



SAN FRANCISCO PORT COMMISSION

**JANUARY 13, 2026
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

**HON. GAIL GILMAN, PRESIDENT
HON. STEPHEN ENGBLOM, VICE PRESIDENT
HON. WILLIE ADAMS, COMMISSIONER
HON. STEVEN LEE, COMMISSIONER
HON. KEN MCNEELY, COMMISSIONER**

**MICHAEL MARTIN, ACTING EXECUTIVE DIRECTOR
JENICA LIU, COMMISSION AFFAIRS MANAGER**

CITY & COUNTY OF SAN FRANCISCO

PORT COMMISSION

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1. CALL TO ORDER / ROLL CALL

Port Commission President Gail Gilman called the meeting to order at 3:15 p.m. The following Commissioners were present: Gail Gilman, Stephen Engblom, Willie Adams, Steven Lee, and Ken McNeely.

2. APPROVAL OF MINUTES – DECEMBER 9, 2025

ACTION: Commissioner Adams moved approval of the minutes. Commissioner McNeely seconded the motion. The minutes were approved unanimously.

3. RAMAYTUSH OHLONE LAND ACKNOWLEDGEMENT

The Commission Affairs Manager read the Ramaytush Ohlone Land Acknowledgment.

4. ANNOUNCEMENTS

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones and similar sound-producing electronic devices are prohibited at this meeting. The Chair may order the removal from the meeting room of any person responsible for the ringing of or use of a cell phone or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make public comments on each agenda item unless the Port Commission adopts a shorter period on any item. Public comment must be in respect to the current agenda item. For in-person public comment, please fill out a speaker card and hand it to the Port Commission Affairs Manager. For remote public comment, instructions are on the first page of this agenda. During public comment, dial *3 to be added to the queue. An audio prompt will signal when it is your turn to speak.

5. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction that is not an agenda item. No Port Commission action can be taken on any matter raised other than to schedule the matter for a future agenda, refer the matter to staff for

investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

Public Comment on Items Not Listed on the Agenda:

Josue: Okay, thank you. Hello, my name is Josue. Thank you, board members, for being present. On November 6th, I sent an inquiry to the Ferry Building's Online Forum. I did not receive any information requested. Instead, employees from the Ferry Building ignored my request and informed the person I was investigating about the inquiry. I'm investigating the non-profit organization, Imperial Council of San Francisco. I apologize, I'm on the train.

I'm investigating the non-profit organization Imperial Council of San Francisco for financial discrepancies. On June 26th '25, the San Francisco Ferry Building employees invited the elected official Empress Afrika America to perform at the Pride event. I'm investigating Afrika received payment for their performance. Afrika is not allowed to financially gain from their title, and if they received and kept the payment, then it's fraud.

I'm also investigating if Nathan D'Aguiar and Mx Kiki Krunch received payment for their performances as well. Your employees in the Ferry Building have ignored the request. If Afrika didn't receive payment, then a simple "no" would have sufficed. I can only assume that [they're] trying to cover up fraudulent activity. So, I am requesting an investigation for the following information.

How much money did Afrika, Nathan and Mx Kiki receive for their performances? Name of the employee who invited them to perform. Name of the employee who provided them with the payment and name of the employee who ignored my inquiry and warned Afrika about my investigation.

Thank you very much. If you have any questions, please ask me now.

President Gilman: Thank you, caller, for your remarks. I'm going to ask staff to make a clarification.

Acting Director Martin: Caller, this is Michael Martin, the Active Executive Director. I believe we can help you understand who the right person to direct your inquiries to, but it would be helpful, I think, to talk with you offline to get more details about your inquiry. I'm not sure how best to do that since you're on the phone. If you would like to reach me at, the best way to reach me would be to call tomorrow at 415-274-0400 and they can route the call to me and I can try to give you better information about where your inquiry stands. Does that work for you?

Josue: Hi there. Yes, that works for me. Do you mind just repeating that phone number one more time so I can write it down?

Acting Director Martin: Sure. I'm happy to. It's 415-274-0400 and my name is Michael Martin, M-A-R-T-I-N.

Josue: Thank you so much. I appreciate your time.

6. EXECUTIVE

A. Election of Port Commission President and Vice President

President Gilman: Thank you, Jenica. At this time, fellow Commissioners, I am going to call for nominations for the President of the Port Commission.

Commissioner Adams: I nominate Gail Gilman for President of the Port Commission.

Commissioner Lee: Second that.

President Gilman: Are there any other nominations for President of the Port Commission? Any other nominations? Nominations for President of the Port Commission are now closed. We will now take public comment on the nomination for Port President. Is there any public comment in the room on the nomination for Port President? Is there any public comment on the phone?

No Public Comment on Election of Port Commission President.

President Gilman: Okay. Then public comment is closed. We have a nomination, thank you Commissioner Adams, and we have a second. All in favor?

All Commissioners were in favor of the election of Gail Gilman as Port Commission President.

President Gilman: Aye. Thank you, and thank you fellow Commissioners, I look forward to serving with humility, transparency and collaboration. Now, I am calling for nominations for Vice President of the Port Commission. Do we have any nominations?

Commissioner McNeely: Madam President, I'd like to place my colleague Stephen Engblom's name in consideration to be the Commission's Vice President.

President Gilman: Thank you. Do we have a second?

Commissioner Lee: I second that.

President Gilman: Thank you. We have a motion and we have a second. Any other nominations?

Commissioner Adams: Move to close nominations.

President Gilman: Thank you. Nominations are now closed, thank you. Is there any public comment in the room for Vice President of the Port Commission? Is there anyone on the phone?

No Public Comment on Election of Port Commission Vice President.

President Gilman: Okay. Public comment is closed. We have a motion and we have a second. All in favor?

All Commissioners were in favor of the election of Stephen Engblom as Port Commission Vice President.

President Gilman: Thank you. Our officers are elected for this year. Jenica, next item please.

B. Acting Executive Director's Report

- **Economic Vitality**
- **Equity**
- **Resilience**
- **Key Project Updates**

Acting Director Martin: Good afternoon, and I guess let me be the first to congratulate President Gilman and Vice President Engblom on their re-election.

[Applause]

Acting Director Martin: Good afternoon, President Gilman, Vice President Engblom, Commissioners and members of the public. I'm Michael Martin and I'm the Port's Acting Executive Director. These, the report today is a bit long, so bear with me, but I have a lot to say.

I'm pleased to be here at our first Port Commission meeting of the year and I begin in 2026 with a strong sense of optimism and genuine Port pride following what was a truly remarkable year in 2025. Commissioners, the Port's success last year could not have happened without your leadership and guidance, combined with the dedication and professionalism of Port staff across every division. Reflecting on the year over the holidays, I felt a deep appreciation for what we have accomplished together.

Our progress reflects what makes the Port such a strong public institution, clear vision, effective partnerships that extend our reach, and a shared commitment to excellent public service. When people look at the Port, it feels like it's been here forever, but the lesson of the past five years is that we can evolve quickly when the moment of opportunity is before us. Because of that foundation,

the Port enters 2026 exceptionally well positioned for continued success while meeting the challenge of stewarding our one-of-a-kind waterfront.

This year promises to be an exciting one. The Port will partner with the City to host Superbowl LX with the waterfront serving as the backdrop for many of the week's many events. New leases at Pier 29 and Pier 26 and throughout Fisherman's Wharf will come online, bringing new energy and economic opportunity. We will continue advancing major waterfront investments including opening a new public plaza in Fisherman's Wharf in time for the summer tourist season.

