACCESS CONTROL MAINTENANCE		15,000		20,000		
ACRONIS BACKUP & RECOVERY		6,000		6,000		
ANTI-VIRUS END POINT PROTECTION		—		75,000		
CCTV CAMERA ANALYTICS		34,000		50,000		
CCTV VIDEO MGMT SYSTEM		18,000		20,000		
CIS DATACENTER MGMT SUITE		60,000		—		
CITRIX LICENSE/SUPPORT/MAINTENANCE		3,000		3,000		
COLLABORATION SOFTWARE MAINT		24,200		30,000		
DOCUMENT MANAGEMENT		130,000		130,000		
DS METER/RAZOR MAINTENANCE		4,000		4,000		
EMAIL FORWARDING SERVICES		20,000		20,000		
EMBARK SOFTWARE-MAINTENANCE		1,000		1,500		
ENT SEASAM BACK-UP MAINT		35,000		35,000		
FAX MESSAGE MANAGER		—		5,000		
GIS MAINTENANCE		38,500		40,000		
MICROSOFT ENTERPRISE MAINT		250,000		280,000		
NOVELL SOFTWARE MAINT		90,000		50,000		
SAP ERP MAINTENANCE		179,000		180,000		
SEA-WEB SYSTEM SUBSCRIPTION		5,000		5,000		
SECURITY SOFTWARE MAINT		29,500		32,000		
TECHNICAL SUPPORT & MAINTENANCE		10,000		—		
VIRTUAL MACHINE MAINTENANCE		25,000		25,000		
VM WARE SUPPORT		10,000		—		
Z OPTION		—		3,000		
Total:	\$ 1,134,737	\$ 1,012,200	\$ 1,012,200	\$ 1,039,500	\$ 27,300	2.7 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 5,198,076	\$ 6,528,100	\$ 6,658,200	\$ 6,527,400	\$ (130,800)	(2.0)%
GRAND TOTAL:	\$ 5,198,076	\$ 6,528,100	\$ 6,658,200	\$ 6,527,400	\$ (130,800)	(2.0)%

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Utilities

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 14/15	ADJUSTED BUDGET FY 15/16	BUDGET FY 16/17	CHANGE FY 16/17-15/16 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	2,491,609	3,543,800	3,465,700	(78,100)	(2.2)%
Total Direct Expense	\$ 2,491,609	\$ 3,543,800	\$ 3,465,700	\$ (78,100)	(2.2)%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 2,491,609	\$ 3,543,800	\$ 3,465,700	\$ (78,100)	(2.2)%

Utilities
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SUBTOTAL: OVERTIME & TEMPS	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
640120 Utilities-Gas & Electric						
UTILITIES-GAS & ELECTRIC		\$ 2,078,100		\$ 2,000,000		
Total:	\$ 1,642,735	\$ 2,078,100	\$ 2,078,100	\$ 2,000,000	\$ (78,100)	(3.8)%
640130 Utilities-Water						
UTILITIES-WATER		\$ 1,465,700		\$ 1,465,700		
Total:	\$ 848,874	\$ 1,465,700	\$ 1,465,700	\$ 1,465,700	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 2,491,609	\$ 3,543,800	\$ 3,543,800	\$ 3,465,700	\$ (78,100)	(2.2)%
GRAND TOTAL:	\$ 2,491,609	\$ 3,543,800	\$ 3,543,800	\$ 3,465,700	\$ (78,100)	(2.2)%

Waterfront Arts & Activation

Mission Statement

To create a vibrant waterfront destination with innovative artworks, cultural programming, special events, and activation opportunities that enhance the visual character and cultural richness of District tidelands.

Vision Statement

To establish District tidelands as a unique waterfront destination, with world-class programming, that enriches the lives of present and future generations.

Objectives

- Expand opportunities for residents and visitors to experience a variety of signature events, and arts, cultural, and recreational activities on the waterfront through creative strategies, qualitative data, and curated programming
- Build awareness of the economic benefits of investing in the creative economy and creative placemaking as a means to attract businesses, skilled workers, tourists, and residents to the region
- Implement creative placemaking principles by incorporating special events and arts and cultural activities into public parks, public spaces, capital improvement programs, and tenant development projects
- Foster relationships with stakeholders, tenants, cultural institutions, organizations, member cities, and the community-at-large in support of recreation, community events, arts, culture, and the creative economy on District tidelands
- Support community events and develop exhibitions and activities that increase park activation and public spaces and attract audiences of all ages and cultures to the waterfront
- Utilize best practices in the fields of visual & performing arts, parks & recreation, and event administration; and continuously strive for improvement in managing public programs and projects
- Increase the diversity of programming in the District to better serve our community
- Maintain the “Tidelands Collection” as a regional cultural asset that engages and inspires present and future generations
- Create a stronger, more unique sense of place for the waterfront

Current Services

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

- Manage the annual Tidelands Activation Program to engage the community and encourage increased waterfront visitation
- Manage special event production including entertainment, equipment rentals, ceremonies, logistics, and program planning
- Manage the District's event facilities and public parks including usage, facility rental, permitting, community-organized event sponsorships, and major event synchronization
- Develop and implement a curated waterfront arts and culture activation program with inclusion of pop-up events and large-scale monumental signature artworks
- Exhibit critically-acclaimed contemporary artworks through the member-city tidelands
- Oversee the work of the Tidelands Activation Program Advisory Committee
- Oversee the work of the Arts & Culture Advisory Committee
- Curate the display of historic objects and cultural gifts
- Oversee sponsor requests to exhibit items for public display on tidelands

Waterfront Arts & Activation

- Fiscal management of the Public Art Fund
- Provide on-going stewardship of the “Tidelands Collection” of public artworks through professional conservation, maintenance, and collections management programs
- Sponsor artist “working sessions” to engage the community in the development of art projects
- Administer BPC Policy No. 608 - Tenant Percent for Art Program (see Section 5 Appendix)
- Administer BPC Policy No. 609 - Public Art Programs (see Section 5 Appendix)
- Administer BPC Policy No. 611 - Receipt of Donations and Loans (see Section 5 Appendix)
- Administer BPC Policy No. 771 - SDUPD Tidelands Activation Program (see Section 5 Appendix)

The Waterfront Arts & Activation department currently has nine regular positions.

Waterfront Arts & Activation

Transfer: 1 Administrative Assistant II (Classified) from Marketing & Communications
 1 Director, Government Relations from Government & Civic Relations
 1 Marketing/Public Relations Representative from Marketing & Communications
 1 Special Events Associate from Marketing & Communications
 1 Manager, Business Dev & Recreation Svcs from Marketing & Communications

Reclass: 1 Chief Curator to Program Manager
 1 Project Manager, Public Art to Senior Project Manager, Arts & Culture
 1 Director, Government Relations to Director, Waterfront Arts & Activation

Regular Positions

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Administrative Assistant II (Classified)	0	1
Chief Curator	1	0
Director, Waterfront Arts & Activation	0	1
Manager, Business Dev & Recreation Svcs	0	1
Marketing/Public Relations Representative	0	1
Office Manager	1	1
Program Manager	1	2
Project Manager, Public Art	1	0
Senior Project Manager, Arts & Culture	0	1
Special Events Associate	0	1
TOTAL	4	9

INTERN POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2017	BUDGET FY 2018
Intern	0	2
TOTAL	0	2

Waterfront Arts & Activation

SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Personnel Expense	\$ 353,384	\$ 592,900	\$ 1,353,900	\$ 761,000	128.4%
Non-Personnel Expense	49,947	595,000	1,798,500	1,203,500	202.3%
Total Direct Expense	\$ 403,331	\$ 1,187,900	\$ 3,152,400	\$ 1,964,500	165.4%
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay	—	—	—	—	N/A
TOTAL DEPARTMENTAL EXPENSE	\$ 403,331	\$ 1,187,900	\$ 3,152,400	\$ 1,964,500	165.4%

PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2016	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FY 2018-2017 BUDGET	% CHANGE
Salaries and Wages	\$ 174,210	\$ 366,900	\$ 836,700	\$ 469,800	128.0%
Overtime	138	—	2,000	2,000	N/A
Burden	179,036	226,000	500,200	274,200	121.3%
Temporary Personnel	—	—	15,000	15,000	N/A
TOTAL PERSONNEL EXPENSE	\$ 353,384	\$ 592,900	\$ 1,353,900	\$ 761,000	128.4%

Waterfront Arts & Activation
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME	\$	—		\$ 2,000		
Total:	\$ 138	\$ —	\$ —	\$ 2,000	\$ 2,000	N/A
600120 Temporary Personnel TEMPORARY PERSONNEL	\$	—		\$ 15,000		
Total:	\$ —	\$ —	\$ —	\$ 15,000	\$ 2,000	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 138	\$ —	\$ —	\$ 17,000	\$ 17,000	N/A
610110 Books & Periodicals PROFESSIONAL PUBLICATIONS	\$	100		\$ 100		
Total:	\$ 49	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
610115 Employee Recognition EMPLOYEE RECOGNITION	\$	200		\$ 300		
Total:	\$ 120	\$ 200	\$ 200	\$ 300	\$ 100	50.0 %
610120 Memberships & Dues MEMBERSHIPS	\$	300		\$ 1,600		
Total:	\$ —	\$ 300	\$ 300	\$ 1,600	\$ 1,300	433.3 %
610140 Seminars & Training SEMINARS & TRAINING	\$	1,000		\$ 500		
Total:	\$ 665	\$ 1,000	\$ 1,000	\$ 500	\$ (500)	(50.0)%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$	600		\$ 2,000		
Total:	\$ —	\$ 600	\$ 600	\$ 2,000	\$ 1,400	233.3 %
615110 Travel ART CONFERENCES	\$	7,500		\$ 8,100		
Total:	\$ 2,045	\$ 7,500	\$ 7,500	\$ 8,100	\$ 600	8.0 %
620100 Services - Professional & Other ART CONSULTANTS CORONADO BRIDGE LIGHTING	\$	175,000 —		\$ 120,000 388,000		
Total:	\$ 5,925	\$ 175,000	\$ 175,000	\$ 508,000	\$ 333,000	190.3 %
630110 Equipment & Systems EQUIPMENT & SYSTEMS	\$	15,000		\$ 4,000		
Total:	\$ —	\$ 15,000	\$ 15,000	\$ 4,000	\$ (11,000)	(73.3)%

Waterfront Arts & Activation
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630120 Equipment & Systems SPECIAL EVENTS RENTAL		\$ —		\$ 40,000		
Total:	\$ —	\$ —	\$ —	\$ 40,000	\$ 40,000	N/A
630130 Office & Operating Supplies OFFICE SUPPLIES		\$ 4,500		\$ 3,500		
Total:	\$ 5,297	\$ 4,500	\$ 4,500	\$ 3,500	\$ (1,000)	(22.2)%
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 500		\$ 300		
Total:	\$ —	\$ 500	\$ 500	\$ 300	\$ (200)	(40.0)%
630150 Safety Equipment & Supplies SAFETY		\$ 100		\$ 100		
Total:	\$ —	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
650110 Facilities Maintenance - Outside Service ARTWORK CLEANING/HANDLING		\$ 30,000		\$ —		
ARTWORK CONSERVATION		120,000		—		
ARTWORK CONSERVATION/HANDLING		—		145,000		
ARTWORK RESTORATION		45,000		40,000		
Total:	\$ 13,660	\$ 195,000	\$ 195,000	\$ 185,000	\$ (10,000)	(5.1)%
650130 Equipment Maintenance - Outside Services EQUIPMENT MAINTENANCE		\$ 1,200		\$ —		
Total:	\$ —	\$ 1,200	\$ 1,200	\$ —	\$ (1,200)	(100.0)%
660100 Advertising ADVERTISING		\$ 1,000		\$ —		
Total:	\$ —	\$ 1,000	\$ 1,000	\$ —	\$ (1,000)	(100.0)%
660110 Promotional Services PROMOTIONAL SERVICES		\$ 18,000		\$ 25,000		
Total:	\$ 241	\$ 18,000	\$ 18,000	\$ 25,000	\$ 7,000	38.9 %
660105 Marketing/Outreach BAY-WIDE SPECIAL EVENTS		\$ —		\$ 308,500		
TAP EVENTS		—		371,500		
TAP HOLIDAY BOWL PARADE		—		145,000		
Total:	\$ —	\$ —	\$ —	\$ 825,000	\$ 825,000	N/A
660120 Promotional Materials						

Waterfront Arts & Activation
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2016	ORIGINAL BUDGET FY 2017	ADJUSTED BUDGET FY 2017	BUDGET FY 2018	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
PROMOTIONAL MATERIALS		\$ 21,000		\$ 40,000		
Total:	\$ 6,252	\$ 21,000	\$ 21,000	\$ 40,000	\$ 19,000	90.5 %
660190 Arts & Culture Programs						
EXHIBITIONS		\$ 154,000		\$ 155,000		
Total:	\$ 15,693	\$ 154,000	\$ 154,000	\$ 155,000	\$ 1,000	0.6 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 49,947	\$ 595,000	\$ 595,000	\$ 1,798,500	\$ 1,203,500	202.3 %
GRAND TOTAL:	\$ 50,085	\$ 595,000	\$ 595,000	\$ 1,815,500	\$ 1,220,500	205.1 %

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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.

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

Glossary of Terms

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, offshores oil and gas development, transportation, development design, power plants, ports, and public works. The Coastal Commission, in partnership with coastal cities and countries, 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 a charge incurred (whether paid immediately or accrued) for operations, maintenance, interest or other charges.

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

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

GDP - Gross Domestic Product

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

GFOA - Government Finance Officers Association

Glossary of Terms

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) - Are the standards that apply to all existing and new marine oil terminals in California, and include criteria for inspection, structural analysis and design, mooring and berthing, geotechnical considerations, fire, piping, and mechanical and electrical systems.

MOU - Memorandum of Understanding

MTF - Marine Task Force

NEVP - North Embarcadero Visionary Plan

NCMT - National City Marine Terminal

NOAA - National Oceanic Atmospheric Administration

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

Operating Reserves - are unrestricted funds, usually accumulated over several years that are available for appropriation (also see Unreserved Fund Balance).

Other Post-Employment Benefits (OPEB) - that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee. Other post-employment benefits that a retiree can be compensated for are life insurance premiums, healthcare premiums, and deferred-compensation arrangements.

OPH - Old Police Headquarters

Overhead Expense (Overhead) - refers to an expense in the District that cannot be directly associated and charged to a service or project.

