

File No. 130416

Committee Item No. 2

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: 05/29/2013

Board of Supervisors Meeting

Date: _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date May 24, 2013

Completed by: Victor Young Date _____

1 [Appropriation - \$3,857,224 for the Port of San Francisco - FY2013-2014]

2
3 **Ordinance appropriating amended estimated receipts and amended estimated**
4 **expenditures of \$3,857,224 for the Port of San Francisco for the fiscal year ending June**
5 **30, 2014.**

6
7 NOTE: Additions are *single-underline italics Times New Roman*;
8 deletions are *strike-through italics Times New Roman*.
9 Board amendment additions are double-underlined;
Board amendment deletions are ~~strikethrough normal~~.

10 Be it ordained by the People of the City and County of San Francisco:

11 **SECTION 1.** The amounts of estimated receipts, income, prior-year fund balance, prior-year
12 reserves, de-appropriations, and revenue enumerated herein are hereby appropriated to the
13 funds within the Port of San Francisco as indicated in this ordinance for the purpose of
14 meeting appropriations herein.

15
16 **SECTION 2.** The amounts of proposed expenditures are hereby appropriated to the funds
17 within the Port of San Francisco as enumerated herein. The Port of San Francisco is hereby
18 authorized to use, in the manner approved by law, the amounts so appropriated for the
19 purposes specified in this amended appropriation ordinance.

1 Department: PRT : Port

\$ Change From
Adopted Budget
2013-2014

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4 **Sources of Funds Detail by Subobject**

5 **OPERATING:**

6 **5P AAA AAA: PORT-OPERATING-NON-PROJ-CONTROLLED FD**

7 25120 TRAFFIC FINES - PARKING \$ 178,000
8 35110 PARKING METER COLLECTIONS \$ 225,641
9 35260 PORT-PARKING STALLS \$ 66,000
64000 PORT-CARGO SERVICES BUDGET \$ 330,359
99999B BEGINNING FUND BALANCE - BUDGET BASIS \$ 3,057,224

10 **Total Sources of Funds** \$ 3,857,224

11
12 **Uses of Funds Detail Appropriation**

13 **OPERATING:**

14 **5P AAA AAA: SFIA-OPERATING-NON-PROJ-CONTROLLED FD**

15 070 DEBT SERVICE \$ 800,000

16 **5P AAA ACP:**

17 CP0680 PORT ADA TRANSITION PLAN \$ 200,000
18 CP0759 ROOF REPAIR PROJECT \$ 1,375,224
CP0778 PIER STRUCTURE RPR PRJT PH II \$ (418,000)
19 CP0921 PIERS 33/35 REPAIRS & IMPROVEMENTS \$ 1,900,000

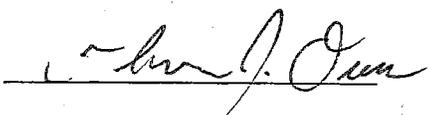
20 **Total Uses of Funds** \$ 3,857,224

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23 **SECTION 3.** The Controller is authorized to record transfers between funds and adjust the
24 accounting treatment of sources and uses appropriated in this ordinance as necessary to
25 conform to Generally Accepted Accounting Principles.

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APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

FUNDS AVAILABLE:
BEN ROSENFELD, Controller

By: 
Deputy City Attorney

By: 
Date: April 29, 2013

Items 2 and 3
Files 13-0416 and 13-0415

Department:
 Port

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed ordinance amends (a) the Annual Appropriation Ordinance to appropriate \$3,857,224 to the Port's FY 2013-14 budget, increasing the FY 2013-14 budget from \$87,817,035 to \$91,674,259, or 4.4%; and (b) the Annual Salary Ordinance to add seven (5.39 FTEs in FY 2013-14) new project-funded positions, including five Pile Workers, one Pile Driver Engine Operator, and one Pile Driver Supervisor I.

Key Points

- The Board of Supervisors approved a resolution in 2011 (Resolution 464-11), adopting a fixed two-year budget for the Airport, Port, and Public Utilities Commission. The Board of Supervisors approved the Port's two-year FY 2012-13 and FY 2013-14 fixed budget in July 2012. The proposed ordinances amend the FY 2013-14 budget to add (a) \$800,000 to pay for debt service on proposed revenue bonds, and \$3,057,224 to fund capital projects; and (b) seven new project-funded positions.