We are so proud to delivering a wide range of significant shoreline and facility improvements funded by pandemic era grants which represent a major increase from our usual baseline of capital renewals. We are on track to complete these improvements on time and on budget and I look forward to providing further updates as we approach this challenging but important achievement.

I'm particularly excited to break ground on the Mission Bay Ferry Landing, an important investment that will expand Maritime service and support growth along the Central and Southern Waterfronts. Three of the action items on today's agenda will together represent a key step forward towards that exciting moment.

Our Maintenance team is also managing procurement and construction for our new crane barge and other critical equipment upgrades that are essential to stewarding our historic infrastructure while maximizing the value that our own staff can provide to protect us from contracting cost inflation. We will also build on our momentum in public art events and cultural programming with a full calendar of live music, community events and waterfront activations already underway. Taken together, these efforts reinforce our commitment to a waterfront that is thriving, resilient and welcoming to all.

Commissioners and Port staff play a vital role in shaping the Port's future and I'm sincerely grateful for your dedication, expertise and teamwork. Can I have the slides please?

Stepping away from the broad look ahead, I'll now turn to today's updates, beginning with New Year's Eve on the Waterfront. Despite rainy conditions, thousands of people welcomed 2026 along the waterfront and I'm proud to report that the Port helped host another safe and successful New Year's Eve celebration. We even got to see the fireworks, despite Mother Nature's best efforts to hide them.

The Port was also home to New Year's concerts at Pier 80 this year. Our Southern Waterfront saw 70,000 people come together at our Pier 80 facility for these concerts, and the events generated over 11 million in, \$11 million in economic impact. The positive outcome from all the New Year's Eve festivities

reflects extensive planning and coordination among our Maintenance, Maritime and Security teams.

Pier 1 served as the Operations Center and I want to thank everyone who worked on New Year's Eve and supported the effort in the weeks leading up to the events. It's the behind-the-scenes work of Port staff that makes these moments possible while keeping the public safe and they delivered once again.

I also want to commend these very same teams even further because at the same time as we were gearing up for these great celebrations, we were also providing an exceptional Storm Response to the series of events that happened in December and January. The Port exemplified teamwork, collaboration and that unmistakable "can-do" spirit with several employees even working on Christmas day to ensure the waterfront was safe and clean for the thousands of people enjoying the holiday season.

These storms underscore why resilience remains a core Port priority. In that vein, Port staff hosted two public engagement efforts focused on Royal Tides, also known as King Tides. In December, more than 2600 SFUSD students visited the waterfront to observe tidal conditions and explore tiles from the Port's Living Seawall pilot. We thank our partners from the Exploratorium, SFUSD and the Smithsonian Environmental Research Center.

And of course, in January, weather conditions brought even higher Royal Tides, with some flooding of the Embarcadero bike lane and one of the travel lanes northbound near Pier 14. While this level of flooding is not totally unusual, and we have a good operational playbook with our sister agencies to keep the public safe, it does focus our attention on the important work the Waterfront Resilience Program is doing to plan for the future line of defense as sea levels rise and these impacts become more frequent and more severe.

In that regard, the San Francisco Waterfront Flood Study continues to advance. In December, we completed the US Army Corps of Engineers Agency Technical Review and the final integrated Feasibility Report and Environmental Impact Statement. A lot of work went into these important documents and this month we begin the Army Corps Policy Review and look forward to welcoming senior Army Corps leadership to the waterfront in February.

Last, but not least, our busy Waterfront Resilience Program is also participating in the Water Futures exhibition from January 8th through January 25th including a public event on January 15th.

As I mentioned in the opening, the Port is actively supporting a series of high-profile waterfront activations tied to Super Bowl LX. Reinforcing the waterfront as a premier destination for major regional and international events. This includes hosting Wasserman Live's NFL-sanctioned premiere event

featuring large-scale nighttime projections on this iconic Ferry Building that will transform this landmark into a centerpiece of Super Bowl programming.

Additional coordinated events are planned at Pier 39 throughout Fisherman's Wharf. These activations will drive visitation, generate economic activity and showcase San Francisco's Waterfront to a global audience.

To take a step away from the prepared remarks for a second, the engage with the City on this event, it reminds me a lot of APEC and how much went into sort of putting our best foot forward there. And the thing I'm most excited about is that event in some times and in some places was meant to keep the public away, and this event is trying to bring the public in. And I can't wait to be down here on the waterfront, seeing that energy that whole week, but especially that weekend. I'd encourage everybody to come down. Please take transit, there's going to be a lot of people around. But it's a time to be here and it's a time to really see what's great about San Francisco.

Turning now to an exciting development, we had crab season delayed, but it did open last weekend down at Fisherman's Wharf. We had a tremendous turnout for the first off-the-boat crab sales opportunity at Wharf J9 off Al Scoma way. And we were happy to be joined by our District 3 Supervisor Danny Sauter for the event.

Also, the Port launched a new pop-up fish market in Fisherman's Wharf, responding directly to public interest in purchasing locally caught seafood at the waterfront. Operations began Saturday, January 10th and will continue every Saturday through the spring at 101 Al Scoma Way. Beginning January 17th, the market will also offer on-site cooked Dungeness crab sourced directly from local fishers. Operated by the fishing community with support from the Fisherman's Wharf Community Benefit District and the Port, this initiative supports local livelihoods while enhancing the Wharf and the visitor experience.

Also in Fisherman's Wharf, we continue advancing Fisherman's Wharf Forward. Demolition work has begun on the former Alioto's restaurant. Work to salvage equipment, shut off utilities and remove hazardous materials began in November and exterior demolition is now underway as shown on the slide here. With the completion expected in January and the Port's goal to open a new public plaza on Taylor Street in Summer 2026 is on track, featuring seating, picnic tables, interpretive signage, lighting, landscaping and space for food and beverage service, all just in time for our tourist season.

Here at the Ferry Building, I want to highlight the Third Annual Black Holiday Market, held on December 13th. The Port partnered with Foodwise to host this event, welcoming Mayor Daniel Lurie and members of the public. The market supported 15 local black-owned food and craft businesses by reducing barriers to participation in one of San Francisco's most visible marketplaces. This effort is part of [WHO] Foodwise's Building Equity Program which has helped 17

black, indigenous and people of color entrepreneurs become permanent Ferry Plaza Farmer's Market vendors. The Port values the partnership and looks forward to continuing work that supports inclusive economic growth.

Turning a bit to the South, the Mission Rock neighborhood continues to attract new businesses. In 2026, we expect several new tenants to open including MNTSTUDIO, a Pilates studio, and Chipotle. Fieldwork Brewing Company has also begun operations, expanding from its Berkeley headquarters and adding to the exciting energy of the growing Mission Rock neighborhood. I encourage everyone to check it out.

Further south, Crane Cove Park saw exciting improvements in December as well. On December 12th, Supervisor Shamann Walton, Commission President Gail Gilman and Port staff celebrated the opening of the new children's play areas and dog run. Despite funding challenges, the Port delivered these long-planned features, enhancing a popular waterfront park for families and the surrounding community. And all of that equipment got used from like, minute one after we cut the ribbon. It was pretty awesome.

Finally, I want to highlight how partnerships continue to bring art and vibrancy to the waterfront, with two new attractions opening this week. In partnership with the San Francisco Arts Commission, the Port recently completed installation of "Mareas" by artist Ana Teresa Fernandez at Pier 27. Funded by the 2012 Parks General Obligation Bond, the artwork is now part of the City's civic art collection. A ribbon cutting will be held on January 16th at noon.