Glossary of Terms

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

Team - is a sub-administrative unit of a department, which has responsibility for an operation or a group of related operations within a functional area.

TUOP - Tidelands Use Occupancy Permit

TUP - Temporary Use Permit

TWIC - Transportation Worker Identity Card



(3)

BPC Policy No. 090

SUBJECT: TRANSFER BETWEEN OR WITHIN APPROPRIATED ITEMS IN BUDGET

PURPOSE: To establish a policy for the transfer of amounts between appropriated items in the budget in accordance with Section 86 of the San Diego Unified Port District Act (Act), as well as within appropriated items.

POLICY STATEMENT:

The Act requires the Board of Port Commissioners (Board) adopt an annual budget by ordinance. After the budget is adopted, circumstances may arise that require adjustments by way of transfers between appropriated items in the budget. The Act authorizes the Executive Director to request in writing to the Board for a transfer of amounts from one appropriated item to another in the budget. On the approval of the Board by a two-thirds vote, the Port Auditor will make the transfer. Furthermore, circumstances may arise that require adjustments by way of transfers within appropriated items in the budget. The Act does not set forth when such intra-item transfers require Board approval.

TRANSFER GUIDELINES:

1. Appropriated items are defined as broad categories of budgeted costs within each budget class as follows:

Ordinary Annual Expenses (Class):

Personnel Expenses (appropriated Item)

Non-Personnel Expenses (appropriated Item)

Expense Major Maintenance (appropriated Item)

Capital Outlay (Class):

Capital Improvement Program (CIP) (appropriated Item)

Technology Management Program (TMP) (appropriated Item)

Capital Major Maintenance (appropriated Item)

Equipment Outlay (appropriated Item)

*Clerk's Note: This document supersedes Clerk's Document No. 64142, and corrects the inadvertent omission of language approved by the Board on March 3, 2015.

Prior Indebtedness (Debt Service Principal) (Class)

The entire amount assigned to this class is the appropriated item.

2. The following rules shall be used to determine whether a transfer requires Board approval:

A. Rules for All Transfers:

- Individual transfer amounts may be made in a single transfer or multiple transfers if, in aggregate, they do not exceed the amount authorized.

B. Rules for Transfers Between Appropriated Items or Classes:

- A transfer between classes (e.g., amounts transferred between Ordinary Annual Expenses and Capital Outlay) requires Board approval.
- A transfer between appropriated items requires Board approval.

C. Rules for Transfers Within Appropriated Items:

- Applicable to all appropriated items except CIP, Expense Major Maintenance and Capital Major Maintenance:
 - o Transfer of amounts within each appropriated item requires approval of the Executive Director.
- CIP (appropriated item):
 - Board approval is required for any transfers between CIP projects.
 - Transfer amounts between fiscal years within the 5-year CIP approved project budget, requires approval of the Executive Director with notification to the Board.
 - If the transfer amount exceeds the 5-year CIP approved project budget, Board approval is required.
- Capital or Expense Major Maintenance (appropriated items):
 - o Transfer amounts to projects related to emergency, safety and health require approval of the Executive Director with notification to the Board.
 - o All other transfers involving planned projects within Capital or Expense Major Maintenance require approval of the Executive Director for individual transfer amounts not in excess of \$175,000 with notification to the Board. If individual transfer amounts exceed \$175,000, Board approval is required.

- o All other transfers involving unplanned projects within Capital or Expense Major Maintenance require approval in compliance with BPC Policy No. 080 – Unplanned Work Consideration. Transfers involving unplanned projects with a total cost equal to or less than \$175,000 require approval of the Executive Director with notification to the Board. Board approval is required for transfers involving unplanned projects with total costs in excess of \$175,000, *or in aggregate exceeding \$500,000 per year.
3. To ensure compliance with auditing standards, when the Board approves a transfer, the Port Auditor shall make the Board-approved transfer with the understanding that if this activity becomes a part of the District's annual audit plan, it must be reviewed by a party independent of the Port Auditor.

RESOLUTION NUMBER AND DATE: 2015-138, dated October 21, 2015 (Supersedes BPC Policy No. 090, Resolution 2015-17, dated March 3, 2015; and Resolution 2013-109, dated June 11, 2013)

BPC Policy No. 090

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BPC Policy No. 115

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).

8.16 Supranational Obligations issued in United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

9.0 PROHIBITED INVESTMENTS

Investments not described herein, including but not limited to, inverse floating rate notes, range notes, interest-only strips that are derived from a pool of mortgages, common stocks, and long-term corporate notes or bonds are prohibited from use in this portfolio. The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity. Investments that exceed five years to maturity require authorization by the Board of Port Commissioners prior to purchase.

10.0 INVESTMENT POOLS/MUTUAL FUNDS

A thorough investigation of the pool/fund is required prior to investing and on a continual basis. There shall be a questionnaire developed which will answer the following general questions:

- A description of the eligible investment securities and a written statement of investment policy and objectives.
- A description of interest calculations and how interest is distributed and how gains and losses are treated.
- A description of how the securities are safeguarded, including settlement processes, and how often the securities are priced and the program is audited.
- A description of who may invest in the program, how often, what size deposit and withdrawals are allowed, and notification requirements pertaining to deposits or withdrawals.
- A schedule for receiving statements and portfolio holdings.
- A statement that indicates if reserves, retained earnings, etc. are utilized by the pool/fund.
- A fee schedule and when and how fees are assessed.
- A statement that indicates if the pool/fund is eligible for the deposit of bond proceeds and/or if the pool/fund will accept such proceeds.

A published prospectus that answers these questions may be used in lieu of the District questionnaire.

11.0 SAFEKEEPING OF SECURITIES

To protect against potential losses by the collapse of individual securities dealers, all securities owned by the District shall be held in safekeeping by a third party bank trust department acting as agent for the District under the terms of a custody agreement executed by the bank and the District. All securities will be received and delivered using standard **delivery-versus-payment** procedures.

12.0 MAXIMUM MATURITY

The portfolio's weighted average days to maturity shall be limited to a maximum of three years. The maximum maturity of any one security, unless otherwise restricted by Government Code, shall be limited to five years. Investments that exceed five years to maturity require authorization by the Board of Port Commissioners prior to purchase.

13.0 SELLING OR SWAPPING SECURITIES

13.1 The Treasurer has the authority to sell any security in the District's portfolio in order to take advantage of profitable market movements or for the purpose of raising cash. Any security that is sold at a loss will be recorded as such in the District's accounting system; all securities that are sold will be identified in the investment reports issued by the Treasurer.

13.2 A swap is the movement from one security to another and may be done for a variety of reasons, such as to increase yield, lengthen or shorten maturities, to take a profit, or to increase investment quality. Losses or gains on security swaps shall be recorded as a completed sale and purchase in the District's accounting system.

14.0 PORTFOLIO ADJUSTMENTS

Should an investment percentage-of-portfolio limitation be exceeded due to an incident such as fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses. When no loss is indicated, the Treasurer shall consider reconstructing the portfolio basing the decision in part on the expected length of time that the portfolio will be imbalanced.

15.0 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return commensurate with the District's investment risk constraints and its anticipated cash flow requirements.

15.1 **Benchmark Market Yield:** The basis used by the Treasurer to determine whether market yields are being achieved shall be a comparison of the District's yield to maturity at month end to:

15.1.1 The month end yield to maturity of the State of California's Local Agency Investment Fund; and,

15.1.2 The average monthly yield of the Constant Maturity Treasury (CMT) whose duration most closely approximates the duration of the District's portfolio at month end.

Although the duration of either the LAIF portfolio or the CMT may not be exactly equal to the duration of the District's portfolio, the rationale for using these two benchmarks is to show whether the District's portfolio is following market trends with respect market yields.

16.0 REPORTING REQUIREMENTS

16.1 On a quarterly basis, the Treasurer shall render a report to the Executive Director/President and Chief Executive Officer, the Internal Auditor, and the Board of Port Commissioners.

16.1.1 The report shall be submitted within 30 days of the end of the quarter covered by the report.

16.1.2 The report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District.

16.1.3 The report shall include a description of any funds, investments, or programs that are under the management of contracted parties.

16.1.4 The report shall also include a current market value as of the report date and identify the source of the valuation.

16.1.5 The report shall state compliance of the portfolio to the statement of investment policy, or the manner in which it is not in compliance.

16.1.6 The report shall state the District's ability to meet its budgeted expenditure requirements for the next six months, or to explain why sufficient money may not be available.

16.2 The report will consist of:

16.2.1 **Portfolio Master Summary:** A summary of the District's investment holdings. This report identifies, by investment type, book value (cost), percent of portfolio, average term, average days to maturity, and yield to maturity on a 360 day basis (bond equivalent yield) and 365 day basis (CD equivalent yield).

16.2.2 **Investment Portfolio Details:** A detailed accounting of the District's investment holdings by investment type. This report identifies each security by subsidiary investment number, issuer, purchase date, book value (cost), face value (par value), market value, stated rate (either interest rate or discount rate), yield to maturity on a 360- and 365-basis, maturity date and days to maturity. Additionally, this report identifies the average balance for each investment class.

16.2.3 **Investment Activity Summary:** A summary of the District's historic investment activity from the beginning of the fiscal year through the current reporting period. This report identifies, by month, the number of active investments, the total dollar amount

invested, the yield to maturity on a 360- and 365- day basis, the number of securities purchased, the number of securities matured or sold, the average term, and the average days to maturity. The report concludes with averages of each reporting category.

16.2.4 Interest Earnings Summary: A summary of the portfolio earnings for the current month and fiscal year to date.

17.0 INTERNAL CONTROL

The development of internal controls is a function of management. The Treasurer and Deputy Treasurer shall establish an annual process of independent review by an external examiner.

18.0 INVESTMENT POLICY ADOPTION

This investment policy shall be reviewed annually and adopted by resolution to ensure its consistency with the District's objectives of preservation of principal, liquidity, rate of return, and the policy's relevance to current law and financial and economic trends. The Treasurer is responsible for maintaining guidance over this investment policy and ensuring that the District can adapt readily to changing market conditions and shall submit to the Board of Port Commissioners any modification to the investment policy prior to implementation.

GLOSSARY OF TERMS

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered (that is, the price at which a firm will sell a security to an investor).

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: One one-hundredth of a percentage point (i.e., 0.01%).

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered for securities (that is, the price at which a firm will pay to purchase a security an investor owns).

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not take a position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

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.

SUPRANATIONAL OBLIGATIONS: Bonds and Notes issued by two or more international institutions with the purpose of promoting economic development for the member countries. Examples include The International Finance Corporation and The World Bank.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Treasury bills are issued to mature in one month, three months, or six months.

TREASURY BONDS: Long-term U.S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one year to ten years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

RESOLUTION NUMBER AND DATE: 2016-85, dated June 15, 2016 (Supersedes BPC Policy No. 115, Resolution 2015-72, dated June 11, 2015; Resolution 2014-135, dated July 8, 2014; Resolution 2013-115, dated July 16, 2013; Resolution 2012-94, dated July 10, 2012; 2011-146, dated October 11, 2011; Resolution 2010-89, dated June 8, 2010; Resolution 2009-123, dated July 7, 2009, Resolution 2008-284, dated December 2, 2008, Resolution 2008-126, dated July 1, 2008, Resolution 2007-103, dated June 12, 2007; Resolution 2006-113, dated July 11, 2006; Resolution 2005-99, dated June 21, 2005; Resolution 2004-87, dated June 22, 2004; Resolution 2003-114, dated June 17, 2003; Resolution 2002-148, dated June 18, 2002; Resolution 2001-118, dated June 19, 2001; Resolution 2000-132, dated June 27, 2000; Resolution 99-151, dated June 22, 1999; Resolution 98-158, dated June 30, 1998; Resolution 97-115, dated June 17, 1997; Resolution 96-165, dated June 25, 1996; Resolution 95-242, dated July 25, 1995; Resolution 95-321, dated September 26, 1995; Resolution 86-23, dated January 14, 1986; Resolution 81-328, dated October 6, 1981; and Resolution 75-15, dated January 21, 1975)



(3)

BPC Policy No. 117

SUBJECT: OPERATING RESERVE POLICY

PURPOSE: The purpose of this policy is to establish general guidelines for the establishment, maintenance, and use of an operating reserve.

POLICY STATEMENT:

Operating reserves (i.e., cash reserves) are a measurement of sound fiscal management. Operating reserves generate investment income, provide a margin of safety and stability to protect the Port from exposure to catastrophic events and economic impacts, and provide flexibility to pursue emergent opportunities. To ensure long-term financial sustainability, the San Diego Unified Port District shall establish and endeavor to maintain an operating reserve balance that is available at the end of each fiscal year in an amount equal to six months of budgeted operating and maintenance expenditures.

PROCEDURE:

1. Establishing the operating reserve balance
 - a. The operating reserve balance shall be established annually upon the adoption of the fiscal year budget.
 - b. The dollar amount of the operating reserve balance shall be one-half the sum of budgeted operating and maintenance expenses minus budgeted expenses for the SDCRAA Harbor Police Service Level Agreement and any other operating expense for which a separate reserve exists.
 - c. The operating reserve balance includes a \$20 million minimum required operating reserve balance, which is established for the purpose of self-insurance against possible losses that could occur as the result of a catastrophic event (i.e., a natural or man-made disaster).
2. Maintaining the operating reserve balance
 - a. At least annually, Financial Services staff will forecast cash inflows and outflows over a five-year period to evaluate the sufficiency of the target operating reserve balance over the forecast horizon.

- b. Financial Services staff will present the results of the cash flow forecast to the Senior Management Team and discuss the target operating reserve balance over the forecast horizon.
- c. In the event that forecast cash inflows are insufficient to maintain the target operating reserve balance, staff will propose strategies to replenish the operating reserve balance, which include using one-time revenues, reducing expenses, suspending programs not linked to strategic goals, increasing revenues, or any combination of those strategies.
- d. At no time, except due to the occurrence of a catastrophic event, shall the operating reserve balance be allowed to fall below the \$20 million minimum required operating reserve balance without approval by the Board of Port Commissioners.

