



MEMORANDUM

February 23, 2024

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Gail Gilman, Vice President
Hon. Willie Adams
Hon. Ed Harrington
Hon. Steven Lee

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request authorization to accept and expend a \$21,582,000 grant from the Port and Freight Infrastructure Program implemented by the California State Transportation Agency for the Maritime Eco-Industrial Complex Improvement Project to fund pier, roadway, and utility upgrades and to develop a plan for mitigating air emissions from the fleet of trucks utilizing Port property.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 24-13

EXECUTIVE SUMMARY

The Port submitted a \$36.5 million project to improve the Maritime Eco-Industrial Complex in the Southern Waterfront. As required through the Program guideline, the Port will provide a \$5.3 million match or 20% to fund a total of \$36.5 million in infrastructure improvements. Port staff seeks Port Commission authorization to accept and expend a grant in the amount of \$21,582,000 from CalSTA's Port and Freight Infrastructure Program for the Maritime Eco-Industrial Complex Improvement Project.

The Piers 80-96 Maritime Eco-Industrial Complex is located on piers and upland properties within the Port's Southern Waterfront. The Port defines the Maritime Eco-Industrial Complex as an area that co-locates maritime industrial uses to enable product exchange, optimize the use of resources, incorporate green design and green technologies on-site, foster resource recovery and reuse, to provide economic opportunities that employ local

residents, minimize environmental impacts and incorporate public open space for enjoyment and habitat.

In January 2023, the Port submitted a grant application for funding consideration through the California State Transportation Agency (CalSTA) Port and Freight Infrastructure Program. The Port developed the grant application to improve the Port's Maritime Eco-Industrial Complex to increase service offerings to cargo shippers, boost the utilization of cargo facilities, create a safer workplace for the maritime workforce, and develop a plan to mitigate air emissions while promoting equity and environmental justice.

In July 2023, CalSTA announced a \$21.5 million award to the Port for projects valued over \$36.5 million that include modernizing Pier 80 to accommodate larger oceangoing vessels with higher cargo volumes, supporting the rebuilding of Amador Street, the major vehicle artery into the Maritime Eco-Industrial Complex, and studying the development of a 100-vehicle electric truck fleet at Pier 96 to reduce carbon emissions and build a battery or hydrogen refueling station that will move Port operations closer toward zero-emission goals.

STRATEGIC OBJECTIVES

The proposed Maritime Eco-Industrial Complex Improvement Projects support the Port's 2021-2025 Strategic Plan through the following goals:

Economic Recovery:

Develop and implement strategies to stabilize the Port's financial position.

Productivity:

Attract and retain tenants to build an economically successful and vibrant waterfront.

Sustainability:

Advance environmental stewardship to limit climate change and protect the Bay.

Evolution:

Evolve the waterfront to respond to changing public and Port needs.

BACKGROUND

The Port submitted a \$36.5 million project to improve the Maritime Eco-Industrial Complex in the Southern Waterfront. As required through the Program guideline, the Port will provide a \$5.3 million match or 20% to fund a total of \$36.5 million in infrastructure improvements. If approved by the Port Commission, Port staff will seek final authorization to accept and expend these funds from the Board of Supervisors.

In October 2021, Governor Newsom signed Executive Order N-19-21 to address global disruptions to the goods movement supply chain and directed California state agencies to take near and long-term actions to address national port congestion and supply chain challenges.

Governor Newsom proposed a \$2.3 billion supply chain resilience budget package, in January 2022, including one-time funding totaling \$1.2 billion for port and freight infrastructure.

The California State Legislature enacted Governor Newsom's Port and Freight Infrastructure proposal through Senate Bill 198, in June 2022, which also provides policy direction for CalSTA to implement the Port and Freight Infrastructure Program. CalSTA announced Port and Freight Infrastructure Program (PFIP or Program) awards on July 6, 2023, including \$21,582,000 to the Port of San Francisco to improve facilities in and around the Port's Maritime Eco-Industrial Complex. The award focuses on projects that will help the Port modernize Pier 80 to accommodate larger oceangoing vessels with higher cargo volumes; support the rebuilding of Amador Street, the major vehicle artery into the Port's Maritime Eco-Industrial Complex; and study the development of a 100-vehicle electric truck fleet at Pier 96 to reduce carbon emissions and build a battery or hydrogen refueling station that will move the Port closer toward zero-emission goals.

MARITIME ECO-INDUSTRIAL COMPLEX IMPROVEMENT PROJECTS

The CalSTA award will fund three priority projects to modernize and improve the Port's Maritime Eco-Industrial Complex. The selected projects will allow for the optimal use of Port facilities to ensure the future of San Francisco as a major maritime contributor to the Bay Area, state, and nation. The projects are described in detail below.

Pier 80 Improvements

The Pier 80 improvements include two separate components; rehabilitating the existing surface infrastructure to address subsidence and flooding issues at the terminal and reinforcing Berth C with new marine fenders to minimize operational constraints at the terminal and provide flexibility for new vessel classes.

These upgrades will enhance maritime commerce at Pier 80 by reducing the likelihood of damage to vessels, vehicles, and cargo at the terminal and by increasing trade and the rapid export of domestically produced automobiles.