In addition to "Mareas", "Pulse Portal" by Davis McCarty will be installed this week on the south end of Pier 27. This temporary piece is the newest addition to the Big Art Loop Portside and we expect even more pieces to arrive over the course of this year. We are honored to partner with the Mayor's Office and the Sijbrandij Foundation on this valued initiative bringing even more energy and creativity to our beloved Bay Waterfront.

But Pier 27 isn't getting all of the shine, as many of you have already seen, last month the Beneath the Bay mural at Pier 19 1/2 was unveiled. One of the largest murals commissioned citywide, this mural is delivered in partnership with Levi's and 1 AM Projects, celebrates the Bay's history, communities and natural beauty.

Two final items before I conclude. First, I'd like to thank the Port Commission for the item on today's agenda, codifying the use of remote public comment in the Port Commission's Rules of Order. The Port benefits greatly from engaging with the community, and our work with the public through meetings of this Commission and our Advisory Committees is critical in creating pathways towards a portfolio that is more responsive to the needs of the city. Allowing the public to be heard remotely when they cannot attend these meetings in person, is a great thing for the Commission to safeguard going forward.

In that same vein of community engagement, I would like to announce to the public that the Port will hold its two-year Fiscal Budget Public Hearing on Tuesday, January 27th. We hope our stakeholders and the public can join us for the informative meeting and to share their input as we look forward to building an even better Port. That concludes my report and I'm happy to answer any questions. Thank you.

President Gilman: Thank you Mike, so much. Is there, I'm now going to open it up for public comment on the Director's, Acting Director's Report. Is there any public comment in the room on the Acting Director's Report? If there is, please make your way to the microphone. I am not seeing any public comment in the room on the Acting Director's Report. Jenica, do we have any public comment on the phone?

Public Comment on the Executive Director's Report:

Male Caller: Hi, I'm not sure if I was told to go. I do have a comment. Thank you Mr. Martin for your very great overview. You did mention the Port's communications with the US Army Corps and that you're expecting to do further documentation in January on policy. Is there any intermediate time plan for when the US Army Corps says, "Okay, this can go to Congress now." Or, you know, is there a light at the end of the tunnel? A calendar date?

Acting Director Martin: With the permission of the Commission, I'd like to answer and say --

President Gilman: Yes.

Acting Director Martin: -- this is a critical year. This next set of reviews will hopefully finalize the report for the consideration of the Chief of Engineers. And it's his decision on whether to send it to Congress, but we're very hopeful that that will happen this year.

Male Caller: Great. Thank you very much. That's it.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Lee: Great report, especially the beginning of this year. We've got so much to be thankful for for 2025 and already things are moving with the removal of the Alioto sign, which is kind of interesting because I've lived with that, coming to San Francisco when I was a teen, now to see it gone. But then again, to look at what the possibilities are, especially with all the news and all the happy faces of the fisherman selling off the boat. At least it now opens a door that we can actually see it from the middle of near Pier 45.

But, I just want to comment that, you know, the entertainment part of it is going to help, and if we, we're probably going to end up doing more, I'm sure, to

help bring a lot more attention to the Port, which is really moving forward. I'm happy about that. It seems like with that many people, and really no incidents to report is really good.

I think what we've got to really look for is, as we are focusing on Fisherman's Wharf Forward is to more support for the fishermen. It looks like with the always the delay of crab season, I'm actually talking to a few people in Sacramento to see if we can even extend their fishing, their crab season a little longer because of the delays. But you know how long that takes.

I think we've got to work on more, newer opportunities, that we've still got some empty storefronts. But I think the good thing about it is that our wharf, our waterfront is feeling very comfortable and safe. There's more people running on the Promenade, so I look forward to more Public Safety measures and making sure everybody feels comfortable so we can fill those empty storefronts. That also helps us increase our revenue. We've got to think outside the box.

And I saw on the Mayor's Instagram yesterday, interviewing one of the actresses that came up. They're shooting a movie in San Francisco and she mentioned that we need more sound stages in the city so we can bring more movies back or a TV series to, back to San Francisco. I remember the days of Nash Bridges being shot on the Port. I think we do have some empty shed space that I've been pushing to see if we can even have a studio in there, whether it's temporary or what. So I think we should look at that.

And I think beyond that, I mean, we have a lot of work to do. I look forward to doing it. But I think there's a lot more opportunities for this Port. And we're going to be that model to bring more commerce to the city. And I think it's working and I'm glad to be on this Commission to help you and the staff. And we have a great staff, and the rest of the Commissioners, so thanks for the report. Look forward to 2026.

President Gilman: Thank you. Commissioner McNeely.

Commissioner McNeely: Yes, I thank you for that report. Excellent. I'd like to thank you publicly, and the staff for all the great work that you and the team did around the holidays, specifically New Year's Eve. Being away from your friends and family during that time, but making sure that the waterfront was safe for all residents. And also, additionally, during the storms as well. Significant impact. We continue to be reminded of the need for our Resiliency Plan and every time we have a storm like that, it's a constant reminder. So I appreciate that you and the team have done around that and keeping us all informed.

And the work that you will do in the future around the Super Bowl, the upcoming the Super Bowl and all that will be entailed in that. And showcasing what a great waterfront we have and how it really symbolizes the phoenix of the

city returning. So I appreciate all the work that you and the team have done around that.

President Gilman: Thank you. Commissioner Adams.

Commissioner Adams: Yeah, Mike, excellent report. My fellow Commissioners have highlighted several things, but yeah, the work of the, of you and the staff and the team, that was a lot of rain we got. But we needed it, right? It was, [laughs], it was really good. But it's also good to feel the vibrance of the Port coming back. You can really feel that. And I'm really excited about 2026. I hope it's a year of high octane.

President Gilman, Vice President Engblom, congratulations on your reelection. And it's awesome that we're going to have a Super Bowl here. I'm hoping the 49ers will be in the Super Bowl. That would even make it sweeter if they make it. And they definitely did go to Philadelphia and they definitely did silence some critics. But now they're going to be up in my own stomping grounds in Seattle and let's see what they do up there. But I think they've got a good shot.

I'm really glad about the crab season finally coming to fruition. And then the Third Annual Black Holiday Market, that's really good. And then I just wanted to acknowledge Demetrius Williams. Demetrius is the current President of Local 10 and I want to thank you for working with Mike and former President Forbes and everyone. Demetrius will be leaving office as President of Local 10. They're having their elections and Mike Villeggiante will be the new President and I hope he introduces himself to you, Mike. I know Andre knows Mike Villeggiante and the Villeggiante family. They've got about 50 members of their family in the union so you can't help but knowing them. But, and so, hopefully that will continue to work. So, thank you.

President Gilman: Thank you. VP Engblom.

Vice President Engblom: Thanks Mike, great report. I guess what was coming to my mind was just, sort of, you know, layering on what other Commissioners have said is that I think the through line between being able to talk about these sort of, you know, making it look easy during a very difficult season is the constant work and, not just near term. Stitching together the short term, you know, responding to things that are beyond our control. But it's all, being able to do that, being on the front foot. And you mentioned that it's, you know, this is five years worth of work being prepared. I think that's a really good thing to remember, especially in the face of the work with the Army Corps.

Like, we have got to keep up the urgency. And, you know, because these plans sometimes feel like, you know, people get numb to thinking about them because they're such long timeframes, they're such big budgets. The reality is we're the front line of being able to, the entire city being able to talk about being

an economic success turnaround story. If it weren't for the preparedness of the Waterfront, you know, we really risk all of that.

