



MEMORANDUM

December 6, 2024

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

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request authorization for the Executive Director to enter into Feasibility Cost Sharing Agreement (FCSA) Amendment 3 with the United States Army Corps of Engineers (USACE) for the San Francisco Waterfront Coastal Flood Study (Study).

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 24-61

EXECUTIVE SUMMARY

Port staff is working with the United States Army Corps of Engineers (USACE) to conduct the San Francisco Waterfront Coastal Flood Study (Flood Study or Study). The Port's work with USACE is governed by a Feasibility Cost Sharing Agreement (FCSA), which requires the parties to collaborate on the Flood Study and includes an agreement to share the costs of the work 50-50%.

The Port and USACE entered the original Feasibility Cost Sharing Agreement (FCSA) on September 5, 2018, providing for a 3-year, \$3 million general investigation of coastal flood risks. The Port and USACE entered two subsequent amendments to the FCSA ultimately increasing the Study budget to a total of \$16 million, expected to result in a USACE Chief of Engineer's report (Chief's Report) to Congress, subject to a finding of federal interest, by November 2025, as further described in this report.

This report describes the staff's recommendation that the Port Commission authorize the Executive Director to enter a 3rd amendment to the FCSA (FCSA3). The proposed amendment is consistent with a resource request from the USACE Deputy Commanding General for Civil and Emergency Operation dated October 18, 2024, to the Assistant Secretary of the Army for Civil Works (ASA-CW) recommending an increase to the Study budget of \$3.2 million and a 1-year extension to the term.

The attached resolution, if approved by the Port Commission, would authorize the Executive Director to enter into FCSA3 with a total Study cost of up to \$19.2 million and extend the Study duration up to an additional 12 months. Funds provided by the Port pursuant to the attached resolution will be used to advance the Study if there is a delay in obtaining federal funding.

STRATEGIC OBJECTIVES

The Port's Waterfront Resilience Program, including the FCSA with USACE, supports the goals of the Port's Strategic Plan as follows:

Engagement:

By leading an inclusive stakeholder process to develop a shared vision, principles, and goals for the Waterfront Resilience Program and Flood Study.

Equity:

By developing a program-wide equity strategy that is integrated into the Port's Racial Equity Action Plan, focused on centering voices of marginalized communities through robust engagement, developing resilience projects to serve these communities, and ensuring equitable hiring and contracting to support the Program.

- Centering the voices of communities of color, low-income communities, and disadvantaged and historically underrepresented communities through robust, meaningful, and inclusive public outreach and engagement.
- Developing and investing in resilience projects that reduce flood and seismic risk in and around disadvantaged and historically underrepresented communities.
- Ensuring equitable hiring and contracting practices and supporting the development of a diverse workforce to design and deliver projects associated with the Waterfront Resilience Program.

Resiliency:

By leading the City's efforts to address threats from earthquakes and flood risk through research and infrastructure improvements to the entire Port shoreline and adjoining buildings and other infrastructure.

Evolution:

By developing adaptation options with a long time horizon as well as near-term actions, envisioning strategies to adapt the waterfront and its uses over time, and recognizing that decisions made today influence the options available to future generations who will be addressing different environmental and social conditions.

Sustainability:

By incorporating nature-based features into the USACE draft plan for coastal flood defenses (Draft Plan) and early projects to reduce earthquake risk, enhance emergency response, and reduce early flood risk (Early Projects) to enhance the quality of the Bay water and habitat.

Productivity and Economic Recovery:

Through the investment of Proposition A Seawall Earthquake Safety Bond funding and other Port and public funding sources, and by developing strategies to defend or floodproof Port maritime and industrial facilities.

BACKGROUND

Feasibility Cost Sharing Agreement and Amendments

On June 7, 2018, USACE awarded San Francisco a “new start” study appropriation to commence a General Investigation (GI) feasibility study, which would consider and recommend potential project alternatives that would reduce coastal flood risk along the San Francisco waterfront (the San Francisco Waterfront Coastal Flood Study, or Flood Study). Following the completion of the Flood Study, if USACE recommends and Congress approves a project for implementation, the federal government would pay for approximately two-thirds of the cost of design and construction, and the Port would pay for approximately one-third of the cost.