Fiscal Impact

- Sources of funds of \$3,857,224 are (a) \$800,000 due to increased parking revenues and rents for cargo operations; and (b) \$3,057,224 in fund balance. The Port's FY 2011-12 year-end fund balance exceeded projections by \$2.1 million and updated projections of FY 2012-13 year-end fund balance now exceed prior projections by \$1.0 million, making available approximately \$3.1 million to fund the requested supplemental appropriation.
- The Board of Supervisors has previously appropriated \$2,650,000 for the Port's Americans with Disabilities Act (ADA) Transition Plan, roof repair projects, Piers 33-35 repairs and improvements, and pier structure repairs. Approval of the requested supplemental appropriation would increase the appropriation for these projects by \$3,057,224 to \$5,707,224. These projects are included in the Port's Capital Plan.
- The Port has determined that using Port staff rather than contractors to perform pier structure repairs results in a savings to the Port. The requested supplemental appropriation includes \$732,000 to pay for the seven project-funded positions noted above, which is a savings of \$418,000 in FY 2013-14 compared to the original budget for contractors to perform pier structure repairs of \$1,150,000.

Recommendation

- Approve the proposed ordinance.

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

Charter Section 9.105 requires Board of Supervisors' approval of Annual Appropriation Ordinance amendments, after the Controller certifies the availability of funds.

Charter Section 9.101 authorizes the Mayor and Board of Supervisors by resolution to determine in an even-numbered fiscal year that the upcoming budgetary cycle shall be a fixed budgetary cycle for some or all City Departments. In a fixed budgetary cycle, the Board of Supervisors does not adopt a new budget for the second fiscal year of the cycle, but may adjust the second-year budget if certain conditions are met.

Background

The Board of Supervisors approved a resolution in 2011 (Resolution 464-11), adopting a fixed two-year budget for the Airport, Port, and Public Utilities Commission. The Board of Supervisors approved the Port's two-year FY 2012-13 and FY 2013-14 fixed budget in July 2012. As shown in Table 1 below, the Port's budget increased by 12% from FY 2011-12 to FY 2013-14 and the number of Full Time Equivalent (FTE) positions increased by 6%.

**Table 1: Port Budget
FY 2011-12 through FY 2013-14**

	FY 2011-12	FY 2012-13	FY 2013-14	Increase/ (Decrease) FY 2011-12 to FY 2013-14	Percent
Administration	\$23,084,714	\$25,973,010	\$26,864,607	\$3,779,893	16%
Engineering & Environmental	4,194,296	4,354,256	4,532,446	338,150	8%
Maintenance	34,793,060	32,353,913	34,174,738	(618,322)	(2%)
Maritime Operations	3,832,466	8,014,541	8,114,627	4,282,161	112%
Planning & Development	2,944,527	4,341,865	3,446,394	501,867	17%
Real Estate & Management	9,903,096	10,436,166	10,684,223	781,127	8%
Total	\$78,752,159	\$85,473,751	\$87,817,035	\$9,064,876	12%
Positions (FTEs)	223.16	235.98	236.98	13.82	6%

Source: Annual Appropriation Ordinance

DETAILS OF PROPOSED LEGISLATION

File 13-0416 amends the Annual Appropriation Ordinance to appropriate \$3,857,224 to the Port's FY 2013-14 budget, as shown in Table 2 below, increasing the FY 2013-14 budget from \$87,817,035 to \$91,674,259, or 4.4%.

File 13-0415 amends the Annual Salary Ordinance to add seven (5.39 FTEs in FY 2013-14) new project-funded positions, including five Pile Workers, one Pile Driver Engine Operator, and one Pile Driver Supervisor I.

**Table 2: Sources and Uses of Funds
FY 2013-14**

Sources of Funds	
Parking Fines	\$178,000
Parking Meters	225,641
Parking Stalls	66,000
Cargo Operations	330,359
Fund Balance	3,057,224
Total Sources	\$3,857,224
Uses of Funds	
Debt Service	\$800,000
Americans with Disabilities Act (ADA) Transition Plan	200,000
Roof Repair Project	1,375,224
Piers 33-35 Repairs and Improvements	1,900,000
De-appropriation Other Pier Structure Repairs	(418,000)
Total Uses	\$3,857,224

Funding sources of \$3,857,224 for the requested supplemental are:

- \$800,000 due to increased parking revenues and rents for cargo operations; and
- \$3,057,224 in fund balance.

According to Ms. Meghan Wallace, Port Budget Manager, the Port's FY 2011-12 year-end fund balance exceeded projections by \$2.1 million and updated projections of FY 2012-13 year-end fund balance now exceed prior projections by \$1.0 million, making available approximately \$3.1 million to fund the requested supplemental appropriation.

The requested supplemental appropriation of \$3,857,224 will pay for debt service and capital projects as follows:

- \$800,000 in new debt service for the first year of debt service on a proposed revenue bond issuance in FY 2013-14 of \$25 million to pay for phase two of the Cruise Terminal project and historic pier repairs;
- \$200,000 increase from \$100,000 to \$300,000 for the Port's ADA Transition Plan, including consultant contract costs and initial repairs to noncompliant locations;
- \$1,375,224 increase from \$350,000 to \$1,725,224 for roof repairs to the Pier 35 shed;
- \$1,900,000 increase from \$1,100,000 to \$3,000,000 for substructure repairs to Piers 33 and 35; and
- \$418,000 decrease to pier structure repair projects by replacing \$1,150,000 in construction contracts with \$732,000 in Port labor costs.