3. Uses of the operating reserve balance

- a. Operating reserves above the \$20 million minimum required operating reserve balance are authorized for use for the following purposes and in accordance with the following criteria.
 - i. A project is needed to comply with a current regulatory requirement or legal mandate.
 - ii. Cash flow requirements
 - Temporarily needed as a result of unfavorable financial performance due to the impact of an unfavorable economic environment.
 - iii. Major maintenance
 - 1. Project is necessary for the preservation of prior capital investment or an existing revenue stream; or
 - 2. Project costs exceed initial estimates due to higher than expected construction or material costs or an unforeseen problem during construction; or
 - 3. Project is scheduled to commence in a future fiscal year but is critical to complete earlier than planned.

iv. Capital development

Project is directly linked to and strongly supports one of the Port's strategic goals and is needed to start, resume, accelerate, or augment a currently approved Capital Development Program project.

v. Emergent opportunities

1. Directly benefits the Port by:

- a. Creating a new revenue stream; or
- b. Significantly enhancing an existing revenue stream; or
- c. Preserving an existing revenue stream; or
- d. Strengthening the Port's financial performance; and

2. Project payback is five years or less.

- b. Except in the case of a catastrophic event and in accordance with the San Diego Unified Port District Act § 58 "Suspension of Rules and Regulations in Emergencies; Emergency Regulations," any use of the \$20 million minimum required operating reserve balance requires approval by the Board of Port Commissioners.
4. The balance in the operating reserve shall be reported quarterly as necessary. Use of the operating reserve balance in no way contradicts, nullifies or usurps any other Board Policy, including but not limited to, BPC 110, "Procedure for the Administration of Contracts, Agreements, and the Purchasing of Supplies, Materials, and Equipment."

RESOLUTION NUMBER AND DATE: 2009-128, dated July 7, 2009

BPC Policy No. 117

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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. Application forms for new projects can be submitted by Port staff, Commissioners and representatives of member cities. Port Tenants and other public stakeholders can propose CIP project through Port staff, Commissioners and representatives of member cities.

Projects:

3. For consideration during the five-year CIP review process, a project proponent will develop for each proposed on-tidelands project the following objective assessment:
 - A) A project description including a statement of need for the project;
 - B) Identification of the specific strategic goals (COMPASS) the project addresses;
 - C) A financial analysis of the costs of the project, the availability of grant funding, matching funds, or other District funds (i.e., a CIP project could also potentially receive funding from the Maritime Industrial Impact Fund), as well as any expected return on investment ("ROI") – including operational costs, maintenance costs, and life-cycle costs – of the project;
 - D) An analysis of any anticipated non-monetary public benefits of the project;
 - E) An explanation of the project's compatibility with existing, related development projects both on and off-tidelands (including non-Port District

development projects);

- F) A rational assessment of the need for the timing of the improvements, and an explanation of the appropriateness of the timing of the investment;
 - G) An explanation of how the project implements or facilitates the implementation of the Port Master Plan or other approved plans; and
 - H) An analysis of the project's potential to create future economic benefit or impact if no immediate economic benefit is identified.
4. [Intentionally Omitted]: The Maritime Terminal Impact Fund previously discussed in this section has been revised and relocated to a standalone Policy No. 773]
5. Where a proponent proposes a CIP project, the Port District must receive the proponent's completed information regarding the project at least 120 days before the BPC begins its five year review of the CIP. Once this information is received, an objective Port Staff assessment of the project including the factors set forth in section 3 will be prepared.
6. The proposed list of CIP projects, along with the proponent's information and Port Staff's assessment, shall be made publicly available at least 10 days before a CIP workshop or BPC meeting in which the CIP program will be considered.
7. Proposed CIP projects will be evaluated and ranked based on factors set forth in section 3 and the following criteria (in no particular order). Port Staff shall attach the proposed projects evaluation and ranking, including the proponent's information, to the BPC as part of the annual CIP process described in section 8 of this policy:
- A) Contribution to the Port's strategic goals (COMPASS);
 - B) Adherence to Port objectives and the Port District Act;
 - C) Represents a balanced distribution of the Port District's proposed capital investment throughout the tidelands and Member Cities;
 - D) Capacity to produce revenue and to enhance local and regional economic growth; and
 - E) Capacity to provide non-monetary public benefits.

Annual CIP Reviews

The annual CIP reviews will focus on review of existing projects in the approved CIP. Working through a staff committee, staff will review the existing CIP to determine recommendations for existing projects (such as remain funded; be postponed, delayed

or removed; or added back into the CIP list if previously removed). New projects will be considered for funding during the annual reviews only when new funding is available, as defined below. A flow chart of a typical annual review process is shown in Attachment (2).

8. The procedure for the annual reviews shall be as follows:

- A. For the annual reviews, an additional set of project filters will be applied to evaluate the status of existing projects. An example list of project filters is included in Attachment (3). Filters applied to the existing projects may be modified from time to time based upon Board direction.
- B. Existing projects will not be re-ranked against each other during the annual reviews. The project filters will be applied to determine if projects remain on the list, are removed from the list or deferred for future consideration. If projects are removed or deferred, any remaining funding balances will be reallocated to the CIP Reserve. Projects deferred will remain in the CIP until the Board removes the project from the CIP. The Board may elect to remove an existing project from the CIP at any time. The project filters applied to existing projects can be used as guidelines for the Board's determination to remove projects.
- C. During the annual reviews, additional funding may be recommended for continuation of existing approved projects as determined by the CIP staff committee.
- D. With respect to funding for new projects, each spring prior to the fall workshop, there shall be a determination made by District staff regarding availability of additional funding for CIP.
- E. Provided that the CIP is fully funded, annually at the April Board meeting, the Board will determine the amount of funding available for new CIP projects and the subsequent decision to solicit project application forms for consideration at the following fall CIP workshop.
- F. Application forms for new projects may be submitted for the annual CIP reviews by Port staff, Commissioners and Member Cities. Forms must be received by July 15th of each year for consideration for the fall CIP workshop.
- G. For new projects, application forms shall be prepared in accordance with section (3).
- H. New projects will be evaluated based upon criteria in sections 3 and 7 (pages 2 and 3) above. Proposed new projects must meet both criteria 7(A) and 7(B) and at least one of the criteria 7(C), 7(D), or 7(E). Projects which do not meet the criteria as described will not be considered for funding during that year's annual review. New projects which are found to

meet the initial criteria will be reviewed for funding recommendation and will be ranked through the staff committee reviews. BPC will determine which new projects will be funded by the CIP.

- I. For the annual reviews, the proposed list of CIP projects (new and existing), shall be made publicly available at least 7 calendar days before the CIP workshop or BPC meeting in which the CIP program will be considered.

Out of Cycle Requests

9. Out of cycle requests are defined as requests for modifications to the CIP which arise between the fall CIP workshops.

Out of cycle requests may be considered by the Board for the following situations:

- i. Additional funding needed to complete approved CIP projects in progress,
- ii. Unplanned projects as defined in Board Policy No. 080, Unplanned Work Consideration,
- iii. Opportunities for grants that require matching funds or to position the District to receive grants,
- iv. Member City requests for re-prioritization of funds among existing approved projects which require no additional CIP funding and where there is a business reason for consideration as an out of cycle request

Out of cycle requests will be reviewed by the staff committee and if recommended to move forward will proceed to the Board as soon as practical.

10. Funding for CIP projects will be established by the Executive Director consistent with the BPC-adopted budget. Funds for new CIP projects will be placed in a CIP Reserve at the end of each fiscal year based on available unrestricted/undesignated reserves. Once in the CIP Reserve, the funds can be allocated to projects in the five-year plan in accord with the procedures set forth above.

CIP projects may be phased such that the completion of a phase of the project results in a complete and usable product even if the project in its entirety is not complete.

11. [Intentionally Omitted]: The Maritime Terminal Impact Fund previously discussed in this section has been revised and relocated to a standalone Policy No, 773]

12. Reporting to the Board:

The CIP budget once approved by the BPC shall constitute direction from the

BPC regarding Port District administration of the program. The Executive Director will update the BPC periodically on the execution of the approved CIP program, and may propose on an individual basis, consistent with the objectives and analysis identified above, additional projects for BPC consideration and approval. If new or additional information is discovered during the implementation of an approved CIP project that makes the implementation of the project infeasible or impractical, then this information will be reported promptly to the Board.

13. CIP Contingency:

As a recommended guideline, when the Board approves new funding for the CIP, the Board may approve an additional funding amount for a program contingency. The program contingency will be used for unforeseen conditions during the execution of CIP projects. The budgeting guidelines for the program contingency amount will be based on a percentage of the total program budget per the following table:

Guidelines for Program Contingency Amount - Table 1

Total CIP Program Budget	Program Contingency Amount
Less than \$25 million	12%
Greater than \$25 million, and Less than \$50 million	10%
Greater than \$50 million	8%

At the completion of a CIP project, any funds remaining in the approved CIP budget will be reallocated to the CIP Reserve account. Reserve funds are available for allocation to existing or new CIP projects at the discretion of the Board. Reallocation of funds from CIP Reserve to any individual projects will require Board approval in accordance with this policy as well as other applicable policies including Board Policy No. 090, Transfer Between or Within Appropriated Items in Budget.

14. Notwithstanding any other provision of this policy, the annual funding for the CIP may be changed or otherwise suspended from time to time if the BPC makes a finding that, because of a fiscal emergency there is an established need for all or part of these funds to be expended for the repair, operation, maintenance or development of Port District infrastructure critical and paramount to the operation of the Port District.

For purposes of this provision, "fiscal emergency" means an extraordinary occurrence or combination of circumstances that was unforeseen and unexpected and which requires immediate and sudden action of a drastic but temporary nature.

Attachment (1): Flow chart – typical five year CIP process (EXAMPLE)

Attachment (2): Flow chart – typical annual CIP process (EXAMPLE)

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

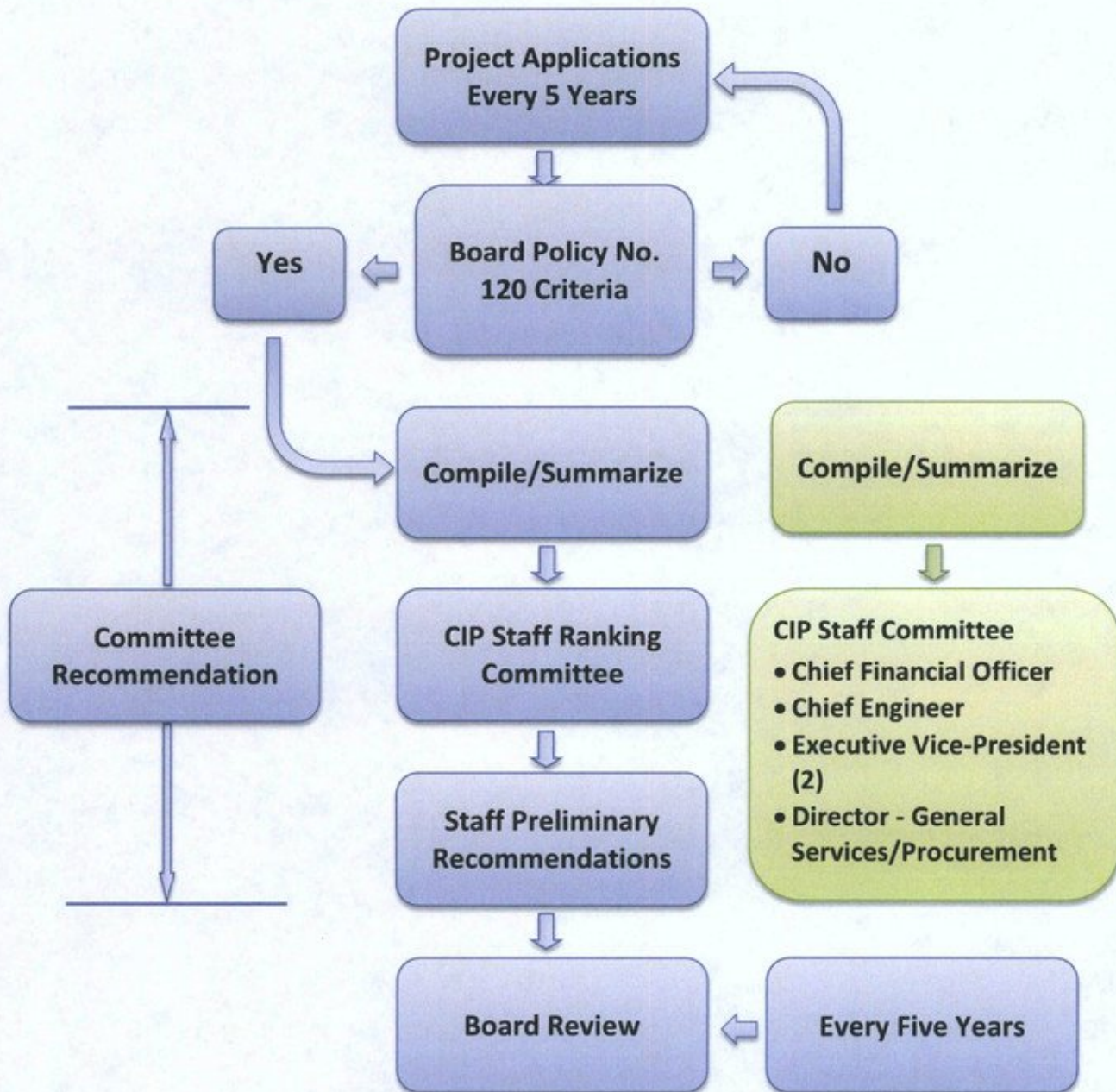
RESOLUTION NUMBER AND DATE: 2015-138, dated October 21, 2015 (Supersedes BPC Policy No.120, Resolution 2015-28, dated April 14, 2015; Resolution 2015-25, dated March 10, 2015; Resolution 2014-45, dated March 4, 2014; Resolution 2011-45, dated April 12, 2011; Resolution 2008-116, dated July 1, 2008; and Resolution 82-13, dated January 5, 1982)