USACE General Investigations follow a standardized “3x3x3” framework: a \$3 million budget, a 3-year schedule, and 3 levels of USACE review (District, Division, Headquarters).

On August 14, 2018, the Port Commission authorized the Executive Director to enter into a 3-year, \$3 million FCSA with the United States Army Corps of Engineers for the study of coastal flood resilience on the San Francisco waterfront under the USACE General Investigation program¹. The Port and USACE executed that agreement on September 9, 2018. In early 2019, the Project Delivery Team (PDT) consisting of Port staff and representatives of the USACE’s San Francisco District collaborated closely to develop a recommendation for a \$20.3 million Flood Study, reflecting the complexity of the problems along San Francisco’s unique Bay shoreline. This recommendation was ultimately rejected by USACE leadership in favor of a series of amendments to the FCSA that resulted in the current \$16 million, 7-year, 2-month Study.

On May 26, 2020, the Port Commission authorized the Executive Director to amend the FCSA to reflect USACE’s request for waiver of the 3-year, \$3 million restriction on General Investigations to increase the Study budget to \$6 million (FCSA1), and subject to approval by the Board of Supervisors and the Assistant Secretary of the Army, to further increase

¹ August 14, 2018 Staff Report (see Item 13B):

<https://www.sfport.com/meetings/san-francisco-port-commission-august-14-2018>

the Study budget with an extended Study period². The amended FCSA1, with a \$6 million Study budget, was executed on March 2, 2021.

On September 7, 2021, USACE Headquarters approved a recommendation to the ASA-CW the waiver request for an additional \$10 million (50% federally funded) and an additional 50 months to complete the Study. Acting ASA-CW Jaime Pinkham approved this waiver request on November 18, 2021.

On October 12, 2021, the Port Commission authorized the Executive Director to amend the FCSA to increase the Study budget from \$6 million to \$16 million with an additional 50 months to complete the Study (for a total of 7 years and 2 months)³. On July 7, 2022, USACE and the Port executed the 2nd amendment to the FCSA (FCSA2).

Public Release

On January 26, 2024, USACE in collaboration with the City and County of San Francisco, published the Draft Integrated Feasibility Report and Environmental Impact Statement (Draft IFR/EIS)⁴. The Draft IFR/EIS analyzes the coastal flood risk and effects of sea level rise for the 7.5 miles of waterfront within the Port of San Francisco's jurisdiction, from Aquatic Park to Heron's Head Park.

The Draft IFR/EIS describes a draft plan consisting of coastal flood defenses, floodproofing and water management features to adapt the Port's 7.5-mile bayside waterfront to sea level rise over time, with subsequent adaptation actions to respond to higher future water levels (collectively, the Draft Plan). The proposed solutions are estimated to cost \$13.5 billion plus inflation, and, if approved by Congress, the Federal government may pay up to 65% of the construction cost. Cost estimates are preliminary, high-level, and subject to change.

Public Outreach and Engagement

The Draft Plan was released to the public on January 26, 2024, starting a 60-day formal public comment period under the National Environmental Policy Act (NEPA). During this period, USACE and the City conducted robust public outreach and engagement to get feedback on the Draft Plan.

² May 26, 2020 Staff Report:

<https://www.sfport.com/sites/default/files/Item%207A%20USACE%20Feasibility%20Cost%20Sharing%20Agreement%20Amendment%2005.20.20%20%28S%29.pdf>

³ October 12, 2021 Staff Report:

https://www.sfport.com/sites/default/files/2024-11/item_13a_usace_feasibility_cost_sharing_agreement_final_signedresolution_1.pdf

⁴ February 6, 2023 Staff Report:

https://sfport.com/files/2024-020624_10a_usace_flood_study_draft_staff_report.pdf

At the June 11, 2024 Port Commission meeting, Port staff presented an informational presentation on public outreach, engagement, and feedback on the Flood Study and City and regulatory agency comments on the Draft IFR/EIS⁵.