And so, I think that's, you know, just thank you to the team for not just the short-term, you know, being there during the season, but also the, you know, running the marathon of working on these plans and keeping the urgency afoot. So I think that's, you know, just both came to my mind. So thank you for, everybody, for all the sustained efforts.

President Gilman: Thank you. Thank you, Mike, for an amazing sort of lookback and look forward to what we have ahead in 2026. I'm really excited. Fellow Commissioners, thank you again for your faith and confidence in me as President of this Commission. We have a year of a lot of work to do.

I really also want to echo all the comments of my fellow Commissioners and uplift that I had the opportunity to be at the ribbon cutting at Crane Cove Park, to be at the Black Makers Market and to, while I missed most of the fish because I'm not a morning person, to see the activity and vibrancy on Saturday along the Fisherman's Wharf and the Promenade. And there was just so much happening down there. It is back to life.

And, a little disconnect for me, I don't understand why, but line out the door for the new Taco Bell. So, if you want to go there too, you need to get there early. So really excited for everything that's happening, both on our Southern, Central and Northern Waterfronts.

I also want to echo one thing that Acting Director Martin said, which I think is so special that we're going to codify on our Consent Agenda. As far as I know, and I should be corrected if anyone knows differently, we're the last Commission in the City and County of San Francisco that allows remote public comment. And I'm sure, for many people, to come down here at 3:15 on a workday can be a challenge. And the fact that we feel so strongly as part of the public trust, as part of the Burton Act, to have participation from the residents and those that use the waterfront, we are codifying remote public comment as part of our Rules of Order.

So that one day when I'm not on this dais and I'm just kicking back, drinking a beer at Taco Bell and sitting in the plaza, I can call in for public comment on my cell phone to let my thoughts known, in about a decade. No, I'm joking. But I think it's just really important to really realize how much we offer through our Advisory Committees and all the hard work of the hundreds and hundreds of volunteers that help us shape the waterfront every day. So I just did want to say that before I end my remarks.

I also do want to say, Equity is still part of our Director's Report, and it was touched on. But I do think we'd be remiss as a Commission if we did not acknowledge what's happening right now in this country in Minneapolis. And so I

want to extend my solidarity and support to the hundreds of people in Minneapolis and in Saint Paul who are standing up to injustice and standing up to protect their neighbors every day. As someone who holds a civic post here in the City and County of San Francisco, and I think our name saint, Saint Francis, would want us all to do the same.

On that note, Jenica, next item please.

7. CONSENT

- A. Request authorization to advertise for competitive bids for Construction Contract No. 2892, Mission Bay Ferry Landing Phase 2b and Agua Vista Park for an anticipated contract amount of \$26,500,000. (Resolution 26-01)**
- B. Request approval to execute an amendment to the professional services contract with COWI/OLMM Joint Venture for architectural and engineering services for the Mission Bay Ferry Landing Project to extend the contract term through June 30, 2028. (Resolution 26-02)**
- C. Request authorization to enter into a Memorandum of Understanding, with a term of 66 years, between the Port of San Francisco, the San Francisco Public Utilities Commission, and the San Francisco Fire Department in connection with the construction, operation, and maintenance of new fire suppression infrastructure located adjacent to the Mission Bay Ferry Landing near the intersection of 16th Street and Terry Francois Boulevard. (Resolution 26-03)**
- D. Request for approval of amendments to the Port Commission Rules of Order to codify remote public comment and incorporate inclusive, gender-neutral language. (Resolution 26-04)**
- E. Request approval of a proposed retroactive no-fee License to Use South Beach Harbor with the Bay Area Association of Disabled Sailors (BAADS), Inc., for approximately 2,892 square feet within the Pier 40 shed, and no-fee berthing agreements for six (6) berths, approximately 750 square feet of dinghy dock space, two (2) lockers, each for a term of ten (10) years commencing retroactively to July 1, 2025, with two (2) five-year mutual extension options, for the operation of an adaptive sailing program for individuals with disabilities. (Resolution 26-05)**

ACTION: Vice President Engblom moved approval of the consent calendar. Commissioner Adams seconded the motion.

No Public Comment on the Consent Calendar.

All Commissioners were in favor.

Motion passed unanimously. Resolutions 26-01, 26-02, 26-03, 26-04 and 26-05 were adopted.

8. PLANNING & ENVIRONMENT

A. Informational presentation on PG&E Beach Street Offshore Sediment Remediation Project.

Kathryn Purcell: Thank you. Good afternoon Commissioners, my name is Kathryn Purcell. I'm a Project Manager in the Port Environmental and Planning Commission. I'm pleased to be here today to provide the Port Commission and our public, an informational update on the PG&E Remediation Beach Street Offshore Project. This work is being performed by PG&E and in compliance with requirements under the San Francisco Bay Regional Water Quality Control Board with the Port cooperation and oversight.

I want to give my appreciation to Luke Vernagallo, here today from PG&E supporting us and for his team's continued commitment to this project.

A brief overview. Today, I'll cover a little bit of project background, regulatory requirements, outreach and engagement, and then I'm really going to focus on the 2025 remediation work that's just been completed.

As shown on this slide, the site is located on the Port's Northern Waterfront, and it sits between Pier 43 1/2 to the North, or to the West, I'm sorry. And then moves East to 43, 41 1/2 and the West and East Marinas of Pier 39.

A little bit of background. In 2011 and 2013, polycyclic aromatic hydrocarbons, what we call PAHs were identified during a pre-maintenance dredge investigation within the marinas. Subsequently, PG&E, with the Port cooperation, completed over five years of remedial investigations to determine impacts from a former Beach Street Manufactured Gas Plant that sat just upland from the offshore area along Beach Street.

By the end of 2021, we had completed the remedial investigations and Feasibility/Remedial Action Plan that basically recommended cleaning up the offshore area by dredging and placing capping of over 1,000 feet of offshore area.

Briefly, the San Francisco Regional Quality Control Board is our lead agency for this site. And in February, 2022, you may recall they issued an order to, compelling PG&E as the primary responsible party for the PAHs and the Port is the property owner, to complete remediation and implement the work plan.

What you see on this figure here is a view of what we call our Offshore Remedial Areas. We basically have five areas, A through E, again, starting at Pier 43 1/2 and working your way East to the East Marina. The timeline for the

cleanup is basically to initiate remediation in 2025 and then each year, progress to the East to complete the other remedial areas.

Importantly has been outreach and engagement. The key to success of such a complex site with a long-term timeline is briefings and communication with the agencies, with the Advisory Committees and with our stakeholders. When I was last here to provide you an update, it was I think July 2024. Since that time, we have continued to work with the Water Board to implement the design. Port staff have worked with PG&E Project Team on over 42 progress meetings, working with tenants directly impacted by construction.

This has included San Francisco Maritime National Park Association who sits at Pier 45 where the USS Pampanito is docked, Red & White Fleet at 43 1/2, Blue & Gold Fleet moving over to 41 1/2 and then in the future with Pier 39 West and East Marinas. What's critical here is that each remedial area, the team has worked to identify and minimize impacts to the tenant operations and the community uses in each of these areas.

I'm going to shift now and kind of share with you what we accomplished in 2025. Remediation of Area A and B as you see here, we had to start by temporarily relocating the Red & White Fleet which sits right on top of where PG&E needed to remediate Area A. And in order to move Red & White over to Pier 45, we first shifted the Pampanito North on Pier 45 followed by the Red & White Fleet.

That work took place as scheduled this past January through May, 2025. Immediately following that, PG&E began mobilizing waterside equipment and installing all of the environmental controls, monitoring devices, temporary piles so they could put up turbidity curtains and then they brought in, as you see on these photos, kind of a floating city of construction equipment. This is pretty amazing to see this kind of equipment directly offshore of our Promenade and our public access walk area.