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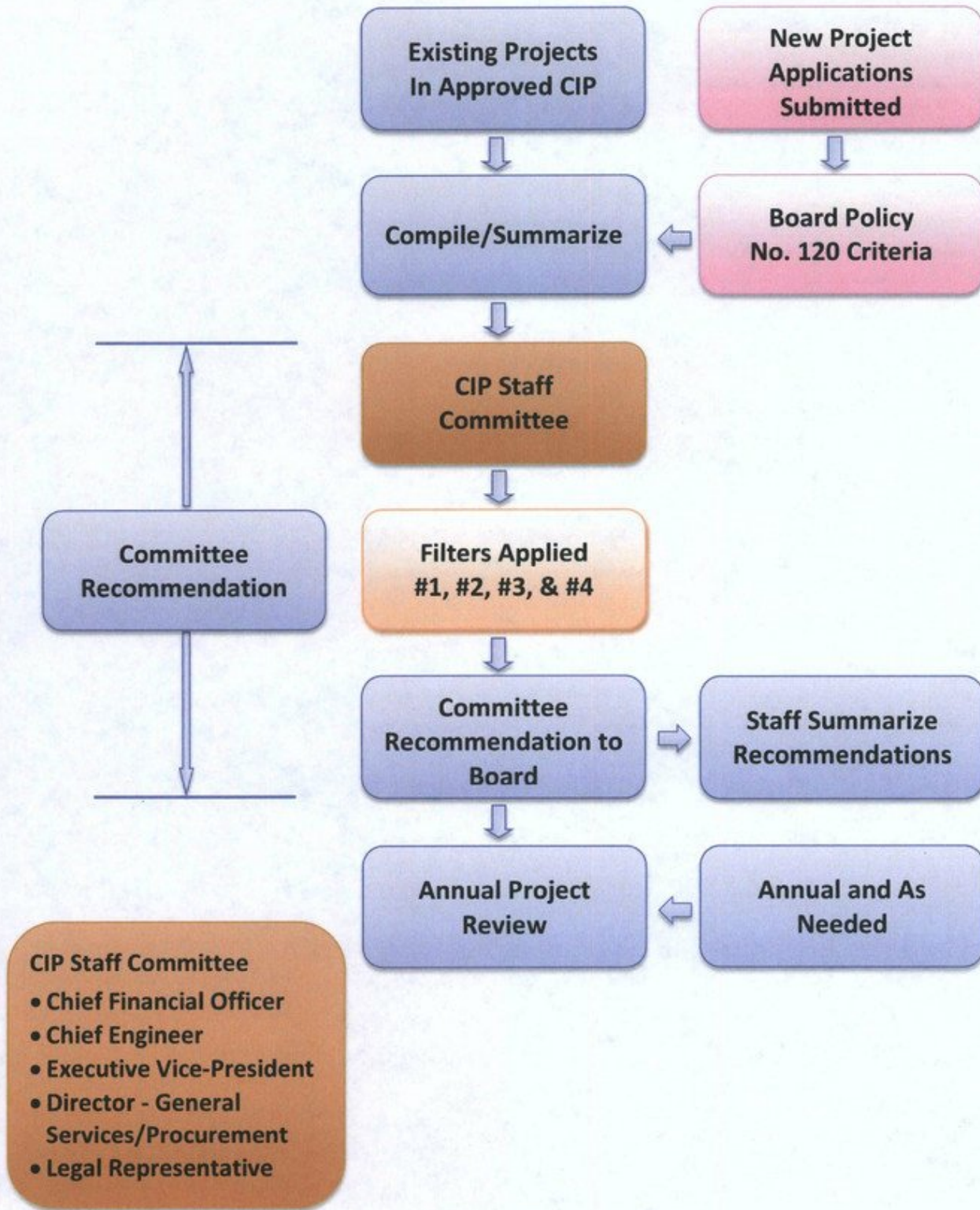
Attachment (1)
Capital Improvement Program (CIP)
5 Year-Process Used in 2012-Per Board Policy 120 (Example)



D2# 857953

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Attachment (2)
Capital Improvement Program (CIP)
Annual Review (Example)



D2# 874411

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Capital Improvement Program Filters for Project Reviews

Project Filters 1- Go Forward	
Under Construction	Board has awarded construction contract and project is in construction phase.
Legal/Contractual Obligations	There is a legal or contractual obligation related to the project.
Regulatory Mandate Or Permit Requirement	Project is required to comply with a Federal, state or local regulation or required under a permit issued by a jurisdictional agency.
Public Safety Or Homeland Security	Project will enhance protection of public safety and/or Homeland Security.
Operational Necessity	Project is necessary to improve Port operations and implement District's strategic goals and objectives.

Capital Improvement Program Filters for Project Reviews

Project Filters 2-Continue Stay Funded	
Implements Approved Plan Or Board Direction	Project will implement a Board approved plan or direction.
Revenue Generating	Project is estimated to generate a Return on Investment (ROI).
Short Payback Period	Project is projected to have a payback period of three years or less.
Public & Or Stakeholder Expectation	There is a stakeholder expectation surrounding the completion of the project that has been confirmed through Board action or direction.
Grant or Outside Funding Potential	Project will position the District for potential grants or outside funding agreements and priority is confirmed through Board action or direction.
Project That Has Obtained Entitlements	Project has obtained entitlements necessary to implement project through design and construction.

Capital Improvement Program Filters for Project Reviews

Project Filters 3- Postpone/Delay/Remove	
New Information/Infeasible	Projects determined infeasible to implement based upon new information or developments.
Changes In Applicable Laws, Regulations Or Contractual Requirements	Projects for which new laws, regulations or contractual requirements render them infeasible as scoped.
New Funding Source	Projects where a new funding source has been identified and District funding is anticipated to be reduced or modified substantially.
Blocked Or Stalled	Projects which have been blocked or stalled and implementation as planned is no longer feasible.
Removal Requested By Proponent	Projects which original proponents no longer desire to implement.

Capital Improvement Program Filters for Project Reviews

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

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(2)

BPC Policy No. 130

SUBJECT: MAJOR MAINTENANCE PROGRAM

PURPOSE: To establish a policy for the orderly maintenance of the capital assets of the San Diego Unified Port District (District) through a Major Maintenance Program Policy.

PREAMBLE: The District has a responsibility to provide for the orderly maintenance of the lands and capital assets under its jurisdiction for the execution of its responsibilities under the State of California Tidelands Trust obligations. Each area of tidelands within the District's jurisdiction offers different kinds of assets, function and value; accordingly, there exist different cost levels of and justifications for maintenance for real estate, maritime, recreation and conservation assets.

The District, therefore, establishes this Major Maintenance Policy for the purpose of improving its Major Maintenance process and results, to streamline project selection and funding process, and to address the repair, operation, maintenance or development of District infrastructure and facilities.

Major Maintenance is distinguished from routine operational maintenance in that Major Maintenance replaces or restores an asset to an improved condition, typically through a public works contract and may require an engineering design or technical evaluation prior to commencement of work.

Major Maintenance Annual Project Approval Process:

Projects recommended for Major Maintenance funding are primarily derived from the District's Asset Management Program which utilizes a systematic process to assess and optimally manage physical assets. District staff will review the project list on an annual basis each January and February, to determine staff capacity and available funding.

Staff recommendations will be formulated, and then submitted as an agenda item to the Board of Port Commissioners (Board) annually in the first quarter of the calendar year with project details included.

The staff submission will include a recommendation for a contingency fund to address emergency projects and emergent Major Maintenance needs. The Board's review and preliminary approval will be conducted at either an annual Major Maintenance Workshop or Board meeting early in the budget preparation cycle so that final selection and funding decisions will be available for the Preliminary Budget Workshop in May or June.

Major Maintenance Actions that require Board Approval:

The Major Maintenance project list and budget, once approved by the Board, shall constitute Board direction regarding staff administration of the program. Throughout the year, the following actions require Board approval:

- Recommendations for deferral or cancellations of approved projects;
- Recommendations for any new Major Maintenance projects which exceed \$175,000 in total cost and were not included in the Board approved annual budget, require approval in compliance with PBC Policy No. 080, Unplanned Work Consideration and BPC Policy No. 090, Transfer Between or Within Appropriate Items in Budget. New projects with a total cost equal to or less than \$175,000 require approval of the Executive Director with notification to the Board; the aggregate of such projects may not total more than \$500,000 per fiscal year;
- Recommendations for transfer of funds from one project to another where the amount of the funds transferred exceeds the threshold as defined in BPC Policy No. 090, Transfer Between or Within Appropriated Items in Budget.

Major Maintenance Reporting to the Board:

The Major Maintenance budget, once approved by the Board, shall constitute Board direction regarding staff administration of the program. The Executive Director or Designee will update the Board quarterly on the execution of the approved Major Maintenance Program, on a project-by-project basis, through the issuance of a report that will include the following elements:

- Project description, schedule, and budget;
- Status and issues for each project;
- Information concerning actions taken by staff, that did not require Board approval, in the prior quarter;
- Information concerning actions taken in the prior quarter, approved by the Board for deferrals, delays, cancellations, addition of new projects, transfers of funds.

Quarterly reports will be submitted to the Board after the end of each quarter.

RESOLUTION NUMBER AND DATE: 2016-37, dated March 8, 2016 (Supersedes BPC Policy No. 130, Resolution 2015-17, dated March 3, 2015; and Resolution 2013-104, dated June 11, 2013)



BPC Policy No. 608

SUBJECT: TENANT PERCENT FOR ART PROGRAM

PURPOSE:

To establish a policy for the inclusion of artworks in San Diego Unified Port District (District) tenant improvements and for the administration of the Tenant Percent for Art Program.

The Board of Port Commissioners (Board) is committed to expanding opportunities for residents and visitors to the region to experience a vibrant waterfront destination with innovative artworks that enhance the visual excitement and cultural richness of Port tidelands. Such artworks have the ability to encourage artistic exploration of the tidelands and give art a key role in making the District's mission and operations more understandable to the public at large.

The Office of Arts & Culture was created and invested with the mission of supporting the District, its tenants, and member communities by providing leadership, management of the District's public art programs, and stewardship of the Tidelands Collection as a regional cultural asset. Additionally, the Arts & Culture Advisory Committee was established to serve in an advisory capacity to the Board and the Office of Arts & Culture, promoting the District's vision of Port tidelands as a world-class arts and cultural destination.

POLICY STATEMENT:

1. Tenant Percent for Art Applicability and Calculations

- a. **Calculations.** Tenants undertaking improvements to their leaseholds, unless otherwise exempted below, shall be required to provide a tenant percent for art allocation no less than one percent of the tenant improvement's total project cost. Project cost is defined as the combined total of all hard and soft costs for tenant projects, exclusive of furnishings, fixtures, and equipment. The tenant shall allocate at least eighty percent of the tenant percent for art allocation to the art budget. In addition, the tenant may utilize up to twenty percent of the tenant percent for art allocation for artwork-related expenses approved by the Chief 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 art requirement set forth herein; or
- (2) The following types of projects, unless occurring in conjunction with tenant leasehold development and/or redevelopment, shall be exempt from the tenant percent for art allocation requirements of this section:
 - (a) Mechanical, plumbing, and electrical system upgrades
 - (b) Seismic upgrades
 - (c) Modifications for disabled access
 - (d) Landscape renovation and replanting projects
 - (e) Dredging and sand replenishment
 - (f) Sewer and waterline repair or replacement
 - (g) Drainage and irrigations system repair or replacement
 - (h) Erosion-control projects
 - (i) Repaving and new paving projects
 - (j) Sign changes or new signs
 - (k) Utilities
 - (l) Lighting
 - (m) Maintenance and repair of existing facilities
 - (n) Demolition projects

2. **Tenant Percent for Art Options**

The tenant percent for art allocation shall be used by the tenant to comply with the requirements set forth herein through one, or more, of the following means:

- a. **Commission.** Commission one or more permanent or temporary artworks to be sited in a publically accessible area on the leasehold in accordance with the provisions in section 1.
- b. **Purchase.** Purchase and install one or more permanent or temporary artworks in a publically accessible area on the leasehold in accordance with the provisions in section 1.
- c. **In-Lieu Contribution.** Deposit into the District's Public Art Fund an in-lieu contribution in an amount equivalent to the tenant percent for art allocation as specified in section 1. In the event that a tenant has chosen to satisfy the percent for art requirement by commissioning and/or purchasing artworks for their leasehold, but the artwork-related budgets for such artworks are less than the required allocation, the tenant shall pay into the Public Art Fund an amount equal to the difference between their commissioned and/or purchased artwork-related budgets and the required percent for art allocation.
- d. **Designated In-Lieu Contribution.** Tenants who choose to make in-lieu contributions to the District's Public Art Fund in accordance with sections 2.c. and tenants making partial in-lieu contributions as required by sections 2.a. and 2.b. may designate their in-lieu contributions specifically for use in the District's San Diego – Coronado Bay Bridge Lighting Project. This tenant percent for art option shall remain in effect until such time as the District determines that additional funds for this project are no longer needed. In the event that this project is not realized for any reason, these funds shall remain the Public Art Fund to be used for future public art projects at the District's discretion.

3. **Tenant Percent for Art Review Process**

The tenant percent for art review process is divided into two categories. Tenants should follow the corresponding review process, as follows:

Tenant improvements with a project cost of \$5,000,000 up to \$17,500,000 (equaling a tenant percent for art allocation of \$50,000 - \$175,000 for artwork) shall follow the review process outlined in section 3.a.(1) - (15); or tenant improvements with a project cost of more than \$17,500,000 (equaling a tenant percent for art allocation of more than \$175,000 for artwork) shall follow the review process outlined in section 3.b.(1) - (17).