The USACE/Port Project Delivery Team (PDT) is currently working to prepare responses for all formally submitted comments on the Draft IFR/EIS which will be included in the final Integrated Feasibility Report and Environmental Impact Statement (Final IFR/EIS), tentatively set for release in 2026.

Agency Decision Milestone

On June 28, 2024, USACE leadership endorsed the Draft Plan at the USACE Agency Decision Milestone Meeting (ADM). The PDT presented the Draft Plan, public comments, recommendations from USACE policy, technical, and legal review of the Draft Plan, and the PDT's workplan to address these comments and develop a revised Draft Plan for inclusion in the Final IFR/EIS. If the USACE Chief of Engineers recommends this plan in a Chief's Report to Congress in 2026, it will be the recommended plan (Recommended Plan).

Third Amendment to Feasibility Cost Sharing Agreement

Concurrent with USACE leadership endorsement of the Draft Plan, USACE leadership endorsed a staff recommendation to add \$3.2 million in cost-shared funding and 1 year to the Study budget and schedule, subject to identifying funding within the existing USACE budget and future Congressional appropriations (see Exhibit A). General Jason E. Kelly, Deputy Commanding General for Civil and Emergency Operations, approved this recommendation, which is now pending consideration by the Acting ASA-CW Jaime Pinkham.

Based on this additional resource request, Port staff now request that the Port Commission authorize the Executive Director to enter into a 3rd amendment to the FCSA, adding \$3.2 million in cost-shared funding and 1 year to the Study budget and schedule, with expected delivery of a Chief's Report to Congress by the end of 2026 (FCSA3).

Exhibit B contains USACE and Port expenditures to support the Study as of June 2024 including the proposed \$3.32 million budget to complete the Study.

PROPOSED FCSA3

Staff now proposes an amendment to the FCSA – FCSA3 – that is designed to enable the Port and USACE team to complete the Flood Study under a variety of funding scenarios, including scenarios where there are no further federal appropriations to advance the Study in the near term.

The proposed FCSA3 between USACE and the Port includes the following key elements:

⁵ June 11, 2024 Staff Report:

https://sfport.com/files/2024-06/061124_12a_u.s._army_corps_of_engineers_draft_plan_public_outreach_and_comments.pdf

- An increase in budget of \$3.2 million, above the \$16 million already authorized (50% Port funds, 50% federal funds);
- An extension of the Study duration by 12 months, extending the initial 3-year study, as extended by FCSA1 and FCSA2, to a total duration of 8 years and 2 months;
- The form of the FCSA is a standardized USACE model agreement, utilized nationwide; and
- A provision that allows the Port to advance funding to USACE to enable work to progress (Accelerated Funds), as further described below.

The Port has funds allocated in its Seawall Resiliency Project, 12672 - Seawall & Marginal Wharf Repair to provide the required cost-matching contribution or payment of Accelerated Funds, where the Port will determine the mix of cash and credit for in-kind services required of the Port under the FCSA3.

ACCELERATED FUNDS PROVISION

Under Resolution 20-24, the Port Commission previously authorized Port staff to add an Accelerated Funds provision to the FCSA. That clause was never added to the FCSA because the ASA-CW had not approved the addition of this provision to the FCSA and because the Port and USACE were successful in obtaining federal funding.

The Study now faces federal funding complications that could delay or halt work. The most recent federal funding for the Study came from the Infrastructure Investment and Jobs Act. Speaker Emerita Pelosi authored a community funding request of \$5 million to fund the federal costs of performing the Study, which fully funded the anticipated federal costs at the time.

\$800,000 of that federal funding remains available to advance federal work on the Study; this funding is expected to be exhausted in March 2025. The federal government is currently operating under a restrictive continuing resolution (CR) to keep the government open. Under the current CR, USACE does not have a new appropriation to fund the Study. Without further funding from either federal or local sources, work on the Study will pause in 2025.