As soon as they [remob'd] and per our permits where you can start in-water construction June 1 of each year, they began removing debris and dredging impacted sediment. And what the photos show you are the different pieces of equipment where you have debris buckets scooping up the debris and putting it into scows and then you do clamshell dredging where you have to very methodically dredge bounded lateral and vertical areas to bring up sediment.

What was so challenging with this work is all of the dredging and the debris removal work was conducted inside a zone of turbidity curtains per the permits. And then the scows were moved further over and transferred to larger equipment for offsite disposal.

What this figure shows you is the sediment ended up going to a Material Handling Facility up in Montezuma which is about 50 miles up the delta near

Collinsville, California. And so once they, PG&E, had removed debris and removed the impacted sediment and then put it in water-bearing scows, they transported it up and handled all of the de-watering and eventual disposal from Montezuma.

While that work was going on, they then turned to putting in slope stability pin piles. These are basically 25-foot timber piles. About 120 got installed along the barrier of near the shoreline of 43 1/2. And this was really a post-construction measure to ensure strengthening and stabilized slopes and if there was a future earthquake.

And then finally, the capping. After you've taken out the contaminated sediment and the debris and you put in the pin piles, the areas were capped with a clean sand layer. And then on top of those varying areas of what we call armor stone. And these show you the material barges that brought in the different material and the placement, very methodically, of the cap.

And then finally, in November, all of this work was performed basically June 1 to November 30. We had to be out of here because of the permits. All the turbidity curtains came out, the piles and all marine equipment was [demob'd] from the site.

I think what's truly remarkable about this level of a construction project in water was all of the compliance monitoring that PG&E's team were very diligent in implementing. That was water quality, air monitoring. They worked under a Noise Ordinance. They worked with Marine Mammal Monitoring and then dust, vapor, and odor control. They also implemented their own Health and Safety and Transportation Plans. We had, I don't think we had any public complaints.

Male Voice: No.

Kathryn Purcell: We had quite a bit of interaction with the public and communication, and all very interested in what the work entailed. You know, the stakeholder coordination, both leading up to the implementation of construction through this construction season has been critical. We had an information kiosk that PG&E's communication firm manned and they were getting 30-40 inquiries a day from tourists, tenants, public, wanting to know what the equipment was doing, what the project was about.

We had signs posted. We did coordination with the Marine Mammal Center, in-person briefings and a plethora of stakeholder emails on progress every two weeks. And then weekly updates came to the Port and to the Water Board. And that concluded the work in 2025 successfully, safely and without environmental problems which is remarkable.

I think where we go from here is, you're interested in our next step is we march to the right to Area C and Area C is the Pier 41 1/2 Blue & Gold Fleet

Terminal. And pretty much the work I've just walked through that was completed in '25 will be repeated in '26. We'll be mobilizing June '26, performing remediation through November '26 and then put Blue & Gold back following the completion.

So with that, that's pretty much my update on, you know, construction project completed phase one and we'll be moving on in '26 to the next phase. Any questions?

President Gilman: Kathryn, thank you so much for your report. Before we go to Commissioner questions, we're going to actually open it up for public comment.

Public Comment on Item 8A:

Ellen Johnck: Thank you. I'm Ellen Johnck. I'm here as a co-chair of the Maritime Commerce Advisory Committee and also here personally, I've been a consultant and I'm continuing as a consultant on this project for a few years now. And I have to say, and I want you to know, I have been so impressed with the leadership by the Port staff and communicating with the tenants. It's been a horrendous job and very complicated permit process and they have been absolutely terrific, along with the leadership of PG&E. Luke and his staff, they've been absolutely terrific.

And this process will continue. And I really want to have us all, at some point, where's Kathryn? Where'd she go? There you are. Make a presentation to the Bay Conservation and Development Commission. Because we are, with the Port and all, saving the Bay. Thank you.

Commissioners' Discussion on Item 8A:

Commissioner McNeely: Sure. And I think I just had my question answered. I was going to ask Kathryn about the impact on the lessees in the area and whether or not they felt supported and sufficient communication. But I think I've just heard that because of the great work of you and our friends at PG&E, it seems like the outreach has been thorough, thoughtful and consistent. So thank you for that.

Kathryn Purcell: Commissioner McNeely, I would also voice that we have spent the past five years meeting with, and identifying temporary impacts to tenants and working with PG&E on cost reimbursement agreements for tenants directly impacted. And that has certainly gone a long way in helping temporary relocation and putback and interruption to any business during the project.

Commissioner McNeely: Thank you for that and kudos to PG&E.

President Gilman: Thank you. Commissioner Lee, do you have any comments?

Commissioner Lee: Yeah. So, when you get to Area D, I'm just curious for my own, maybe some of the public, so the non-paying tenants like the seals. So

when you move inside that area, I'm sure, I mean, you're not going under the, where they lay. But I'm sure with all the equipment and everything, how does that impact the seals? And would you do that mainly, maybe the work more in the winter where they're not coming? Or, how do you guys coordinate? I'm just curious how do you work with the Mammal Center so there's less impact there?

Kathryn Purcell: So, Commissioner Lee, very good question. Area D, which is the West Marina at Pier 39 which houses the docks where the sea lions love, that's going to be a more complex staging and organization. We're currently working with PG&E, Port Maritime, Port Real Estate and tenants on how we put our so-called floating city. And probably it'll be on the other side of the breakwater. And then per the permits with all of the NOAA Marine Mammal, National Marine Fishery and other agencies, there are setback requirements for work that can take place in proximity to those docks. So the design will all meet those requirements.

Unfortunately, all work has to be completed between June and November. And so the minimization and mitigation measures, and the marine monitoring will all take place to ensure that there's shutdowns if there's problems with noise or impacts. But otherwise, the project is designed to address that concern.

Commissioner Lee: So basically, you're going to move their little docks further away and so there's no place where they can actually land during the construction.

Kathryn Purcell: Well, we're not, no. The docks that the sea lions currently reside will not get moved.

Commissioner Lee: Oh.

Kathryn Purcell: They're not in an area that has to be dredged and remediated. Most of that is closer to the shore.

Commissioner Lee: I see.

Kathryn Purcell: So we're going to work to the West and to the South of the sea lions and keep the distances required.

Commissioner Lee: I mean, they're quite large. I mean, how do you keep them from wanting to go there? I mean, it's like their home, right? So.

Kathryn Purcell: The, yeah. I mean, they could continue to cohabitate and not be impacted. There are technological requirements for pile driving, soft start, bubble curtains, et cetera, to minimize noise. Noise is the primary impact. And then you do the work during the work windows.

Commissioner Lee: I see. Do you know when, I'm sure in the summertime you get the most migration there, but is it a lot less in the winter? They move on to certain points? I mean --

Kathryn Purcell: It's typically very, very quiet June/July and starts to pick up in August/September/October. So, we'll try to do as much of the work in advance to when they return to the docks --

Commissioner Lee: Right.

Kathryn Purcell: -- which is August time period.

Commissioner Lee: I see. Okay.

Kathryn Purcell: But it's very based on weather, fish, et cetera.

Commissioner Lee: All right. Okay. That's all the questions I had. Yeah. It'd be great if you could do it before they all come in, but you know how that goes. I know construction.

Kathryn Purcell: They're very curious.

Commissioner Lee: Yeah.

President Gilman: Yes, I'm sure they are.

Commissioner Lee: Okay, thank you.

President Gilman: Commissioner Adams.