- a. **Review Process for Category \$5,000,000 - \$17,500,000.** For tenant improvements with a project cost of \$5,000,000 up to \$17,500,000

(equaling a tenant percent for art allocation of \$50,000 - \$175,000 for artwork) the tenant shall complete the following steps:

- (1) **Tenant Percent for Art Application.** Complete and submit a Tenant Percent for Art Application to the Office of Arts & Culture.
- (2) **Preliminary Meeting.** Meet with the Office of Arts & Culture 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 Office of Arts & Culture. The Chief Curator shall review the Tenant Art Worksheet ensuring that it meets the evaluation criteria outlined in section 4.a.
- (5) **Payment.** If applicable, pay an in-lieu contribution or any remaining obligation into the District's Public Art Fund in accordance with the provisions of section 2.
- (6) **Artist's Name and Qualifications.** The Tenant shall declare and submit the name and qualifications of the selected artist(s) to the Office of Arts & Culture.
- (7) **Approval of Artist.** The Chief Curator shall review the name and qualifications of the selected artist(s) utilizing the evaluation criteria outlined in section 4.c.
- (8) **Draft Artist Agreement.** The tenant shall submit to the Office of Arts & Culture the draft artist agreement, which shall be reviewed by the Chief 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 Office of Arts & Culture with a fully executed copy thereof.
- (10) **Artwork Concept Proposal or Proposed Purchase of Artwork.** The tenant shall submit to the Office of Arts & Culture 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 Artwork Concept Proposal or Proposed Purchase of Artwork.** The Chief Curator shall review the concept proposal or information about the proposed artwork to be purchased utilizing the evaluation criteria outlined in section 4.d.
 - (12) **Artwork Final Design or Final Information about Artwork.** The tenant shall submit to the Office of Arts & Culture the final design or final information about the artwork to be purchased. The final design should include any updated or more fully developed information about the artwork since the original concept proposal and should include current versions of the following documentation: a written description of the proposed artwork; a graphic representation of the artwork in the form of scale drawings, renderings, models, and/or photographs; a site plan; and the final art budget.
 - (13) **Review of Artwork Final Design or Final Information about Artwork.** The Chief 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 to be purchased.
 - (14) **Access to Installation Site.** The tenant shall provide to the Office of Arts & Culture access to the site(s) where the artwork is to be installed to ensure that installation of the artwork satisfies the District's tenant percent for art requirement set forth herein and is in compliance with the approved final design or final information.
 - (15) **Documentation.** The tenant shall install signage identifying the artist, artwork, and date, and shall provide the District with photographic documentation of the installed artwork.
- b. **Review Process for Category above \$17,500,000.** For tenant improvements with a project cost over \$17,500,000 (equaling a tenant percent for art allocation of more than \$175,000 for artwork) the tenant shall complete the following steps:

- (1) **Tenant Percent for Art Application.** Complete and submit a Tenant Percent for Art Application to the Office of Arts & Culture.
- (2) **Preliminary Meeting.** Meet with the Office of Arts & Culture 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 Office of Arts & Culture. The Chief Curator shall review the Tenant Art Worksheet ensuring that it meets the evaluation criteria outlined in section 4.a.
- (5) **Payment.** If applicable, pay an in-lieu contribution or any remaining obligation into the District's Public Art Fund in accordance with the provisions of section 2.
- (6) **Tenant Art Plan.** Declare in a Tenant Art Plan the means by which the tenant will comply with the requirements as set forth herein.
- (7) **Approval of Tenant Art Plan.** Submit the completed Tenant Art Plan to the Office of Arts & Culture. The Chief Curator shall review the Tenant Art Plan ensuring that it meets the evaluation criteria outlined in section 4.b. The Chief Curator shall then submit the Tenant Art Plan to the Arts & Culture Advisory Committee for review and recommendation to the Chief Curator utilizing the evaluation criteria outlined in section 4.b.
- (8) **Artist's Name and Qualifications.** The tenant shall declare and submit the name and qualifications of the selected artist(s) to the Office of Arts & Culture.
- (9) **Approval of Artist.** The Chief Curator shall review the name and qualifications of the selected artist(s) utilizing the evaluation criteria outlined in section 4.c.
- (10) **Draft Artist Agreement.** The tenant shall submit to the Office of Arts & Culture the draft artist agreement, which shall be reviewed by the Chief 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 Office of Arts & Culture with a fully executed copy thereof.
- (12) **Artwork Concept Proposal or Proposed Purchase of Artwork.** The tenant shall submit to the Office of Arts & Culture 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 Artwork Concept Proposal or Proposed Purchase of Artwork.** The Chief Curator and the Arts & Culture Advisory Committee shall review the concept proposal or information about the proposed artwork to be purchased utilizing the evaluation criteria outlined in section 4.d. The Chief Curator shall prepare a report for the Board with the Arts & Culture Advisory 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 4.f.
- (14) **Artwork Final Design or Final Information about Artwork.** The tenant shall submit to the Office of Arts & Culture 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 Artwork Final Design or Final Information about Artwork.** The Chief 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 Office of Arts & Culture access to the site(s) where the artwork is to be installed to ensure that installation of the artwork satisfies the

District's tenant percent for art requirement set forth herein and is in compliance with the approved final design or final information.

- (17) **Documentation.** The tenant shall install signage identifying the artist, artwork, and date, and shall provide the District with photographic documentation of the installed artwork.

4. Evaluation Criteria

a. Criteria for Evaluating Tenant Art Worksheets

- (1) Reflects a commitment to fulfilling the tenant percent for art requirement set forth herein.
- (2) Is consistent with any applicable redevelopment plans or other District-approved plans for the area.
- (3) Includes all information as required for the Tenant Art Worksheet.

b. Criteria for Evaluating Tenant Art Plans

- (1) Reflects a commitment to fulfilling the tenant percent for art requirement set forth herein.
- (2) Is consistent with any applicable redevelopment plans or other District-approved plans for the area.
- (3) Establishes clear goals and processes against which the project can later be evaluated.
- (4) Includes all information as required for the Tenant Art Plan.

c. Criteria for Evaluating Artist Qualifications

- (1) Meets the definition of artist. For the purpose of this policy, an artist is an individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.
- (2) Demonstrates artistic excellence, innovation, and originality as represented in past work and supporting materials.

- (3) Demonstrates capacity for working in media and with concepts that are appropriate to the project goals and site.
- (4) Demonstrates interest and capability in creating artworks in collaboration with the tenant (if applicable), the design team (if applicable), and other project partners.
- (5) Demonstrates experience in successfully completing artworks of similar scope, scale, budget, and complexity, or the ability to articulate how he or she would be able to bring the necessary artistic and technical skills to the project.
- (6) Demonstrates interest in, and understanding of the project.
- (7) Is available to perform the scope of the work in a timely and professional manner.

d. Criteria for Evaluating Artwork Concept Proposals & Artwork Purchases

- (1) Meets the definition of artist. For the purpose of this policy, an artist is an individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.
- (2) Meets the definition of artwork. For the purpose of this policy, an artwork is an aesthetic creation resulting from the skill and creativity of artist(s). An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure and can be integrated with the work of other design professionals. Artwork shall be defined in terms of the visual arts, as distinguished from performing arts or literary arts. However, artworks can include visual representations of performing and literary arts, or can incorporate performative, narrative, or time-based elements.
- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation, and creativity.

- (4) Demonstrates appropriateness in scale and form and will be fabricated with materials/ media suitable for the site.
- (5) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, maintenance, conservation, security, and siting.
- (6) Demonstrates feasibility with respect to legal and/or ethical issues that may be related to possession or display of the artwork.
- (7) For projects with a tenant percent for art allocation of more than \$175,000, meets the project's goals as outlined in the Tenant Art Plan.

f. Criteria for Board Evaluation

- (1) The District policy, as set forth herein and as administered by the Office of Arts & Culture and advised by the Arts & Culture Advisory Committee, if applicable, has been followed properly.
- (2) All relevant District departments have appropriately undertaken all necessary reviews.

GLOSSARY:

For purposes of this policy, the following definitions shall apply:

Art Budget: The allocated budget for the design, fabrication, and installation of an artwork that is newly commissioned, or the budget for the purchase, shipping and installation of an existing artwork that is being purchased.

Artist: An individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.

Arts & Culture Advisory Committee: An advisory body to the Board of Port Commissioners and the Office of Arts & Culture on matters related to arts and culture within the District's jurisdiction. The committee assists in upholding the District's vision of tidelands as a world-class arts and cultural destination and supports the development of arts and cultural programs within the District's jurisdiction.

Artwork: An aesthetic creation resulting from the skill and creativity of an artist or artists. An artwork may be made of any materials or combination of materials and may be

permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure, and can be integrated with the work of other design professionals. For the purposes of the Office of Arts & Culture, 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, narrative, or time-based elements.

Publicly Accessible: The availability for viewing and experience by the general public without a fee during normal hours of business operation consistent with the operation and use of the leasehold.

Project Cost: The combined total of all hard costs and soft costs for tenant projects, exclusive of furnishings, fixtures, and equipment.

Public Art Fund: A designated District fund established in 1982 for the purpose of accumulating funds from various sources for commissioning and acquisition of permanent or temporary public artworks for exhibition within the District's jurisdiction. Originally funded through an annual budget set-aside, the Public Art Fund serves as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated District percent for art contributions from Capital Improvement Program projects; art sales and loans; sales of licensed artwork reproductions; public art-related grants and/or grant-matching funds; and monetary bequests and donations received from the public or other agencies for public artworks.

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

Tenant Art Plan: A detailed plan that a tenant who is making leasehold improvements with a project cost of more than \$17,500,000 submits to provide additional detail about how the tenant intends to fulfill the tenant percent for art requirement that is generated by the leasehold improvements being made.

Tenant Art Worksheet: The summary sheet that all tenants wishing to make improvements to leaseholds with a project cost of \$5,000,000 or more submit to the Office of Arts & Culture.

Tenant Percent for Art Allocation: The percentage of a tenant's approved development or redevelopment project budget that is to be set aside for artwork for the tenant's leasehold or for payment into the District's Public Art Fund as an in-lieu contribution.

Tenant Percent for Art Application: The initial application form that a tenant who is subject to the District's percent for art requirement submits to the Office of Arts & Culture to begin the review process.

**RESOLUTION NUMBER AND DATE: 2016-130, dated September 8, 2016
(Supersedes BPC Policy 608, Resolution 2016-77, dated May 10, 2016, Resolution
2015-29, dated April 14, 2015; Resolution 2011-160, dated November 8, 2011)**

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San Diego Unified Port District

Document No. **65702**

Filed **OCT 13 2016**

Office of the District Clerk

BPC Policy No. 609

SUBJECT: PUBLIC ART PROGRAMS

PURPOSE:

To establish a policy for the inclusion of public artworks within the San Diego Unified Port District's (District) jurisdiction and for the administration and operation of the District's public art programs and Arts & Culture Advisory Committee.

The Board of Port Commissioners (Board) is committed to expanding opportunities for residents and visitors to the region to experience a vibrant waterfront destination with innovative artworks, cultural programming, and activation opportunities that enhance the visual excitement and cultural richness of Port tidelands.

The Office of Arts & Culture was created and invested with the mission of supporting the District, its tenants, and its member cities by providing leadership, management of the public art programs, and stewardship of the District's Tidelands Collection as a regional cultural asset. Additionally, the Arts & Culture Advisory Committee was established to serve in an advisory capacity to the Board and the Office of Arts & Culture, promoting the District's vision of Port tidelands as a world-class arts and cultural destination.

POLICY STATEMENT:

1. Office of Arts & Culture

The Office of Arts & Culture administers the District's arts and cultural programming to enhance the visual excitement and cultural richness of Port tidelands.

2. Duties and Functions – Office of Arts & Culture

- a. Develop and administer the Public Art Master Plan.
- b. Develop the multi-year Curatorial Plan.
- c. Manage the Public Art Fund.
- d. Administer the District's Percent for Art Program.

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- e. Administer the Tenant Percent for Art Program in accordance with BPC Policy No. 608.
- f. Manage the acquisition of all artwork within the District's jurisdiction.
- g. Serve as steward of the Tidelands Collection.
- h. Administer the Donations and Loan Program.
- i. Facilitate the activities of the Arts & Culture Advisory Committee.

3. Arts & Culture Advisory Committee

The Arts & Culture Advisory Committee serves as advisory body to the Board of Port Commissioners and the Office of Arts & Culture on matters related to arts and culture within the District's jurisdiction. The committee assists in upholding the District's vision of tidelands as a world-class arts and cultural destination and supports the development of arts and cultural programs within the District's jurisdiction.

The Arts & Culture Advisory Committee shall assist the Office of Arts & Culture with the following duties and functions:

- a. Developing, reviewing, and recommending adoption of the Public Art Master Plan and Curatorial Plan.
- b. Reviewing District art-related policies.
- c. Reviewing and recommending artwork to be commissioned, purchased, or exhibited within the District's jurisdiction.
- d. Reviewing tenant percent for art projects, in accordance with BPC Policy No. 608.
- e. Reviewing proposed donations and loans of artworks.
- f. Reviewing the deaccession of artwork from the Tidelands Collection.

4. Arts & Culture Advisory Committee Membership

The Arts & Culture Advisory Committee shall consist of thirteen members who serve without compensation. The Chair of the Board shall approve all recommendations to the Arts & Culture Advisory Committee, subject to the following conditions: 1) Seven members shall be recommended by the Chief Curator; 2) Five members, one from each of the five member cities, shall be recommended by their respective city mayors; and 3) One member shall be recommended by the San Diego Port Tenant's Association. The Chief Curator shall submit a list of candidates to the Chair of the Board for appointment or reappointment to the Arts & Culture Advisory Committee.

5. Qualifications of Arts & Culture Advisory Committee Members

Members shall have substantive professional or volunteer experience in the visual arts, an interest in contributing to the development of the District's art activities, and the ability to volunteer time to serve on the Arts & Culture Advisory Committee and on selection panels, as needed.

Individuals with substantive professional or volunteer experience, as intended herein, include those recognized by peers as curators, artists, art critics, art historians, art collections managers, art educators, art collectors, art fabricators, art preparators, and other persons with considerable visual arts experience, as well as architects and landscape architects, and others with substantive visual arts experience.

Membership of the Arts & Culture Advisory Committee shall include individuals from diverse locales throughout the San Diego region.

Elected officials, agents, officers, and employees of the District and its member cities shall not be considered for appointment to the Arts & Culture Advisory Committee, nor accept such a position while serving as a member of the Arts & Culture Advisory Committee.

6. Designation of Arts & Culture Advisory Committee Chair

The Chief Curator shall recommend a member to serve as Committee Chair, subject to approval by the Chair of the Board. The Arts & Culture Advisory Committee Chair shall serve a one-year term as chair and may be reappointed for additional one-year terms.

7. Arts & Culture Advisory Committee Members Terms

Arts & Culture Advisory Committee members may serve up to two, three-year

terms. The expiration date of all terms shall be December 31. No member shall serve for more than six years on the Committee unless recommended for continued service, subject to approval by the Executive Director (President/CEO) and appointment by the Chair of the Board.

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

Should a seat on the Arts & Culture Advisory Committee become vacant prior to the end of that member's scheduled term, the Chief Curator shall forward any recommendations to fill the vacancy to the Chair of the Board for appointment.

8. Arts & Culture Advisory Committee Meetings and Reporting

Meetings of the Arts & Culture Advisory Committee shall be noticed and open to the public. Arts & Culture Advisory Committee meetings shall be conducted according to applicable California state laws.

Summary reports of each Arts & Culture Advisory Committee meeting shall be prepared by Office of Arts & Culture staff and forwarded to the Board.

9. Resignation and Removal of Arts & Culture Advisory Committee Members

Any Arts & Culture Advisory Committee member may submit a written resignation to the Chief Curator. The Chief Curator shall notify the Arts & Culture Advisory Committee Chair and the Chair of the Board of any such resignation.