Port staff recommend adding a similar Accelerated Funds provision to the new FCSA3. Inclusion of the Accelerated Funds provision will authorize the Port to advance funding to USACE to keep the Study moving forward in the absence of or in case of delay of needed federal appropriation of funds to the Study. The Accelerated Funds Clause reads as follows:

In addition to providing the funds required by paragraph B. of this Article, the Non-Federal Sponsor may provide accelerated funds for immediate use of the Government. The Non-Federal Sponsor understands that use of accelerated funds shall not constitute any

commitment by the Government to budget, or the Congress to appropriate, funds for this Study or to match any accelerated funds provided by the Non-Federal Sponsor; that any accelerated funds will be credited toward the Non-Federal Sponsor's cost share only to the extent matching Federal funds are provided; and that the Non-Federal Sponsor is not entitled to any repayment for any accelerated funds obligated by the Government even if the Study ultimately is not completed.

Note: Staff underlines the last sentence of the Accelerated Funds provision: if the Port provides Accelerated Funds to keep the Study progressing, including to pay for costs incurred by the federal government, the Port has no assurance that Congress will appropriate new funds to complete the Flood Study or that the Study will be completed.

If the Port Commission approves the addition of the Accelerated Funds clause, Port staff can utilize existing appropriation authority under the 3rd Proposition Bond Sale to pay Accelerated Funds to USACE.

Resolution 24-61 attached to this report authorizes the Executive Director, or her designee, to make any such Accelerated Funds payments to USACE that are in the best interests of timely completion of the Flood Study.

NEXT STEPS

If Resolution 24-61 attached to this report is approved by the Port Commission, the Executive Director will execute the amended FCSA3 to achieve the full \$19.2 million, 8-year, 2-month Study and make Accelerated Funds payments from authorized sources to enable work on the Study to continue.

Prepared by: Kelley Capone
USACE Flood Study Project Manager

Brad Benson
Waterfront Resilience Program Director

Attachments: Exhibit A: Memorandum for the Assistant Secretary of the Army (Civil Works) San Francisco Waterfront Coastal Flood Study, California Request for a Section 1001 Resource Request

Exhibit B: USACE and Port Expenditures to Date and Planned Expenditures to Complete the USACE Flood Study

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 24-61**

- WHEREAS, The San Francisco Seawall was constructed more than a century ago and serves as the foundation for more than three miles of San Francisco waterfront, supporting historic piers, wharves, and buildings including the Ferry Building, and underpinning the Embarcadero Promenade which welcomes millions of people each year, serves as a critical emergency response and recovery area, and supports BART, Muni and ferry transportation and utility networks; and
- WHEREAS, The Port's Southern Waterfront includes Pier 48 and 50, areas surrounding Mission Creek, streets and parks in Mission Bay, the Union Iron Works Historic District at Pier 70, the Port's active maritime industrial piers, including Pier 80 and Piers 92-96, and land adjacent to Islais Creek, including 1399 Marin Street; and
- WHEREAS, Flood risk maps published by the Port, the City, and the Federal Emergency Management Agency all indicate current and future flood risk along significant portions of Port property associated with King Tides, 100-Year and 500-Year Floods, and sea level rise; and
- WHEREAS, On June 7, 2018, the United States Army Corps of Engineers (USACE) awarded the City and County of San Francisco a "new start" study appropriation to commence a General Investigation (GI) feasibility study to examine the federal interest of possible improvements to reduce flood risk along the San Francisco waterfront (the San Francisco Coastal Flood Study, or Flood Study), as elaborated in the staff memorandum accompanying resolution 18-46 passed by the Port Commission on August 14, 2018; and
- WHEREAS, Pursuant to Resolution 18-46, the Port Commission authorized the Executive Director to enter into a Feasibility Cost Sharing Agreement with USACE for the Flood Study at a total cost of \$3 million over three years, under which the Port as Non-Federal sponsor committed to match federal funding for the Flood Study in equal proportion, resulting in a \$1.5 million Federal funding commitment and a \$1.5 million Port commitment (Original FCSA or FCSA); and
- WHEREAS, On May 26, 2020, pursuant to Resolution 20-24, the Port Commission authorized the Executive Director to enter into a first amendment to the FCSA with USACE (FCSA1), which increased the Flood Study funding from \$3 million to \$6 million and increased the Port's match to \$3 million in cash or in-kind contributions, as described in the staff report accompanying that resolution; and