Commissioner Adams: Kathryn, the only thing I have to say is, "Job well done." Excellent job from you as the project manager and the team and the staff. Excellent work and I'm looking forward to the work you're going to do at Pier 41 1/2 in Area C. Thank you.

Kathryn Purcell: Thank you.

President Gilman: VP Engblom.

Vice President Engblom: Kathryn, thanks for the presentation.

Jenica Liu: Sorry. VP, could you use your mic please? So we can hear you better? Thank you.

Vice President Engblom: Is that, how's that?

Jenica Liu: Much better, thank you.

Vice President Engblom: Kathryn, thank you for the presentation. I guess I have, I have some questions about how does this important work dovetail with, say, the Sea Level Rise work? And, because I think, my sense is that this is a very good kind of engineering, very technical report that is very complex. And you helped us understand it. But I'm just, I think there's a communication story here that we could leverage to tie to the importance of this being enabling work that has to be done as we advance into this multi-billion-dollar Seawall program. Like because, and I guess I have a lot of questions.

Like, if this work is done, I assume, it's work that doesn't have to be undone when we do the Seawall, right? So I think that's a really important message to get out to the public that, like, and I think it's a way for us to maybe even communicate with all of our strategic partners in the really important year ahead that we just heard about. What a critical year it is to talk about that we're, you know, that we're already taking action with partners, strategic partners like PG&E to get this work done.

And I guess I would just ask that, you know, we put a sort of economic development and a long-term strategic communications overlay on everything that you presented today and just come back with a, "How do we communicate this to strategic partners for that work?"

And then also, I feel like there could be a really interesting communications program for all the tourists that are walking by to say, you know, "This is now clean for our seals. Or for people to swim in." You know, just like, you know, if we weren't to do this work, what's at stake? Like, somehow, just communicate, I feel like there's a really big opportunity here like, this is very technical and very meaty. But I think we need some way of, maybe there's a sister document to this that is already doing that.

So that's kind of my kind of overlaying comments. So thank you, but also a little bit of a challenge, or let us know that that's already in play and that would be fantastic.

Kathryn Purcell: Yeah. We have collaborated extensively with our Resilience Program on the design and the work here to be performed in advance of the Resilience and outside of the footprint with the intent not to disturb the remedial [REN B] post construction. We could also definitely review some benefits and other components to the program in future presentation.

Vice President Engblom: Great. Thank you, Kathryn.

Acting Director Martin: Commissioners, I'd like to chime in on this because it's a very interesting and good point up. First of all, I really want to commend PG&E for the work they did on site. It became this great attraction of, "What's happening offshore?" And normally it's like, I'm worried about what's being cleaned up, but people saw the improvements happening. But VP Engblom, your

connection to the Resilience Plan is very apt because one of the rules of the Army Corps partnerships with local sponsors is the local sponsors are obligated to see through the clean-up. The federal project does not take that. They want a clean site to work on.

And so, the Port is a place that a lot of industrial, a lot of fueling, a lot of heavy things have been done over time. And there's a lot of hot spots we're going to need to work with the responsible parties to clean up. And I'd like to hold this out as one of the great opportunities, or the great examples of how to do it. I think it's gone really well. I think there are things we would love to improve including how challenging it's been for them to dispose of the materials.

But ultimately, this is going to dovetail with the Resilience Program very closely and I think your point is a really good one.

President Gilman: Kathryn, thank you so much. I just have sort of more observations than questions. So I just want to say first of all, "Really great job in all the coordination." And think sort of dovetailing off VP Engblom's comments, and I think this is just more me, you know, understanding that we are a small and mighty team of you know, only, about 250 staff who do everything from dealing with the, we heard earlier in today's meeting, you know, the crisis of the environment that happened with the storms that came in. Having employees have to come in on their holidays and Christmas, and we have a very small communications team.

I actually would like to put out there that I think PG&E, since, you know, this is their responsibility and I think doing an amazing job. And I think could also use a lot more positive press these days and this is a positive thing. Your communication team maybe could take the lead and work with our team to kind of help navigate this narrative around how this is contributing to all the work we need to do around Sea Level Rise and Resiliency.

So I think I'd like to see it in the inverse, VP Engblom, just from a capacity perspective that maybe PG&E can take the lead and coordinate with our team to help write that narrative and write that economic impact since, while it's not the people sitting in this room, but the historic reason of why we're happening this, you know, is because it is a PG&E responsibility. And I think they could benefit from uplifting that they're doing this well and right in light of everything else that's been happening in the City and County of San Francisco.

So I did want to make that comment. And I did want to say your kiosk, as someone who walks the waterfront all the time, got a lot of attraction. Because people did actually think there was ice cream in there. I was a little disappointed personally, it wasn't an ice cream cart. But great gimmick. And I do hope, Kathryn, you can come brief us. I know it's years out. Or brief the Commission before you get to the Eastern Marina.

Kathryn Purcell: Okay.

President Gilman: I think we need to remember that that is the last Marina in our portfolio, while we don't manage it, that has liveaboards. And I think the mitigation for them is going to be almost as much as our mitigation for our sea lions and for our mammals. But, I mean, the impact for the individuals living on those boats is going to be very different than the [Red & Gold] fleet or Blue & Gold or the Pampanito which are businesses. So I'd love to see a game plan for that prior to outreach just so that we can be supportive and offer that public venue for people if they have concerns.

Kathryn Purcell: Will do.

President Gilman: Thank, oh --

Commissioner Adams: [Go ahead]. And I also wanted to say, when VP Engblom brought that up, you should've seen Brad. Brad almost came out of his chair because it, a light bulb went off and I could see him back there. He's about ready to get up and hit the mic on what you said, tying the two in. So that was excellent. But I just saw Brad, he's like, "Yeah. I get it."

Vice President Engblom: Hopefully in a good way.

Commissioner Adams: Yeah.

President Gilman: Well, I think Brad gets excited whenever we talk about Resiliency.

Commissioner Adams: Yes.

President Gilman: Yes. So thank you so much for your presentation.

Kathryn Purcell: Thank you.

President Gilman: Jenica, next item please.

9. ENGINEERING

A. Informational presentation on Dry Dock No. 2 and the emergency declaration for stabilization repairs and future demolition.

Andre Coleman: Good afternoon President Gilman, VP Engblom, Commissioners, Acting Director Mike Martin and members of the public. My name is Andre Coleman and I am Maritime Director. And I'm joined by Wendy Proctor, Deputy Director of Engineering and Meghan Wallace, Interim Deputy Director of Finance and Administration.

This is an informational presentation on Dry Dock No. 2 and the emergency declaration for stabilization repairs and future demolition. We were last before the Port Commission in 2024 for an item on the Dry Docks regarding a supplemental appropriation. As a reminder, just as far as the Ship Repair Facility and the purpose of the Dry Docks, again, traditional ship repair facility that operated for over 150 years up until 2017 when operations ceased. Once the then operator of the shipyard closed its doors, the Port issued, unsuccessfully, two RFPs following the closure for a new operator.

We then moved to a sole source solicitation which was unsuccessful. And in 2023, we shifted our focus to sale of the Dry Docks with two unsuccessful RFOs and then another sole source opportunity. On slide #2 you'll see the Dry Dock, Dry Dock #2 and Eureka. The focus of this presentation is on Dry Dock #2, over 900 feet in length and 200 feet in width. I mentioned the abandonment or discontinuance of ship repair in 2017 and the multiple efforts that the Port has made to reactivate the shipyard facility.