The Chief Curator may recommend to the Chair of the Board that an individual Arts & Culture Advisory Committee member be removed.

10. Arts & Culture Advisory Committee Quorum

A quorum shall be a majority of the members of the Arts & Culture Advisory Committee.

11. Arts & Culture Advisory Committee Conflicts of Interest

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

12. Public Art Fund

The Public Art Fund is a designated District fund that exists for the purpose of accumulating funds from various sources for use in the commissioning and acquisition of permanent and temporary artworks for exhibition within the District's jurisdiction. It contains funds received from past annual budget set-asides, and also serves as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated District percent for art contributions from Capital Improvement Program projects; art sales and loans; sales of licensed artwork reproductions; public art-related grants and/or grant-matching funds; monetary bequests; and donations received from the public or other agencies for public artworks.

The Public Art Fund shall be used solely to meet costs directly associated with the commissioning and acquisition of permanent or temporary artworks within the District's jurisdiction. Balances in the Public Art Fund shall be carried over annually, and the interest that accrues thereon shall remain in the Public Art Fund.

13. Inclusion of Artworks on District Tidelands

The District acquires artworks for placement within its jurisdiction through the following programs:

- a. District Curatorial Program.
- b. District Percent for Art Program for Capital Improvement Program projects.
- c. Tenant Percent for Art Program in accordance with BPC Policy No. 608.
- d. Donations and Loans Program.

14. District Percent for Art Program

- a. **Percent for Art Allocation.** The percent for art allocation shall apply to Capital Improvement Program projects with a Board-approved budget of \$500,000 or more, except as exempted herein. When the Board approves such a Capital Improvement Program project request, the total appropriation shall include an allocation of funds for artwork in an amount no less than one percent (1%) of the total proposed project budget presented to the Board. Such funds allocated for Capital Improvement

Program-related artworks shall be held in the appropriate District fund.

b. **Applicability.** The percent for art allocation requirement shall apply to the construction and/or alteration of the following:

- (1) Buildings, structures, and other physical above-grade facilities for public access, accommodation, or use.
- (2) Parks, plazas, marinas, trails, and bikeways.

c. **Exemptions.** The following types of projects shall be exempt from the percent for art allocation requirement unless they are part of a larger applicable Capital Improvement Program project:

- (1) Transportation infrastructure, street paving or repaving, and surface or underground parking projects.
- (2) Mechanical, electrical, and plumbing system upgrades.
- (3) Landscape renovation, replanting, and irrigation projects.
- (4) Repair or replacement of existing playground equipment or play structures.
- (5) Repair, replacement, or upgrade of piers, wharfs, docks, boat launching ramps, and maritime cargo handling facilities.
- (6) Design studies, analyses, and planning documents.
- (7) Communications, lighting, and signage projects.
- (8) Structural or seismic upgrades.
- (9) Modifications to facilitate disabled access.
- (10) Dredging, sand replenishment, and erosion control projects.
- (11) Water, sewer, and drainage lines.
- (12) Utilities.
- (13) Demolition projects.

(14) Security, health, and public safety projects.

(15) Projects required to meet state and federal regulatory requirements.

- d. **Artwork-Related Expenses.** The Office of Arts & Culture shall manage and administer all artwork agreements, and supervise and control the expenditure of percent for art allocations. Up to twenty percent (20%) of said allocations may be used for administration and project costs, including maintenance and conservation. Funds set aside pursuant to this section shall be deposited into the designated District public art maintenance fund.
- e. **Aggregation of Funds.** In the event that either the Capital Improvement Program percent for art allocation is insufficient to execute a significant artwork or the project site is unsuitable for the appropriate display of artwork, the Capital Improvement Program percent for art allocation may be used for the acquisition or exhibition of artworks in other tidelands locations, as recommended by the Chief Curator and the Chief Engineer, and approved by the Board of Port Commissioners. Funds set aside pursuant to this section shall be deposited into the District Public Art Fund.

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

The Office of Arts & Culture shall be responsible for developing plans and strategies for the acquisition and exhibition of artworks within the District's jurisdiction, based on the District's vision of Port tidelands as a world-class arts and cultural destination. Such plans may include public art master plans and multi-year curatorial plans, as determined by the Chief Curator. These plans shall be submitted to the Arts & Culture Advisory Committee for input and recommendation to the Board. Additionally, the Office of Arts & Culture shall be responsible for managing the artist recruitment, selection process, and related activities to select artists, artworks, and artwork concept proposals, including organizing selection panels as needed, based on the evaluation criteria herein.

16. **Approval Process for Artworks and Art Agreements**

The Office of Arts & Culture shall be responsible for managing the artist and artwork approval process for the acquisition and exhibition of artworks within the District's jurisdiction. The Arts & Culture Advisory Committee shall review proposed artists and artworks based the evaluation criteria outlined herein, and provide recommendations to the appropriate approval authority. The appropriate level of approval authority for agreements shall be equivalent to the approval

authority authorized for District service agreements as specified in BPC Policy No. 110.

17. Approval Process for Authorizing Amendments to Art Agreements

In the course of any agreements for public art projects, authorization to negotiate and execute any amendments shall follow the approval authority as designated in BPC Policy No. 110.

18. Management and Control of Artworks

Any artworks proposed for contract, exhibit, or placement within the District's jurisdiction shall be submitted to the Office of Arts & Culture for review and recommendation as required by the Chief Curator, the Arts & Culture Advisory Committee, and the Board, as set forth in this policy.

No existing artworks owned by or in the custody of the District shall be deaccessioned, removed, relocated, conserved, altered, exhibited, or disposed of in any way without the approval of the Chief Curator, following review and recommendation by the Arts & Culture Advisory Committee and the Board, as set forth in this policy.

Collections Management shall be the responsibility of the Office of Arts & Culture, under the direction of the Chief Curator.

19. Title to Artworks

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

20. Deaccession of Artworks

a. General Provisions for the Deaccession of Artworks

On occasion, it may be necessary to permanently remove artworks from the Tidelands Collection. Deaccessioning should be applied only after careful evaluation of an artwork by the Office of Arts & Culture, the Arts & Culture Advisory Committee, and the Board to avoid the premature disposal of an artwork from the collection. The following general provisions should be used:

- (1) The District shall comply with state, federal, and international laws such as the Visual Artists Rights Act of 1990 (17 U.S.C. 106A and 113

[d]) or the California Art Preservation Act of 1979 (California Civil Code, Section 987) pertaining to the disposal of certain artworks. The District shall comply with legal agreements pertaining to deaccession and/or disposal of certain artworks.

- (2) The District shall observe any restrictions to deaccessioning applied to artworks acquired through donation, unless deviation from those restrictions is authorized by the donor, the donor's official legal designee, or a court of competent jurisdiction. Reasonable efforts to comply with any non-binding restrictions will be made.

b. Reasons for the Deaccession of Artwork

The following reasons may be cause for deaccessioning artworks from the Tidelands Collection:

- (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 negatively 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) Authenticity. 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 or 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 tidelands.

- (8) **Safety.** The security of the artwork cannot be sustained; and/or the artwork poses a public safety and/or public health risk.
- (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.

c. Deaccession of Artwork Evaluation Process

The Office of Arts & Culture shall conduct an artwork deaccession evaluation through the following process:

- (1) Initiate a deaccession evaluation, that includes an independent professional appraisal of the fair market value of the artwork and a recommendation from the Chief Curator on whether to deaccession the artwork from the Tidelands Collection, which would include the recommended method of disposal. The Chief Curator may also request additional input from the artist, conservators, and other arts professionals to assist in the deaccession evaluation.
- (2) Submit the deaccession evaluation to the Arts & Culture Advisory Committee for input and recommendation.
- (3) Review and submit the Arts & Culture Advisory Committee's recommendation as follows:
 - (a) The Chief Curator shall have the authority to approve the deaccession of artworks from the Tidelands Collection with a fair market value up to \$75,000.
 - (b) The Chief 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.
 - (c) The Chief Curator shall prepare a report for the Board, with the Arts & Culture Advisory 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.

- (4) Deposit any proceeds resulting from the deaccession of artworks into the Public Art Fund.

21. Outgoing Loans of Artworks from the Tidelands Collection

The Chief Curator is authorized to loan artworks from the Tidelands Collection for use in exhibitions, research, and education.

In general, the District considers loaning artworks to government entities, agencies, institutions, or organizations and only to private individuals, companies, and commercial galleries when doing so is likely to elevate the value and/or significance of the Tidelands Collection.

22. External Requests to Exhibit Artworks on Tidelands

a. Review Procedure for External Requests

The Office of Arts & Culture administers the District's annual program to review external requests to exhibit artworks on the tidelands. External requests may propose the following methods for exhibiting artworks on tidelands: (1) temporary display of artwork within the District's jurisdiction through the loan of said artwork to the District for the duration of an exhibit; or (2) a donation of artwork, where the artwork's legal ownership is transferred to the District.

- (1) The Office of Arts & Culture shall oversee the submittal procedures for reviewing external requests to exhibit artworks within the District's jurisdiction, convene review panels for additional input, and forward external requests to the Arts & Culture Advisory Committee for review and recommendation based on the evaluation criteria herein.
- (2) For any external requests that the Chief Curator and the Arts & Culture Advisory Committee recommend the District pursue, sponsors shall be required to develop their requests into formal proposals. Acceptance of formal proposals shall be subject to further District review, as well as approval by the Chief Curator, the Arts & Culture Advisory Committee, and the Board.

b. Social and Merit Issues Regarding Commemorative Artworks

- (1) Requests to display artworks, within the District's jurisdiction, that are intended to be commemorative in nature shall only be considered if they concern subject matter that is:
 - (a) Tangibly and directly associated with District tidelands and its member cities, or is of broad and undisputed importance to the San Diego Bay region.
 - (b) Generally accepted as having had an exemplary and positive impact on tidelands or the broader San Diego Bay region.
 - (c) Culturally or historically relevant to the tidelands or the broader San Diego Bay region.
- (2) Requests to display artworks that commemorate or depict the following topics, shall not be considered for exhibit within the District's jurisdiction:
 - (a) Disasters or health-related topics.
 - (b) Subjects that are trademarked or commercially licensed.
 - (c) Subjects duplicative with respect to the existing Tidelands Collection.
 - (d) Political and/or social movements or issues.
- (3) Requests to display artworks that commemorate individuals shall not be considered until the individual has been deceased for at least five years, except in instances where there is broad and undisputed community consensus for earlier commemoration.
- (4) Requests to display artworks that commemorate ideas or events shall not be considered until ten years after the idea or event, except in instances where there is broad and undisputed community consensus for earlier commemoration.
- (5) Requests to display artworks that commemorate the contributions of individuals or particular groups shall not be considered unless the contributions of such individuals or groups have had noteworthy and significant impact on the tidelands or the broader San Diego Bay region.

c. General Acceptance Conditions for External Requests to Exhibit Artworks on Tidelands

The District has no obligation to accept any sponsor proposal to exhibit artwork on tidelands. The District has the right to determine, at its sole and absolute discretion, what artworks will be accepted for exhibit by the District. The following conditions shall be met before the District will consider accepting a sponsor request to exhibit artwork within the District's jurisdiction:

- (1) All expenses shall be the responsibility of the sponsor, except in extraordinary circumstances. These expenses may include, but are not limited to: design, fabrication, shipping, insuring, site preparation, installation, signage, and lighting.
- (2) For donations of artworks, sponsors shall deposit funds equal to, or greater than, ten percent of the commission cost or the fair market value of an artwork into the designated District public art maintenance fund for ongoing conservation and maintenance, before groundbreaking or installation.
- (3) The District prefers unrestricted donations of artworks; however, restricted donations may be accepted, only if the District pre-approves the restrictions or limitations and these are expressly stated in the title conveyance documents.
- (4) Before sponsor proposals are accepted by the District, title conveyance documents, including any limitations or restrictions, and/or any loan or donation agreements between sponsor and the District regarding same, must be prepared by or approved by the District.
- (5) The District reserves the right to require sponsors to comply with state, federal, or international laws.

23. Reproductions or Adaptations of Artworks

Office of Arts & Culture staff is authorized to negotiate with the copyright holder for each artwork that is in, or proposed for inclusion in the Tidelands Collection, or that is exhibited within the District's jurisdiction, for the purpose of acquiring a license to make, or cause to be made, reproductions or adaptations of an artwork. Reproductions or adaptations of an artwork are made according to the terms and conditions of the licensing agreements.

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

Funds realized from the sale or loan of artworks from the Tidelands Collection, or proceeds from the licensing and sale of reproductions or adaptations thereof, less any payments owed, shall be deposited into the Public Art Fund.

25. Administrative Procedures

The Office of Arts & Culture shall promulgate office administrative procedures and/or guidelines, as needed, consistent with this policy, to facilitate the implementation of its responsibilities under this policy.

EVALUATION CRITERIA:

Criteria for Evaluating Artist Qualifications

- (1) Meets the definition of artist. For the purpose of this policy, an artist is an individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.
- (2) Demonstrates artistic excellence, innovation, and originality as represented in past work and supporting materials.
- (3) Demonstrates capacity for working in media and with concepts that are appropriate to the project goals and site, as applicable.
- (4) Demonstrates interest and capability in creating public artworks in collaboration with the District, the design team (if applicable), and other project partners and stakeholders.
- (5) Demonstrates experience in successfully completing artworks of similar scope, scale, budget, and complexity, or the ability to articulate how he or she would be able to bring the necessary artistic and technical skills to this project.
- (6) Demonstrates interest in, and understanding of the project.
- (7) Is available to perform the scope of the work in a timely and professional manner.

- (8) Broadens the diversity of artists exhibiting on tidelands.
- (9) If applicable, demonstrates ability to work as part of a cohesive team.
- (10) If applicable, demonstrates satisfactory past performance on agreements.

Criteria for Evaluating Artwork Concept Proposals and Existing Artworks

- (1) Responds to the District's vision for art on the tidelands.
- (2) Meets the definition of artwork. For the purpose of this policy, an artwork is an aesthetic creation resulting from the skill and creativity of artist(s). An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure and can be integrated with the work of other design professionals. Artwork shall be defined in terms of the visual arts, as distinguished from performing or literary arts. However, artworks can include visual representations of performing and literary arts, or can incorporate performative, narrative, or time-based elements.
- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation, and creativity.
- (4) Demonstrates appropriateness in scale and form, and will be fabricated with materials/media suitable for the site.
- (5) Meets the project's goals.
- (6) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, maintenance, conservation, security, and siting.
- (7) Demonstrates feasibility with respect to legal and/or ethical issues that may be related to possession or display of the artwork.
- (8) Broadens the diversity of artworks exhibited on tidelands.