WHEREAS, In July 2020, USACE Headquarters informed the Port that USACE had reassigned the Study from the San Francisco District Office to the Southwestern Division (SWD) of USACE; and

WHEREAS, The SWD has worked closely with Port staff to develop a new recommendation to increase the Study budget by an additional \$10 million (50% federally funded, 50% local match) and to increase the schedule to complete the Study by an additional 50-months, with a Chief of Engineers Report to Congress by November 2025 and SWD submitted a new recommendation for a waiver to USACE Headquarters and the Assistant Secretary of the Army; and

WHEREAS, On September 7, 2021, USACE Headquarters approved a recommendation for submittal of a waiver to the Assistant Secretary of the Army-Civil Works (ASA-CW) requesting an increase to the Study budget by an additional \$10 million (50% federally funded, 50% local match) and an increase to the schedule by an additional 50 months, resulting in a total Study cost of \$16 million and a 7-year, 2-month schedule when the Study cost and time frame under FCSA1 is included; and

WHEREAS, On October 12, 2021, pursuant to Resolution 21-43, the Port Commission authorized the Executive Director to enter a second amendment to the FCSA (FCSA2) that (2) increased the Flood Study budget by an additional \$10 million, increasing the Port's 50% total local match to \$8 million (\$3 million for the original FCSA and FCSA1 and \$5 million for FCSA2) in Port funds or in-kind contributions to the Study, and (3) allowed for an additional 50-months to complete the Study; and

WHEREAS, Resolution 21-43 also authorized the ability to accelerate local funding to USACE (Accelerated Funds) but this clause was not added to FCSA2 because the ASA-CW had not yet authorized the addition of this provision; and

WHEREAS, On October 18, 2024, USACE Deputy Commanding General Jason E. Kelly endorsed a staff recommendation to add \$3.2 million in cost-shared funding and 12 months to the Study budget and schedule to revise the Study to respond to comments from the public, City department, regulatory and resource agencies, and USACE technical and policy reviews, subject to approval by the Acting ASA-CW Jaime Pinkham; and

WHEREAS, USACE and the Port need a new FCSA3 to continue the Study if the Acting ASA-CW approves the waiver recommended by USACE Headquarters; and

WHEREAS, The Port has funds allocated in its Seawall Resiliency Project, 12672 - Seawall & Marginal Wharf Repair to provide the required cost-matching contribution, where the Port will determine the mix of cash and credit for in-

kind services required of the Port under the FCSA3, including the ability to accelerate funds under an Accelerated Funds clause, if required; and

WHEREAS, Due to the complexity of the Study, a new amendment to the FCSA between Port and USACE is warranted, that (1) increases the Study budget by an additional \$3.2 million (50% of which is the Port's responsibility), (2) provides an additional 12 months from execution of the FCSA3 to complete the Study, and (3) gives the Port the option to provide its cost match contribution earlier than federal appropriations to the Study, which may be a useful option to advance the Study in the event that federal funding is not available in a given budget year, as further described in the staff report accompanying this resolution; now, therefore be it

RESOLVED, That, subject to approval of a waiver by the Assistant Secretary of the Army, the Port Commission hereby authorizes the Executive Director to enter a new FCSA3 and amendments, if necessary, that (1) allow the Port to elect to provide its cost match contribution earlier than federal appropriations to the Study, (2) increase the Flood Study budget by an additional \$3.2 million, increasing the Port's 50% total local match to \$9.6 million (\$3 million for the original FCSA and FCSA1, \$5 million for FCSA2 and \$1.6 million for FCSA3) in Port funds or in-kind contributions to the Study, and (3) allows for an additional 12-months to complete the Study, as described in the staff report accompanying this resolution, and in such form as approved by the City Attorney; and be it further