So, as I mentioned, in 2023 we shifted our focus to the sale of the Dry Docks with those two RFOs being unsuccessful, then leading into a negotiation, sole source negotiation with Desean Shipyards who is a foreign entity. However, given the complexity of those negotiations, we discontinued those discussions and here we are today.

I will say throughout all of the efforts that the Port has made that I've just described, we have continued with interim leasing at the site with both Maritime and non-Maritime tenants along with the central caretaking of the property, primarily with Port Maritime staff, Pier 50 staff and the Engineering team. So, and with that, I will turn it over to Wendy Proctor who will provide a detailed timeline of action taken by Port to address the deteriorating condition of the Dry Dock.

Wendy Proctor: Thank you, Andre. Good afternoon President Gilman, Vice President, fellow Commissioners, Acting Director Martin. Wendy Proctor, Deputy Director of Engineering. I am joined here today by Tony Abuyaghi who is our DPW partner, project manager helping us out with the project. We're very grateful for their assistance in this emergency contract.

Previously, Patrick Forrester was also here. He's our boots on the ground, calmly handling the issues at Dry Dock on a day-to-day basis. So, here on this slide, I will sort of go into a little more depth about what's been happening with the Dry Dock over this period of time since the shipyard has closed as Andre had described, from an Engineering perspective.

So in June of 2021, we had one of our first emergency contracts to stabilize a crane that the, the top was spinning uncontrolled. So we had an emergency contract to pin that down. And then from there, that prompted us to, we had another listing event shortly after that and we hired a Dry Dock expert to do a condition assessment in May of 2024 that was reported. Which then, in turn

provided the information that we needed for, which mobilized the team, the Port team and Nate Cruz to come to the commission in October for that supplemental appropriation because it became clear that report gave us the information we needed to know how much it was going to cost and what effort it would be to take care of these, this Dry Dock.

From there, once we got that funding, we were able to bring on and reengage the [GHD-Structis] joint venture contractor along with Herbert Engineering and BK Cooper to prepare a conceptual work plan and cost estimates for removal designs for the Dry Dock 2 and Eureka. And then, meanwhile, we have now had yet another, and there was one other small emergency contract for a stair tower demo which was another listing event where it, the Dry Dock had hit the stair and was at risk of taking out a power source that feeds the pumps which is essential.

So from there, then we had this most recent listing event and the consultant team who is helping us with these conceptual plans is now helping us with, to respond to the emergency. And, let's see, from here in the timeline, we have now a report from the conceptual design and then we'll be in the future, continuing to work on the demolition project.

This is a slide that was included previously in the October presentation but I want to point out some, a few things here. So the East side is where we have the bulk of the damage and the tears. It's open to the water, gets a lot of exposure and it gets hit pretty hard by the water. So we have that worst case scenario in that Pump #40 which is in the upper left-hand area of the slide which also has an inoperable pump. So that's especially troublesome when we get a lot of water and storms.

And then in the right-hand side, that area is also, has a lot of tears and valves that aren't working. So that area is also listing. But also I want to point out in the bottom of the slide, there are four circles along there and those are the four mooring points which is the sole method in which this Dry Dock is pinned down. So that means that it's, you know, there's just these four points that keep it in place.

So this photo is representative of what a listing event looks like. So this is, you can see, quite out of level. When you have these listing events, many things can happen. You're stressing out the mooring points because you're seeing, it's tilting towards the East. The mooring points are on the West. It's pulling on them very hard.

And in addition, it might hit, like the stairs or other -- it's also damaged these, some of the dolphins that hold those mooring points. So this most recent listing event that we had in November. We had the first storm of the year and it significantly listed and we had to install some auxiliary pumps. But with that first storm, we had the already known tears became larger and then we got some

new tears. And then also the Dry Dock flooding created what we define as an actual emergency which I'll explain a little bit further in these next slides. So, thank you to the Commission and all who helped sign that declaration so that we can make some emergency repairs to address the uncontrolled flooding of this vessel.

So, as an immediate response to this most recent, the pumps that were existing were no longer adequate on their own. So the Port staff brought on auxiliary pumps, industrial size, along with additional staff to operate them. After the most recent King Tides, we have now gotten to a point where we're doing 24/7. So our emergency contract is very timely. And in the emergency contract, or the contract will be addressing de-watering as a priority.

So this is kind of to make, the emergency declaration, sort of made points on three key issues on the uncontrolled flooding. So you can see in the photo, we have some pretty significant sized tears where water is able to enter in. This is, middle photo is what the mooring keeper looks like and it's, it too is in a state of corrosion. So there's only four of these and the risk is, with the uncontrolled flooding, that these could tear off and cause the vessel to go adrift.

And I just was doing a comparison of what the size of this Dry Dock is, 900 by 200 feet is actually bigger than this Ferry Building. Which is sort of an interesting concept. The Ferry Building is 659 feet long and this is a 950, 900-foot vessel. The other thing that is a concern is these wingwalls have cranes on them that are tethered to rails on that wingwall so with listing events, those two could, you know, be at risk of falling. So we want to get those stabilized.

So just a timeline on the emergency contract. On the 9th, we, after we signed the contract on the 8th, we met with Public Works to mobilize the team on the emergency contract agreement. And then we created a list of seven Marine contractors so we outreached to them immediately. The team met with them onsite on the 18th and then on the 5th we received proposals. We've received three proposals out of those seven contractors.

And then, immediately, the team that's working on this project reviewed those proposals and based on, because it's an emergency contract, we are looking at approach, we're looking at experience, we're looking at safety records, resources available and the schedule that they would be able to do it in. So we had out of the three, one very responsive proposal from Power Engineering Construction. So the team is now moving forward in working on a contract to go into contract with Power Engineering. So that's in progress. And they're anticipating that will be finalized by the end of this week. And then we'll be able to sign that next week. And meanwhile all these things are, the actions are already starting to take place.

So something to sort of, the question that comes up a lot is, we're doing the emergency repairs with this contract so we can keep this Dry Dock in place.

While in parallel we will still be continuing to work on design for the interim repairs that would be needed for the ultimate demolition of the Dry Docks, both Dry Dock 2 and the Eureka. And with the budget approvals, then that helps us with the funding that we need to then come back to the Commission later with the actual, to advertise for that demolition and then demolish.

And with that, I'll turn it over to Meghan who is going to tell us about the funding.

Meghan Wallace: Good afternoon Commissioners, Director Martin, I'm Meghan Wallace, Interim Deputy Director of Finance and Administration. So I just want to be able to give an overview of how we're paying for this work. I think, I don't know if we've actually referred to the bottom line of how much we believe this is going to cost. It's, we're estimating \$61.2 million between this immediate stabilization and then moving into removal and demolition of both Dry Dock #2 and the Eureka.

That's a sizable amount. Not in my talking points, but just as a quick reference, we're happy if we appropriate \$20-30 million for our Capital Program each year. So this is a sizable investment that's going to address major risk, recognizing the exponential cost of any of these vessels to submerge. So just in terms of the benefits of us moving forward, I just want to make note of those things.

This Port Commission authorized \$18.5 million in October of 2024. Additionally, we have \$1.5 million available of BAE settlement funds, so that gives us \$20 million of initial funds to work with. In December, Mayor Lurie authorized, or helped us introduce a Supplemental Appropriation Ordinance to the Board of Supervisors. We're now taking that through for Board approval. And so once those funds are in place, we will have \$20 million, we're anticipating \$10 million will help us get through this initial stabilization phase, give us some contingency for unknowns.