FISCAL IMPACT

The Port is requesting appropriation of \$3,857,224, which includes \$800,000 for debt service on proposed revenue bonds, as noted above, and \$3,057,224 to fund capital projects. The Board of Supervisors has previously appropriated \$2,650,000 to the capital projects shown in Table 3 below. Approval of the requested supplemental appropriation would increase the appropriation by \$3,057,224 to \$5,707,224. These projects are included in the Port's Capital Plan. According to Ms. Wallace, the Port has extensive capital needs for the pier and roof repair programs and funds sub-projects within these programs as funding becomes available.

Table 3: Requested Capital Project Funds

PROJECT TITLE	Previously Approved Funds	Requested	Change
PORT ADA TRANSITION PLAN			
Port Labor	0	0	0
Port Materials/Supplies	0	0	0
Consultant Contracts	100,000	300,000	200,000
Construction Contracts	0	0	0
Subtotal, Port ADA Transition Plan	\$100,000	\$300,000	\$200,000
ROOF REPAIR PROGRAM			
Port Labor	0	0	0
Port Materials/Supplies	0	0	0
Consultant Contracts	0	50,000	50,000
Construction Contracts	300,000	1,625,224	1,325,224
Subtotal, Roof Repair Project	\$300,000	\$1,675,224	\$1,375,224
Pier 33/35 SUBSTRUCTURE			
Port Labor	0	0	0
Port Materials/Supplies	0	0	0
Consultant Contracts	0	0	0
Construction Contracts	1,100,000	3,000,000	1,900,000
Subtotal Pier 33/35 Substructure	\$1,100,000	\$3,000,000	\$1,900,000
PIER STRUCTURE REPAIR PROGRAM			
Port Labor	0	732,000	732,000
Port Materials/Supplies	0	0	0
Consultant Contracts	0	0	0
Construction Contracts	1,150,000	0	(1,150,000)
Subtotal, Pier Structure Repair	\$1,150,000	\$732,000	(\$418,000)
Total	\$2,650,000	\$5,707,224	\$3,057,224

According to Ms. Wallace, the Port will use Port staff rather than construction contractors to perform pier structure work, resulting in a FY 2013-14 savings of \$418,000, as shown in Table 3 above. Table 4 below shows the Port's FY 2013-14 labor costs of \$732,000.

Table 4: Proposed Labor Costs

	FY 2013-14	
	FTE	Salaries and Fringe Benefits
Pile Worker	3.85	\$500,707
Pile Driver Engine Operator	0.77	104,294
Pile Driver Supervisor I	<u>0.77</u>	<u>110,729</u>
Subtotal, Positions	5.39	715,730
Liability Insurance (approximate)		16,270
Total Project Funding		\$732,000

RECOMMENDATION

Approve the proposed ordinance.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *EM* Mayor Edwin M. Lee *EL*
RE: Appropriation – \$3,857,224 for the Port of San Francisco - FY2013-2014
DATE: May 7, 2013

Attached for introduction to the Board of Supervisors is the ordinance appropriating amended estimated receipts and amended estimated expenditures of \$3,857,224 for the port of San Francisco for the fiscal year ending June 30, 2014.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2013 MAY - 7 PH 3:22
Q

130416 ✓

COB Leg. Dep
BOS-11 Comm Clerks

President, Board of Supervisors
District 3



City and County of San Francisco

DAVID CHIU
邱信福
市參事會主席

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2013 MAY 17 AM 9:08

TO: Angela Calvillo, Clerk of the Board
FROM: Supervisor David Chiu
DATE: May 16, 2013
RE: Waive 30 day hold on items 130465, 130465, 130417, 130415 and 130416

130414

Madam Clerk,

I hereby waive the 30-Day Rule on the following file:

130465 Settlement of Claims, Litigation, and Appropriation - SFPUC Water Pipeline Break - 15th Avenue and Wawona Street - Not to Exceed \$4,000,000

130414

130465 - Appropriation - \$1,697,907 for the San Francisco Airport Commission - FY2013-2014; Sponsor: Mayor; introduced 05/07/13 under the 30 day rule.

130417 - Public Employment - Amendment to the Annual Salary Ordinance, FYs 2012-2013 and 2013-2014 - San Francisco Airport Commission] Sponsor: Mayor; introduced 05/07/13 under the 30 day rule

130415 - Public Employment - Amendment to the Annual Salary Ordinance, FYs 2012-2013 and 2013-2014 - Port of San Francisco; Sponsor: Mayor; introduced 05/07/13 under the 30 day rule.

130416 - Appropriation - \$3,857,224 for the Port of San Francisco - FY2013-2014; Sponsor: Mayor; introduced 05/07/13 under the 30 day rule.

Thank you for your prompt assistance in this matter.

###

David Chiu