RESOLVED, That the Executive Director is authorized to utilize funds appropriated to the Waterfront Resilience Program to exercise the Accelerated Funds clause under the new FCSA3; and be it further

RESOLVED, That the Port Commission hereby authorizes the Executive Director to execute any documents required for the implementation of a new FCSA3 as described in this resolution and accompanying staff memorandum, including any letters of intent, amendments, augmentations, or extensions thereof necessary to implement the transaction contemplated by the FCSA3 and this resolution which, when taken as a whole, the Executive Director determines in consultation with the City Attorney, are in the best interests of the Port, and do not materially decrease the benefits or materially increase the obligations or liabilities of the Port, and are necessary or advisable to fund the Study that the FCSA3 and this resolution contemplates.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 2024.

Secretary

EXHIBIT A
Memorandum for the Assistant Secretary of the Army (Civil Works)
San Francisco Waterfront Coastal Flood Study,
California Request for a Section 1001 Resource Request



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

CECW-SWD

18-Oct-2024

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

SUBJECT: San Francisco Waterfront Coastal Flood Study, California, Request for a Section 1001 Exception

1. Purpose. To request an exception from the requirements of Section 1001 of the Water Resources Reform and Development Act of 2014 (WRRDA 2014) for an additional twelve months and additional expenditures of up to \$3,200,000. The total study cost is \$19,200,000 (\$9,600,000 federal and \$9,600,000 non-federal), with an additional \$150,000 for the fully federally funded Independent External Peer Review (IEPR). Based on efficient funding, the total study duration is 98 months with a scheduled Chief's Report date of 5 November 2026. If efficient funding is not received in FY 2025, study execution will be adversely impacted, potentially resulting in a four-to-six-month schedule delay and a \$400,000 to \$600,000 study cost increase. The request from the District Commander, dated 20 August 2024, and the endorsement of the MSC Commander, dated 16 September 2024 are provided as Enclosures 1 and 2. The non-federal sponsor is the Port of San Francisco, and their support is confirmed in the District Commander's letter.

2. Authority. Per Section 1001 of WRRDA 2014, the U.S. Army Corps of Engineers final feasibility reports are, to the extent practicable, to be completed in three years and have a maximum federal cost of \$3,000,000. Section 1001 further provides that the Secretary of the Army may extend the timeline or approve federal costs greater than \$3,000,000, subject to notification to the non-federal sponsor and the Senate Committee on Environment and Public Works and the House of Representatives Committee on Transportation and Infrastructure.

3. Previously Approved Exceptions. A Section 1001 exception was granted on 14 November 2019 allowing for a \$6,000,000 study. This approval for an additional \$3,000,000 (\$1,500,000 federal/\$1,500,000 non-federal) was based on the need to address innovative design solutions required for raising historical pier structures and interior drainage issues, along with unstable geotechnical and seismic conditions. A second Section 1001 exception was granted on 18 November 2021 for an additional fifty months and \$5,000,000 in federal funds. This approval was based on the need to rescope the study and develop a comprehensive plan for addressing evolving seismic, storm and tidal flooding risks within the San Francisco Waterfront study area, as well as

CECW-SWD

SUBJECT: San Francisco Waterfront Coastal Flood Study, California Request for a Section 1001 Exception

to complete environmental coordination and identify the potential for multi-agency programs and resources investments as part of the Federal Interest Determination. The current approved study completion date is 5 November 2025.

4. Need for Exception. The additional time and funding would address the key scope drivers that have been identified as geotechnical engineering, coastal engineering, hydrologic and hydraulic (H&H) engineering, and other planning study risks. Furthermore, it would provide the time necessary to make refinements related to the seismic sensitivity analysis, wave sensitivity evaluation, interior drainage model, subsurface profile for the southern waterfront, cost schedule risk analysis, and Hazardous, Toxic, and Radioactive Waste consultation. The additional time will also allow the project delivery team to appropriately progress design maturity. This will reduce uncertainty and provide contingency to address unknowns as the study is completed. While risks do remain in addressing the uncertainties in the seismic ground improvements, wave overtopping, and H&H, as captured in the presentation slides and report summary (Enclosures 3 and 4), these risks were found acceptable and manageable through planned analyses and vertical team collaboration.