Criteria for Board Evaluation

- (1) The District policy, as set forth herein and as administered by the Office of Arts & Culture and advised by the Arts & Culture Advisory Committee, has been followed properly.

- (2) Recommendations are consistent with relevant budgets.
- (3) Recommendations are consistent with curatorial plans, project plans, and redevelopment plans.

GLOSSARY:

For purposes of this policy, the following definitions shall apply:

Art Budget: The allocated budget for the design, fabrication, and installation of an Artwork that is newly commissioned, or the budget for the purchase, shipping and installation of an existing artwork that is being purchased.

Artist: An individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.

Arts & Culture Advisory Committee: An advisory body to the Board of Port Commissioners and the Office of Arts & Culture on matters related to arts and culture within the District's jurisdiction. The committee assists in upholding the District's vision of tidelands as a world-class arts and cultural destination and supports the development of arts and cultural programs within the District's jurisdiction.

Artwork: An aesthetic creation resulting from the skill and creativity of an artist or artists. An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure, and can be integrated with the work of other design professionals. For the purposes of the Office of Arts & Culture, 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, narrative, or time-based elements.

Artwork Concept Proposal: 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 the proposed artwork. The documentation of the design concept can include a narrative description of the work, diagrams, and/or a maquette.

Collections Management: Activities that include, but are not limited to, the acquisition, incoming loan, outgoing loan, deaccession, disposal, relocation, removal, exhibition,

operation, maintenance, conservation, documentation, storage, reproduction, and/or adaptation of artworks.

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

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

Curatorial Plan: A multi-year work plan that establishes priorities for the types of projects the Office of Arts & Culture will be developing over a three-to five-year period. The strategy describes the types of projects the Office of Arts & Culture will work to develop, the kinds of artists it will recruit, any specific geographic areas it will focus on, and any partnerships it would like to establish.

Percent for Art Allocation: The percentage of the total proposed project budget in accordance with the requirements set forth herein, which is set aside for the administrative fees, art budget, and collections management associated with a public art project.

Public Art Fund: A designated District fund established in 1982 for the purpose of accumulating funds from various sources for the commissioning and acquisition of permanent or temporary public artworks for exhibition within the District's jurisdiction. Originally funded through an annual budget set-aside, the Public Art Fund serves as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated District percent for art contributions from Capital improvement Program projects; art sales and loans, sales of licensed artwork reproductions; public art-related grants and/or grant-matching funds; and monetary bequests and donations received from the public or other agencies for public artworks.

Selection Panel: An ad-hoc panel that reviews artist materials and makes recommendations to the Arts & Culture Advisory Committee and Chief Curator regarding acquisitions and exhibitions of artworks within the District's jurisdiction.

Sponsor: An individual or entity that proposes the loan or donation of an artwork for exhibit within the District's jurisdiction.

Tidelands Collection: Artworks which are publicly owned, possessed, or controlled by the District and administered by the Office of Arts & Culture.

RESOLUTION NUMBER AND DATE: 2016-129, dated September 8, 2016 (Supersedes BPC Policy No. 609, Resolution 2016-62, dated May 10, 2016; Resolution 2013-27, dated February 12, 2013; Resolution 2011-160, dated November 8, 2011; Resolution 2008-89, dated June 10, 2008; Resolution 2003-125, dated July 7, 2003; Resolution 2002-94, dated April 23, 2002; Resolution 98-81, dated March 31, 1998; Resolution 96-236, dated September 24, 1996; Resolution 86-63, dated February 18, 1986; Resolution 86-234, dated August 5, 1986; Resolution 82-343, dated December 14, 1982)

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San Diego Unified Port District
Document No. **58391**
Filed **JAN 04 2012**
Office of the District Clerk

BPC Policy No. 611

SUBJECT: RECEIPT OF DONATIONS AND LOANS

PURPOSE:

To establish a policy to be followed by the San Diego Unified Port District (District) in reviewing and accepting Donations as well as reviewing and lending or borrowing property.

Donations can be useful ways of developing the District's Public Places and serving the community, if the Donations are in keeping with the District's overall goals and priorities, if they are placed or used in appropriate Public Places and integrated appropriately with their sites, and with proper advance planning. Procedures and evaluation criteria which guide the review of such Donations ensure that the District possess suitable plans and adequate resources, if required, for administering such Donations.

In addition to Donations, there are occasions when the District is requested to lend property. Likewise, on occasion, the District may wish to borrow property.

POLICY STATEMENT:

1. DONATIONS

a. Offers of Donations

- (1) Donations are solely offers until accepted by the District.
- (2) Donations may only be accepted by the District representatives authorized in this policy.
- (3) All Donations shall be evaluated to determine whether the Donation is consistent with the District's goals and priorities.
- (4) All offers of Donations of artworks and commemorative artworks as defined in Board Policy 609 shall be processed in compliance with the donations of artworks section outlined in Board Policy 609.

b. Acceptance Conditions

The following conditions shall be met for the District to consider accepting

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proposed Donations:

- (1) All expenses for proposed Donations shall be the responsibility of the Donors, except in extraordinary circumstances.
- (2) Proposed Donations of Memorials shall be presented by a Civic Donor.

c. **Review Process for Donations**

The process for proposing and reviewing offers of Donations to the District shall include the following steps:

- (1) **Preliminary Inquiry.** Potential Donors shall begin the process by contacting the External Relations Division about the requirements as set forth herein and to request guidelines for submitting information about the proposed Donation.
- (2) **Written Proposals.** Potential Donors shall submit to External Relations Division offers of Donations in writing, accompanied by information about the proposed Donation.
- (3) **Preliminary Review.** The External Relations Division shall conduct preliminary reviews of written information for proposed Donations satisfactory to the External Relations Division, that they include adequate information to evaluate the proposed Donation.

- d. **Technical Review.** For proposed Donations that pass the preliminary review as outlined in section 1c, External Relations Division shall organize an interdepartmental technical review conducted by District staff. The members of the technical review shall evaluate the proposed Donation utilizing the criteria for technical review outlined in section 1g(1), and, when applicable, the criteria for review of social and merit for Memorials outlined in section 1g(2).

If the Donation requires expenditures not included in the approved District budget, approval of the Donation shall be contingent on the District first certifying the availability of funds for such expenditures.

- e. **Staff Approval or Rejection.** After technical review, written Donation proposals shall be either:

- (1) Returned to the Donor for additional development and documentation;

- (2) Forwarded to the higher level District staff or the Board of Port Commissioners (Board) as set forth in section 1f; or
 - (3) Rejected.
- f. **Final Approval.** Once proposed Donations are reviewed and a recommendation is determined, the External Relations Division will submit the matter for consideration to either the higher level District staff or the Board depending on the fair market value of the Donation as follows:
- (1) For proposed Donations with a fair market value of up to \$125,000 that the members of the technical review recommend to accept, the External Relations Division shall have the authority to accept the Donations.
 - (2) When Donations are approved and accepted by District staff as outlined in section 1f(1), the External Relations Division shall prepare a Board memo to inform the Board of the acceptance.
 - (3) For proposed Donations with a fair market value of more than \$125,000 that the members of the technical review recommend to accept, the External Relations Division shall prepare and submit a report, including the technical review members' recommendation and External Relations Division staff's recommendation to the Board for review. The Board's role shall be to ensure that the review process was followed utilizing the criteria for the Board outlined in section 1g(3).

g. **Evaluation Criteria for Reviewing Donations**

The evaluation criteria for reviewing Donations shall, when applicable, include:

(1) **Criteria for Technical Review**

- (a) Significantly affects or changes any aspect of District operations and/or Public Places.
- (b) Necessitates the District to make expenditure, which has not been included in the approved District budget.
- (c) Requires ongoing maintenance which has not been included in the approved District budget.

Additional criteria for technical review may be developed as necessary by District staff.

(2) Criteria for Review of Social and Merit Issues for Memorials

- (a) Proposed Donations for commemorating individuals should not be considered until at least ten years after the death of the individual. Proposed Donations of Memorials for commemorating ideas or events will not be considered until at least twenty years after the occurrence of the event. Where an overwhelming and undisputed community consensus exists, proposals may be considered before these periods have passed.
- (b) Proposed Donations that commemorate specific disasters (whether natural or man-made), health-related themes, or organizations in general should not normally be considered, unless it can be demonstrated that they are unique to the tidelands and that their long-term impact has uniquely shaped the history of the tidelands or its member cities.
- (c) Proposed Donations that are commemorative in nature must concern subjects that have been tangibly and directly associated with the tidelands or the member cities of the District. The strongest consideration will be given to proposals with a direct relation to the tidelands, as opposed to the member cities in general. In the case of contributions of an individual or a particular group of people, for example, strongest consideration will be given to those who have had an impact on the history of the tidelands, which goes beyond the impact they may have had on a particular community, or the world at large.
- (d) Proposed Donations that are commemorative in nature must have cultural significance to the general public, not one interest group. The subject will be commemorated only if it is generally accepted as having had an exemplary and a positive influence on the tidelands, or on the life of residents of member cities of the District.
- (e) Proposed Donations that are commemorative in nature must not duplicate the themes or subject matter of an existing Memorial, commemorative artwork and/or commemorative site in the tidelands or its member cities.

- (f) In no instance should proposed Donations that are commemorative in nature depict subjects that are trademarked or commercially licensed.

(3) Criteria for Board Review

- (a) The District's policy, as set forth herein, and as administered by the External Relations Division have been followed properly.
- (b) Recommendations are consistent with relevant budgets and/or redevelopment plans.

h. No Obligation to Accept Proposed Donations

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

i. Records of Donations

The District will be responsible for maintaining detailed Donation records.

j. Transfer of Donation

(1) Acceptance

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

(2) Condition of Title

The District prefers Unrestricted Donations. Restricted Donations may, however, be accepted if the District pre-approves the restrictions or limitations and such are expressly stated in the title conveyance documents which must be approved or prepared by the District.

k. Legal Documents

Before Donations are accepted by the District, title conveyance documents, including any limitations or restrictions and/or any agreements between Donor and the District regarding same, must be prepared by or approved by the District's Legal Department.

l. Appraisals

The District will not provide or assume responsibility for appraisals for tax-deduction or other external purposes.

m. Compliance with Laws

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

2. LOANS

a. Outgoing Loans

- (1) The Executive Director's authorized designee is authorized to loan District property. In general, the District lends property to government entities, agencies, institutions, or organizations and only to private individuals and companies when to do so is likely to support the District's mission.
- (2) Outgoing loans of artwork and commemorative artwork as defined in Board Policy 609 shall be processed in compliance with the outgoing loans section outlined in Board Policy 609.

b. Incoming Loans

- (1) All incoming loans with the exception of artwork shall follow the process for Donations set forth in section 1a-1i and 1l-1m using the criteria given in section 1g herein. The term "incoming loan" shall replace the term "donation" and the term "lender" shall replace the term "donor."
- (2) Incoming loans of artwork and commemorative artwork as defined in Board Policy 609 shall be processed in compliance with the incoming loans section outlined in Board Policy 609.

3. Administrative Procedures

The External Relations Division shall promulgate office administrative procedures and/or guidelines as needed consistent with this policy to facilitate the implementation of its responsibilities under this policy.

DEFINITIONS:

For purposes of this policy, the following definitions shall apply:

Civic Donor: A Donor that is an incorporated, non-profit organization, organized at least five years before submitting written information and/or application for a proposed Donation to the District, or a municipal government or other public agency.

Donation: A charitable contribution to the District, during lifetime or testamentary transfer, whether whole or fractional interest, including, but not limited to, cash and cash equivalents, personal tangible property, intellectual property, and/or artworks which would serve a useful purpose in the fulfillment of District's goals and priorities.

Memorial: A monument, plaque, fountain, basic park accessories such as landscaping, plazas, site furnishings, or otherwise, erected to commemorate an individual, idea or event that has shaped or impacted the tidelands. Memorials specified or designed by an artist are considered commemorative artworks.

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

Public Places: The tidelands and submerged lands granted to the District pursuant to the Port Act and any other lands conveyed to the District by any City or the County of San Diego or acquired by the District, or any area, land water, building or otherwise, where the District manages its land management authority or powers.

Restricted Donation: A Donation to the District with limitations placed on its use. Restrictions must be formally outlined in writing and are distinct from informal recommendations or expressions of preference.

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

RESOLUTION NUMBER AND DATE: 2011-160, dated November 8, 2011 (Supersedes BPC Policy 611, Resolution 2008-182, dated September 2, 2008; and Resolution 2000-27, dated January 25, 2000)

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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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BPC Policy No. 771

SUBJECT: SAN DIEGO UNIFIED PORT DISTRICT TIDELANDS ACTIVATION PROGRAM

PURPOSE: To provide criteria and a process to consider and grant sponsorships in support of events and activities promoting the mission of the San Diego Unified Port District.

POLICY STATEMENT:

Purpose

1. Pursuant to the San Diego Unified Port District (District) Act (*Harbors & Navigation Code* Appendix 1), the District is responsible for promoting commerce, navigation, recreation and fisheries on District Tidelands. The District's mission includes providing regional and community benefits through a balanced approach to maritime industry, tourism, recreation, environmental stewardship and public safety.
2. Pursuant to the District Port Master Plan, the District strives to provide: a) for the optimal present use and enjoyment of the bay and tidelands in such a way as to maintain options and opportunities that optimize future use and enjoyment; b) as trustee for the people of the State of California, administration of the tidelands so as to provide the greatest economic, social, and aesthetic benefits to present and future generations; and c) sensitivity to the needs, and cooperation with adjacent communities and other appropriate governmental agencies in bay and tideland development.
3. To support and carry out its mission, the District sponsors regional and community events and activities conducted by a variety of civic, non-profit, business and government organizations.

Sponsorship Types

1. District sponsorships are of three types:
 - a. Community Event Sponsorships. The District provides funding and/or services for events that promote one or more of the District's mission areas, with an emphasis on attracting the public to District Tidelands to

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recreate; and on educating the public regarding the District and its mission.