Pier 80 Subsidence Project:

Scope of work:

- Raise storm drains to match new grade
- Install a new pump station
- Install lightweight concrete fill
- Install asphalt concrete over newly filled area
- Restriping of auto export parking spaces
- Utility repairs

Proposed Schedule and Funding:

Source	Amount
CalSTA PFIP Award	\$12,420,000
Port Harbor Fund Match	\$3,105,000
Total	\$15,525,000

Action	Date
Advertise for Bids	November 2024
Notice to Proceed	February 2025
Substantial Completion	February 2026

Pier 80 Fendering Project:

Scope of work:

- Demolition of existing fendering system along 2285 linear feet of berthing space
- Install 17 new 225 metric ton mooring bollards
- Install 34 new foam fenders
- Concrete repair and deck strengthening to support new mooring bollards

Proposed Schedule and Funding:

Source	Amount
CalSTA PFIP Award	\$6,320,000
Port Harbor Fund Match	\$1,580,000
Total	\$7,900,000

Action	Date
Advertise for Bids	April 2024
Notice to Proceed	August 2024
Substantial Completion	May 2025

Amador Street Improvement Project

This project will address the aging roadway, utilities, and pump station infrastructure located on Amador Street.

In 2022, the Port applied for a grant in the amount of \$9,607,500 from the U.S. Department of Transportation, Maritime Administration Port Infrastructure Development Program (PIDP) and was selected for an award. In December 2023, the Port Commission approved the acceptance and expenditure of the MARAD grant. The CalSTA grant will be used as part of the Port's match to qualify for the MARAD grant.

Scope of work:

- Replace existing pump station to upgrade capacity
- Replace concrete foundation to support new pump station layout
- Replace the gravity sewer and force the main sewer
- Reconstruct roadway to meet City standards
- Replace SFPUC's waterline
- Remove abandoned rail track and ties in the roadway
- Install new landscaping with stormwater retention planters
- Install trash capture devices

Proposed Schedule and Funding:

Source	Amount
MARAD PIDP Grant	\$9,607,500
CalSTA PFIP Award	\$2,562,000
Port Harbor Fund Match	\$640,500
Total	\$12,810,000

Action	Date
Advertise for Bids	March 2024
Notice to Proceed	August 2024
Substantial Completion	April 2026

3. Truck Fleet Zero Emission Study Project

The truck fleet zero emission study will develop a blueprint for mitigating air emissions from the truck (100+) fleet utilizing Port property including an assessment of Pier 96 and its infrastructure, specifying options to enhance electrification of the pier, and development of both a battery recharging station, or hydrogen refueling station.

Proposed Schedule and Funding:

Source	Amount
CalSTA PFIP Award	\$280,000
Port Harbor Fund Match	\$70,000
Total	\$350,000

Action	Date
Advertise for Bids	April 2024
Notice to Proceed	July 2024
Substantial Completion	February 2025

RECOMMENDATION

Port staff recommend that the Port Commission approve the attached resolution authorizing staff to accept and expend \$21,582,000 from the Port and Freight Infrastructure Program implemented by the California State Transportation Agency for the Maritime Eco-Industrial Complex Improvement Project to fund pier, roadway, and utility upgrades and to develop a plan for mitigating air emissions from the truck fleet utilizing Port property and contributing to the City's zero-emission goals.

Prepared by:	Boris Delepine Legislative Affairs Manager
	Noel Aquino Project Manager
Prepared for:	Wendy Proctor Acting Deputy Director, Engineering

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 24-13

- WHEREAS, In October 2021, Governor Newsom signed Executive Order N-19-21 to address global disruptions to the goods movement supply chain and directed California state agencies to take near and long-term actions to address national port congestion and supply chain challenges; and
- WHEREAS, Governor Newsom proposed a \$2.3 billion supply chain resilience budget package, in January 2022, including one-time funding totaling \$1.2 billion for port and freight infrastructure; and
- WHEREAS, In January 2023, the Port submitted a grant application for funding consideration through the California State Transportation Agency Port and Freight Infrastructure Program (CalSTA PFIP) to improve the Port's Maritime Eco-Industrial Complex to increase service offerings to cargo shippers, boost the utilization of existing cargo facilities, create a safer workplace for our maritime workforce, and to develop a plan to mitigate air emissions while promoting equity and environmental justice; and
- WHEREAS, In July 2023, CalSTA PFIP announced a \$21,582,000 award to the Port for specific projects that include modernizing Pier 80 to accommodate larger oceangoing vessels with higher cargo volumes, supporting the rebuilding of Amador Street, and studying the development of a 100-vehicle electric truck fleet at Pier 96 to reduce carbon emissions and build a battery or hydrogen refueling station; and
- WHEREAS, Under the City Administrative Code Section 10.170-1, the Port must obtain the Board of Supervisors' approval to accept and expend grant funds of \$100,000 or more; and the Grant Agreement is subject to the Board of Supervisors' approval under Charter Section 9.118; and now, therefore be it
- RESOLVED, The Port Commission hereby authorizes the Port to accept and expend \$21,582,000, to improve the Port's Maritime Eco-Industrial Complex to conduct all negotiations, and execute and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary to secure the aforementioned grant funds; and be it further
- RESOLVED, The Port Commission authorizes its Executive Director to seek the Board of Supervisors' authorization to accept and expend the funds; and be it further
- RESOLVED, Upon the Board of Supervisors' approval, the Port Commission authorizes its Executive Director or her designee to act as a representative of the Port and to negotiate and execute a grant agreement and all other agreements and

instruments necessary to obtain and expend the grant monies on behalf of Port, in such form approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of February 27, 2024.

DocuSigned by:

Jenica Liu

Secretary

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