5. Chief of Planning and Policy Recommendation. A Senior Leader Panel was held 20 August 2024, during which the required tasks to complete the study were discussed, as were the schedule and funding requirements. The Chief of Planning and Policy, with support from the Chief of the Programs Integration Division, the Chief of the Engineering and Construction Division, and the Director of Real Estate, agreed to support this exception request.

6. Funding Stream. The total funding needed to complete the study is \$3,200,000. The study has already received \$8,150,000 in federal funding, including \$150,000 for IEPR. The estimated additional federal funding stream is \$900,000 in Fiscal Year (FY) 2025, \$670,000 in FY 2026, and \$30,000 in FY 2027. If funding is not available in FY 2025, there will be a delay in study execution triggering the need for an additional request for time and funding. If funding is deferred to FY 2026, funds on hand will be exhausted around the end of FY 2025 and study efforts will be paused. Under this scenario, an additional \$400,000-\$600,000 will likely be needed to complete the study and the completion of the Chief's Report will likely be delayed four to six months – shifting authorization consideration an additional Water Resource and Development Act (WRDA) cycle.

7. Recommendation. I concur with the recommendation of the Chief of Planning and Policy on the schedule extension and funding request. I recommend you approve the request for a twelve-month study extension and additional federal funding up to

CECW-SWD

SUBJECT: San Francisco Waterfront Coastal Flood Study, California Request for a
Section 1001 Exception

\$1,600,000 for the San Francisco Waterfront Coastal Flood Study and forward the
enclosed Draft House and Senate Notification letters (Enclosures 5 and 6) to the
Authorization Committees.

6 Encls

1. District Request Memo
2. MSC Endorsement Memo
3. Exception Briefing Slides
4. Report Summary
5. Draft House Notification Letter
6. Draft Senate Notification Letter



JASON E. KELLY

Major General, USA

Deputy Commanding General
for Civil and Emergency Operations

EXHIBIT B
USACE and Port Expenditures to Date and Planned Expenditures to Complete the USACE Flood Study
(Page 1 of 2)

*Note: Remaining to completion (page 1 of 2) plus the additional budget needed for COA2b is (2 of 2) is the total budget/scope for completion of the Chief's Report in 2026.

San Francisco Waterfront Coastal Flood Study Budget Start to Nov 2026. COA 2b(+\$3.2M)						
Discipline	Start to Jun-24 (WIK Package#15)			Remaining to completion (Jul-24 to Nov-26)		
	Federal Cost	Non-Fed Cost	Total	Federal Cost	Non-Fed Cost	Total
Programs & Project Management	\$1,541,826	\$0	\$1,541,826	\$132,000	\$0	\$132,000
Plan Formulation and Evaluation	\$1,394,000	\$901,113	\$2,295,113	\$80,000	\$0	\$80,000
Economic Studies	\$469,000	\$984,839	\$1,453,839	\$79,000	\$0	\$79,000
Environmental/NEPA/HTRW	\$1,175,000	\$870,952	\$2,045,952	\$460,000	\$145,000	\$605,000
Cultural Resources/Historical	\$211,000	\$3,136	\$214,136	\$61,000	\$80,000	\$141,000
Public Involvement	\$150,000	\$39,727	\$189,727	\$0	\$0	\$0
EWN	\$84,000	\$0	\$84,000	\$0	\$0	\$0
Story Map – GIS/Website	\$162,000	\$403,149	\$565,149	\$20,000	\$140,000	\$160,000
Lead Engineer	\$330,000	\$729,428	\$1,059,428	\$121,000	\$95,000	\$216,000
Design – Architectural/Structural	\$272,000	\$71,358	\$343,358	\$0	\$0	\$0
Geotechnical Engineer	\$414,000	\$682	\$414,682	\$120,000	\$40,000	\$160,000
SQRA	\$75,000	\$0	\$75,000	\$0	\$0	\$0
Cost Engineering	\$185,000	\$176,878	\$361,878	\$44,000	\$0	\$44,000
Hydrology and Hydraulics/Coastal	\$785,000	\$653,968	\$1,438,968	\$202,000	-\$190,000	\$12,000
Real Estate	\$82,000	\$0	\$82,000	\$100,000	\$50,000	\$150,000
DQC/ATR Reviews	\$230,000	\$0	\$230,000	\$100,000	\$0	\$100,000
Travel	\$200,000	\$0	\$200,000	\$100,000	\$0	\$100,000
Sub-Total (before cash contributions)	\$7,759,826	\$4,835,230	\$12,595,056	\$1,619,000	\$360,000	\$1,979,000
NFS Cash Contributions	-\$1,462,298	\$1,462,298	\$0	-\$629,500	\$629,500	\$0
Total (Including Cash-Contributions)	\$6,297,528	\$6,297,528	\$12,595,056	\$989,500	\$989,500	\$1,979,000
Contingency				\$1,425,944		
Total w/Contingency	\$12,595,056			\$3,404,944		

