

Daniel Lurie, Mayor



Kat Anderson, Commission President
Sarah Madland, Interim General Manager

Date: May 21, 2026

To: Recreation and Parks Commission

Through: Sarah Madland, Interim General Manager
Eric Andersen, Director of Operations

From: Felix Tong, Deferred Maintenance Program Manager

Subject: Marina Dredging – Open Space Fund Contingency Reserve Allocation

Agenda Wording

Discussion and possible action to allocate up to \$1,000,000 from the Open Space Fund Contingency Reserve (undesignated sub-fund) for dredging at the Marina Yacht Harbor.

Strategic Plan

Strategy 1: Inspire Public Space: Develop more open space to address population growth in high needs areas and emerging neighborhoods.

Objective: 1.1.: Strengthen the quality of existing Parks & Facilities

Strategy 2: Inspire Play: Promote active living, well-being and community for San Francisco's diverse and growing population

Objective 2.3 Work with partners to activate parks through organized events, activities and unstructured play

Background

Marina Dredging

Every year, Rec Park dredges the Marina Small Craft Harbor to keep the channel open for boat traffic. In December 2025, RPD solicited bids for early-2026 dredging. Marinship Development Interest, LLC won the contract and started work on March 18, 2026. Marinship failed to complete dredging within the required 30-day window and RPD cancelled that contract on April 23, 2026. On April 28, 2026, RPD awarded the work to the second-lowest bidder, Dutra Group and Dutra mobilized on April 29 to begin clearing the channel.



Emergency Declaration

During the period when Marinship did not complete the job, additional sand accumulated in the channel, making the harbor entrance only accessible during the highest of tides. In order to prevent shutdown of the harbor entrance, an emergency has been declared to immediately increase the Dutra contract scope of work. Under Section 6.60 of the Administrative Code, Rec Park must notify the Mayor, Controller and Board when performing emergency work. When the estimated cost of the work exceeds \$250,000 the Department Head must first secure the President of the Recreation and Park Commission's approval in writing.

The current contract award is \$1,163,262. In its emergency declaration, the Department has estimated up to an additional \$2,000,000 is needed to complete this work, but there is insufficient funding in the Marina fund to encumber this amount.

Open Space Fund Contingency Reserve

The 2000 ballot measure amending the Open Space Fund requires that the Recreation and Park Department (RPD) set aside three percent of the fund's annual budgeted revenue in an "undesignated contingency reserve." Without any guidelines in the Charter for the use of the reserve, the Commission, with the guidance of RPD staff, adopted a policy for use of the Open Space Fund Contingency Reserve. First adopted in 2003 and amended in 2008 (Res. No. 0806-023), the Commission's policy on the use of the undesignated contingency reserve funds includes the following guidelines:

- 1) The reserve shall be expended on items that are one time in nature,
- 2) The reserve shall not be used to fund staff time, including salary and fringe benefits,
- 3) The reserve shall not be used to supplant other Open Space expenditures,
- 4) All expenditures from the contingency reserve expenditures must be approved by the Commission as a general calendar item,
- 5) That the undesignated contingency reserve shall be used for those projects that enhance or extend the useful life of Recreation and Park property, including tree maintenance as authorized by the Charter Section 16.107 (e), property on to the jurisdiction of the Recreation and Park Commission, or property under the jurisdiction of another city department or public agency and subject to the agreement with the department for its use management and maintenance,
- 6) Use of the reserve shall not be limited to properties renovated, improved, newly constructed, or acquired after Proposition C the Open Space Fund and
- 7) That the Commission may propose projects to be funded by the reserve up to 25 percent of the amount of the reserve.

Additional Funding Necessary

To fund the emergency dredging work, Rec Park is proposing to use up to \$1,000,000 of undesignated contingency reserve as a source. There is currently \$4,260,654 available in this subfund. The Department plans to replenish the Contingency reserve with Marina revenue in future budget proposals.

Staff Recommendation

Staff recommend the Commission allocate an amount not to exceed \$1,000,000 for dredging the Marina Small Craft Yacht West Harbor entrance channel. Funding will come from the Open Space Fund Contingency Reserve, specifically the undesignated sub-fund. Ongoing Marina fees will be used to replenish the \$1,000,000 reserve draw.

Supported By**Opposed By****Attachments**

Open Space Fund Contingency
Recreation and Park Emergency Declaration Procedures
Declaration of Emergency at the Marina