- b. Table Sponsorships. The District purchases a table or seats or provides services in support of regional, community, non-profit and civic events where the presence of members of the District's Board of Port Commissioners (BPC) and/or other District representatives directly support one or more of the District's mission areas or fosters District relationships with stakeholders.
 - c. Signature Event Sponsorships. The District provides funding and/or District services to major public events that give title sponsorship or similarly valuable consideration to the District, attract large numbers of people to the Tidelands and generate significant, documented levels of financial and/or promotional return to the District.
2. District services include but are not limited to the waiving of all or portions of fees for the use of District parks and facilities including parking spaces and the District's performance stage; the cost of providing District personnel to prepare, coordinate, conduct, and evaluate an event, as well as assist in regulatory compliance and obtaining necessary entitlements as required by applicable law; providing District equipment for an event, and other agreed-upon services at a set amount based upon the cost of the District services provided or negotiated not-to-exceed amounts. All waivers of District charges for parking spaces shall be in accordance with the appropriate internal District Real Estate administrative procedures and guidelines.

Budget

The District's Marketing & Communications Department is responsible for budgeting all District sponsorships. Separate budget line items may be established for the aggregate of Table Sponsorships and Community Event Sponsorships, respectively, and for individual Signature Event Sponsorships.

Procedures & Criteria - General

All requests for sponsorship from the District shall be submitted to the District's Director of Marketing & Communications. The following sets out general procedures and criteria for the submitting, review and approval of sponsorships.

Procedures & Criteria – Table Sponsorships

1. Table sponsorship requests may be submitted to the Director of Marketing & Communications by any internal department or any outside entity, identifying the sponsorship as a way to promote or support one or more District mission areas.
2. Table sponsorship requests may be submitted at any time prior to the event for which the table sponsorship is being requested.
3. Table sponsorship requests will be evaluated by the Director of Marketing & Communications, subject to final approval by the Executive Director or his or her designee.
4. Table sponsorship requests will be evaluated on the relevance of the event to one or more District mission areas, the nature and number of other Table Sponsorship events already committed to or contemplated for approval, the budget for Table Sponsorship events, and prior experience with the event.

Procedures & Criteria – Community Event and Signature Event Sponsorships

1. Community Event and Signature Event Sponsorship applications shall be submitted in accordance with an annual timeline and application guidelines implemented by the Director of Marketing & Communications.
2. To be eligible for a sponsorship, a Community Event or Signature Event should occur on District Tidelands. For moving events with no single fixed location such as runs, walks and bike rides, at least a portion of the event must occur on District Tidelands and that portion occurring on District Tidelands must include a majority of the participants in the event (e.g. the beginning or finish line of a race). If a proposed event will not occur on District Tidelands, the applicant must show how the proposed event meets the criteria set forth in Sections 3a. through 3e. or 4a. through 4e. below.
3. Community Event Sponsorship applications will be evaluated using the following criteria.
 - a. Number of people the event will attract to District Tidelands considering the area utilized, the nature of the event and the affected community;
 - b. Ability of the event to address one or more of these activation, community engagement and education areas:
 - i. Attract diverse visitors and demographics to District Tidelands;
 - ii. Foster relationships between the District and its stakeholders in the region and community;

- iii. Provide a desirable attraction that is rare or unique to District Tidelands, parks or facilities;
 - iv. Provide the District with opportunities to educate the public and its stakeholders, promote one or more of its mission areas, attract attention to future economic activities and opportunities on the District Tidelands, and activate its parks, the waterfront and San Diego Bay through community engagement and/or media coverage;
 - v. Become self-sustaining through broad support and sustainable funding.
 - c. Ability and methods used to measure the event's attendance and support;
 - d. Percentage of the event's budget that is being requested from the District including both District funding and services;
 - e. Projected impacts of the event, positive and negative, on District tenant businesses and the surrounding community, including displacement of parking, traffic and pedestrian circulation; noise and concessions that compete with local businesses.
4. Signature Event Sponsorship applications will be evaluated using the following criteria:
- a. Number of people the event will attract to District Tidelands considering the area utilized, the nature of the event and the affected community;
 - b. Documented past and expected future economic impact and financial return to the District. For Signature Events Sponsorships, the District in its sole discretion may conduct an audit and/or require at the applicant's sole cost and expense a post-event economic impact analysis using a scope and methodology approved by the District as a condition of receiving funding and/or District services;
 - c. Expected promotional and/or marketing value of the event for the District through attendee participation, event promotion and media coverage;
 - d. Ability of the event to:
 - i. Attract diverse visitors and demographics to District Tidelands;
 - ii. Foster relationships between the District and its stakeholders in the region and community;
 - iii. Become self-sustaining;
 - iv. Grow in numbers.
 - e. Percentage of the event's budget that is being requested from the District including both District funding and services.

5. Community Event and Signature Event Sponsorship applications shall be reviewed and evaluated using the following process:
 - a. District staff will review each application and prepare preliminary recommendations for funding and/or District services. In conducting its reviews of sponsorship applications, staff will consult with the applicant and any potentially impacted parties including government or resource agencies, community organizations and District tenants to identify and determine the nature and extent of any impacts of the proposed event or activity.
 - b. A BPC-appointed Tidelands Activation Program Advisory Committee will review District staff recommendations and make its recommendations for funding and/or District services for each application.
 - c. District staff will finalize its recommendations for Board consideration.
6. Unbudgeted or out-of-cycle requests for Community Event or Signature Event sponsorships will be assessed by the Director of Marketing & Communications and considered on a case-by-case basis. To be considered for sponsorship funding or services, the requestor must provide a compelling reason(s) for submitting the sponsorship request out-of-cycle.

Tidelands Activation Program Advisory Committee

1. A Tidelands Activation Program Advisory Committee (Committee) will be appointed annually to review District staff recommendations and make its recommendations for funding and/or District services for each application.
2. The Committee will consist of a non-voting Chairperson, a non-voting Alternate Chairperson, a minimum of seven at-large voting members, and six non-voting advisory members representing the San Diego Port Tenants Association and each of the five District member cities.
3. The Committee Chairperson, Alternate Chairperson and at-large voting members shall be appointed by the Chair of the Board of Port Commissioners during the calendar year in which the Committee will review sponsorship applications. The Committee Chairperson and Alternate Chairperson positions shall be filled by Port Commissioners.
4. The San Diego Port Tenants Association (SDPTA) representative to the Committee shall be designated by the Executive Director of the SDPTA or his or her designee.

5. The individual District member city representatives to the Committee shall be appointed as agreed upon between the District and appropriate individual city administrative staff.
6. A quorum will consist of the Committee Chairperson or Alternate Chairperson and a majority of the at-large members.

RESOLUTION NUMBER AND DATE: 2016-09, dated January 12, 2016 (Supersedes BPC Policy No. 771, Resolution 2014-106, dated May 6, 2014)

BPC Policy No. 771

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BPC Policy No. 773

SUBJECT: MARITIME INDUSTRIAL IMPACT FUND (MIIF)

PURPOSE: To establish a policy for the orderly selection of projects to offset the adverse impacts to areas as a result of the presence of maritime industry and terminals through a Maritime Industrial Impact Fund (MIIF).

PREAMBLE:

The San Diego Unified Port District (District) seeks to provide a predictable and systematic way to select projects that mitigate disproportionate adverse impacts and constraints to certain communities as a result of the presence of District's maritime industry and terminals. The selection of the projects shall be conducted in a transparent, efficient and cost-effective manner.

On July 6, 2010, the District established the Maritime Industrial Impact Fund (MIIF), formerly Maritime Terminal Impact Fund. The MIIF was established in recognition that certain communities may be subject to disproportionate adverse impacts and constraints as a result of the presence of maritime industry and terminals, which at the same time enable a significant benefit to the District, or region, as a whole. The MIIF is used to fund projects to mitigate Off-Tidelands impacts from District's maritime terminals and maritime industry. MIIF projects must be located off Tidelands.

This policy sets forth the process and requirements for the District's consideration and possible approval of MIIF projects. This policy also establishes the framework to create administrative procedures, which will include more detailed direction for evaluating and processing MIIF applications and projects. The administrative procedures will be published and maintained by the Executive Director. The administrative procedures shall comply with the provisions of this policy, and all applicable regulations and laws.

Definition of Off-Tidelands Impacts

For purposes of this policy, "Off-Tidelands impacts" are defined as impacts to communities adjacent to, directly associated with, or resulting from the District's maritime industry and terminals, which are of a unique, adverse or exclusionary nature.

Off-Tideland impacts are recognized when a direct relationship or nexus between the District's On-Tidelands maritime industrial operations result in adverse impacts that can be reasonably established as specified under the Port District Act. Examples of such impacts can include, but are not limited to, diminished air quality; visual impacts; heavy movement of vehicles or equipment through adjacent commercial or residential areas; or disproportionate degradation or use of public infrastructure such as roads, streets or

sidewalks, all of which may occur within and disproportionately impact the communities in proximity to the District's marine terminals and maritime industry.

In recognition of the fact that these communities are also subject to adverse impacts and constraints resulting from sources other than the District's maritime terminals and maritime industry, the District's contributions to mitigation efforts are limited to a reasonable portion of the overall mitigation costs. The portions shall be determined based on the portion of the impact associated with the cause.

The District is currently, and intends to remain, in compliance with all applicable regulatory requirements with respect to maritime terminal operations and adjacent impacts. The District considers this MIIF policy to be above and beyond compliance, to reflect best practices and sound land use planning principles, and to be in the public interest.

Process for Applying for MIIF Projects

Member Cities and other public entities may propose projects to be considered for MIIF approval. The MIIF applications will be considered based on the criteria set forth in this policy. Therefore, applications for MIIF projects should present as much information and detail as available to the applicant. At a minimum, applications **must** include the following:

- A) A project description including a statement of need for the project, amount of MIIF funding requested, an overall budget for the project, and the amount and sources of non-MIIF funding, including documented in-kind services. If the overall project budget is greater than \$5M, applicant must describe how the project could be scaled and/or completed in phases, with corresponding budget amounts; and
- B) A description of the relationship or nexus between the District's maritime industrial operations and the Off-Tidelands impacts which the project seeks to mitigate; and
- C) A description of why the amount of requested MIIF funding is reasonable in light of the relationship or nexus between the District's On-Tidelands operations and the Off-Tidelands impacts which the project seeks to mitigate and other factors contributing to such adverse impacts. For certain types of projects, use of numeric calculations (e.g., traffic studies to compare marine industrial-related traffic to non-marine terminal traffic), should be included, while for other projects, conceptual comparisons are possible.

District staff will coordinate with applicants to clarify and supplement the application prior to Board consideration of the request for MIIF funding. However, it is the responsibility of the applicant to present as much information as available when completing the application.

To support the request for MIIF funding on qualified projects, applications **should** also include the following:

- 1) An analysis of any anticipated non-monetary public benefits of the project;
- 2) An explanation of how the project implements or facilitates the implementation of approved District plans;
- 3) An analysis of the project's potential economic benefit. Examples could be, but are not limited to job creation due to the project (direct, indirect or induced) or reduction in expenditures from operational changes; and
- 4) Any other relevant information supporting the funding of the project.

Once an application is received, District staff will review the application, work with an applicant to clarify and supplement the application, and present the application to the Board along with its recommendation regarding the MIIF request. If District staff recommends denial of a request, the applicant may request the MIIF project be presented to the Board.

Evaluation Criteria for MIIF Funding

Any MIIF funding, whether partial, in-kind, phased, or complete, requires Board approval. Approval of MIIF projects must comply with the Port District Act and the District's role as a Tidelands trustee. Applications presented to the Board by District staff will be evaluated and considered based on the application, District staff recommendations, any other material presented, and any testimony at the Board meeting, using the factors and criteria identified below.

- A project description including the statement of need for the project, the amount of MIIF funds requested, the overall budget for the project, and the amount and sources of non-MIIF funding;
- The extent to which the application demonstrates the relationship or nexus between the District's On-Tidelands operations and the Off-Tidelands impacts which the project seeks to mitigate;
- The extent to which the application demonstrates that the amount of requested MIIF funds is reasonable in light of the extent of the relationship or nexus between the District's On-Tidelands operations and the Off-Tidelands impacts which the project seeks to mitigate and other factors contributing to such negative impacts;
- Any anticipated non-monetary public benefits of the project;

- How the project implements or facilitates the implementation of approved District plans;
- The project's potential to create economic benefit. Examples could be, but are not limited to job creation due to the project (direct, indirect or induced) or reduction in expenditures from operational changes; and
- Any other relevant information relating to the project

Board approval of funding for MIIF projects is for budgeting purposes only. Expenditure of MIIF monies may be conditioned on, and subject to: further consideration of notice or approval of the California State Lands Commission; environmental analysis under the California Environmental Quality Act (CEQA) and other laws; consistency with the California Coastal Act; other needed entitlements; execution of an Agreement between the District and applicant; and other requirements, as applicable.

MIIF Project Selection

Applications for MIIF funding can be proposed at any time, however projects will be reviewed by District staff and presented to the Board on a semi-annual basis, in Fall and Spring. This will allow for projects to be submitted and reviewed within an allotted time frame and for submitted projects to be fairly compared.

The District will develop administrative procedures to more fully set forth the application, staff review, and Board presentation process.

The MIIF was originally funded by the Board with a capital contribution of \$500,000. Additional annual funding for the MIIF is authorized at one-half of one percent (0.5%) of District's gross maritime industrial revenue. The District's gross maritime industrial revenue includes District's terminal revenues earned from the operation of the Tenth Avenue Marine Terminal and the National City Marine Terminal each year as well as District's revenue from its maritime industrial tenants located between the District's two terminals. The Board may allocate additional funds to the MIIF at its discretion. MIIF projects are not precluded from receiving additional funding from other sources. Total funding for approved MIIF projects may not exceed the balance of MIIF funding available.

All MIIF approved projects must have the funding obligated within 36 months and the period of performance will be no longer than five years from date of execution of agreement or MOU with applicant.

Reporting to the Board of Port Commissioners

The Executive Director will report to the Board periodically on the status of approved MIIF projects. A report will contain the list of approved MIIF projects, funds expended to

date, overall MIIF fund unobligated balance, new projects submitted by member cities for consideration, and the status of proposed MIIF project reviews.

RESOLUTION NUMBER AND DATE: 2015-80, dated June 11, 2015 (Supersedes BPC Policy No. 773, Resolution 2015-25, dated March 10, 2015)

BPC Policy No. 773

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Ordinance XXXX - will be inserted after budget adoption



Prepared by:
Financial Services Department
P.O. Box 120488, San Diego, CA 92101
(619) 686-6200