**USACE and Port Expenditures to Date and Planned Expenditures to Complete the USACE Flood Study
(Page 2 of 2)**

San Francisco Waterfront Coastal Flood Study Budget Start to Nov 2026. COA 2b(+\$3.2M)						
Discipline	Additional Budget Needed for COA2b			Total Study Costs		
	Federal Cost	Non-Fed Cost	Total	Federal Cost	Non-Fed Cost	Total
Programs & Project Management	\$168,000	\$0	\$168,000	\$1,841,826	\$0	\$1,841,826
Plan Formulation and Evaluation	\$160,000	\$310,000	\$470,000	\$1,634,000	\$1,211,113	\$2,845,113
Economic Studies	\$121,000	\$150,000	\$271,000	\$669,000	\$1,134,839	\$1,803,839
Environmental/NEPA/HTRW	\$0	\$0	\$0	\$1,635,000	\$1,015,952	\$2,650,952
Cultural Resources/Historical	\$93,000	\$0	\$93,000	\$365,000	\$83,136	\$448,136
Public Involvement	\$0	\$0	\$0	\$150,000	\$39,727	\$189,727
EWN	\$20,000	\$30,000	\$50,000	\$104,000	\$30,000	\$134,000
Story Map – GIS/Website	\$0	\$0	\$0	\$182,000	\$543,149	\$725,149
Lead Engineer	\$299,000	\$75,000	\$374,000	\$750,000	\$899,428	\$1,649,428
Design – Architectural/Structural	\$0	\$0	\$0	\$272,000	\$71,358	\$343,358
Geotechnical Engineer	\$230,000	\$130,000	\$360,000	\$764,000	\$170,682	\$934,682
SQRA	\$0	\$0	\$0	\$75,000	\$0	\$75,000
Cost Engineering	\$276,000	\$170,000	\$446,000	\$505,000	\$346,878	\$851,878
Hydrology and Hydraulics/Coastal	\$258,000	\$380,000	\$638,000	\$1,245,000	\$843,968	\$2,088,968
Real Estate	\$0	\$0	\$0	\$182,000	\$50,000	\$232,000
DQC/ATR Reviews	\$100,000	\$0	\$100,000	\$430,000	\$0	\$430,000
Travel	\$100,000	\$0	\$100,000	\$400,000	\$0	\$400,000
Sub-Total (before cash contributions)	\$1,825,000	\$1,245,000	\$3,070,000	\$11,203,826	\$6,440,230	\$17,644,056
NFS Cash Contributions	-\$290,000	\$290,000	\$0	-\$2,381,798	\$2,381,798	\$0
Total (Including Cash-Contributions)	\$1,535,000	-\$989,500	\$3,070,000	\$8,822,028	\$8,822,028	\$17,644,056
Contingency	\$130,000			\$1,555,944		
Total w/Contingency	\$3,200,000			\$19,200,000		