And then, I'll be following up with you very soon, beginning in February, following up with additional appropriations of \$41.2 million in the upcoming Capital Budget. I should note that we're anticipating the approval for the emergency contract will move faster than the Supplemental Appropriation Ordinance. We've identified sufficient funding to help us in the short term so we can move forward with the contract as soon as we're ready and then when the supplemental is in place, we'll restore those funds to their original place so we can follow the plan as shown on your screen. So, I'm happy to answer questions. Thank you.

President Gilman: Thank you Mike, I mean, thank you Andre, Meghan and Wendy. So much. So before we go to Commission comments, we're going to open it up. Is there any public comment in the room on this item? I don't see any

public comment in the room on this item. Jenica, is there any public comment on the phone for this item?

No Public Comment on Item 9A.

Commissioners' Discussion on Item 9A:

Commissioner Lee: Oh, yeah. So my question is right now, I mean how we, we're pumping out water now. Is that using fuel, like gas pumps or are they hooked up to electricity? I guess what I'm getting at is, yeah, I'd like to --

Tim Felton: Good afternoon, Tim Felton, Deputy Director of Maintenance Division. So currently, the Dry Dock has a series of on-board pumps that it was built with. Those are 12-inch pumps that run on electric. So it is running on shore power. So that is our primary pump. When it can't keep up or we have a storm swell that comes in and floods the, some of the tanks on that East side, we install the six, right now we have two six-inch diesel-powered pumps --

Commissioner Lee: Okay.

Tim Felton: -- to help get the water off so we can get that end back up.

Commissioner Lee: So it's using diesel fuel.

Tim Felton: On the, yeah. So it's an intermittent --

Commissioner Lee: Oh, it's not on all the time.

Tim Felton: No all the time.

Commissioner Lee: Okay.

Tim Felton: So just when we get in an event where we take on a lot of water at one time we have to get off, we put in the six-inch diesel pumps.

Commissioner Lee: Okay. So, my question is, since we've kind of, we tried to sell it. We tried to haul it. We tried to, you know, and now we're patching it. I mean, all this money, it seems to be going to waste in a sense. Why can't we just start demo, with the money we have, why can't we just start taking it apart now? I mean, do you have to wait until all the funding is there? I mean, it's, obviously we're not going to sell it to anybody. And it's like, if we're, and I remember when we appropriated the money last year, it was like millions of dollars just to patch a hole. You know, which I thought was ridiculous. And now, we waited all this time and we're spending fuel, electricity, to keep this thing afloat.

Already in the picture, it looks like it's sinking. So I'm just curious at why can't we just use the existing money we have and then just either start

dismantling it and stockpiling the materials. So maybe somebody will buy the metals. It's just that, you know, trying to keep it afloat. I mean, maybe at the next storm, the whole thing might just sink and it's going to cost us more money to bring it back up. So I'm just, my question is, how come we can't just start demoing it now?

Wendy Proctor: Well, you hit on that point. You have to stabilize it in order to demolish it.

Commissioner Lee: Okay.

Wendy Proctor: So, we, you know, we have the good fortune of actually being able to do this quickly through the emergency contract. Even though it's an emergency, but regardless whether we were, it didn't get the storms and it wasn't taking on water, we would have to still stabilize it first and then be able to demolish it.

Commissioner Lee: So we couldn't take off like the sides and make, you know, kind of make it like a barge rather than, you know, start taking the sides. Maybe take the crane off. Take the weight, take the weight off the bottom so that it doesn't, you know, further sink. And then we've got to keep pumping water out of it.

Wendy Proctor: Part of this is what qualifies as an emergency and what does not qualify as an emergency when we went through the decision-making process to get to this point of having an emergency contract is the actual sinking of the vessel or going adrift or having a crane fall or, you know, those --

Commissioner Lee: So it wouldn't be --

Wendy Proctor: -- high risk things, are they qualified as --

Commissioner Lee: So it wouldn't be considered an emergency to take some of the weight off?

Wendy Proctor: Right. But meanwhile, well, because it ballasts, it's designed to ballast.

Commissioner Lee: So, to get it stabilized, what's the estimate cost

Wendy Proctor: We have, the emergency contract is for a not to exceed amount of \$10 million.

Commissioner Lee: Wow.

Wendy Proctor: Yeah. But this will contribute to the stabilization needed for the demolition. Then, when I say "interim repairs and demolition" for the ultimate

contract, that is if there is additional repairs needed because between now and then more storms, more things happen.

Commissioner Lee: So, do you think the 10 million will be able to, before the, you know, what happens if you get started and then we get the \$10 million and it just falls into the ocean? And then we need another \$10 million to bring it back up? I'm just, you know, time is, you know, I mean, there's a lot of holes here. I'm just kind of concerned that --

Acting Director Martin: Commissioner, Commissioner, I'd like to chime in here.

Commissioner Lee: Yeah.

Acting Director Martin: And as a lay person, I had these same questions, since I am not an engineer or --

Commissioner Lee: Yeah, me neither.

Acting Director Martin: -- a Maritime expert. And what I was educated on is while that Dry Dock seems big and immobile in the pictures, it's moving around. And to get someone to go out and, you know, cut apart a bunch of metal, some of it very high off the water --

Commissioner Lee: Yeah.

Acting Director Martin: -- you need it to be stable. And so there, I mean, it's actually a challenge even for our staff to go out there and put the pumps out there. So this stabilization is the foundation to do anything on the water. I, like you, wanted to jump to the solution. But I think we've got to start with the stabilization so that we can then contract with someone to safely demolish it and avoid the impacts that you're describing. This was definitely something that, it wasn't a legal application of the declaration of emergency structure. It was really, "How do you do this in a way that a contractor would do this?"

Commissioner Lee: Right. I see.

Acting Director Martin: Because a contractor would not jump out on it in its current condition and start demolishing it. That's just isn't something anyone would do.

Commissioner Lee: I mean, it looks, in a year it's gotten way, it's gone so fast, you know, that it looks so much different from a year ago that I'm just concerned that we're running out of time and it's going to cost us more money.

Acting Director Martin: It -- we completely agree. We feel very, I mean, the name Nate Cruz was brought up earlier in the presentation, our former CFO. It

was his driver that brought us to you to say, to have that hard meeting with you in October of 2024 because we saw this day coming. Our hope was this day was another year away, but unfortunately, it's here and our staff has worked hard to keep us, to have a chance to do it the right way.

Commissioner Lee: So just --

Acting Director Martin: But these, you're absolutely hitting on the right questions that we've been asking ourselves is, "How do we do this fast, safe and as cheaply as possible?"

Commissioner Lee: So once we get the 10 million or the emergency funds, how long will it take to actually take this thing apart?

Wendy Proctor: We have just received that conceptual design proposal from our naval engineer and they gave us multiple options for the disposal which we'll now need to evaluate which are going to be based on, a lot of the time is going to have to do with the environmental permitting and relating to the methods. So we all, once we get this emergency work underway, we will then turn to, "How do we deal with the next step?" Which is the demolition and make a decision on which approach we need to take.

Commissioner Lee: But despite the permitting process, just the actual work, will it take a year to tear these apart? Six months?

Wendy Proctor: There's remediation, there will be the repairs and there's different methods that can be implemented for the actual taking it apart which will mostly be taking the wingwalls down and then from there you have to dispose of the pontoon at the bottom.

Commissioner Lee: Right.

Wendy Proctor: Which is the hardest part.

Commissioner Lee: Okay. All right. I'm just concerned about hurrying it up. You know, we know we want to get it done and it's costing so much money. And it's, you know, the space alone, it could be another terminal for us, right? I mean, it could be another cruise ship terminal that we need. So, in many aspects it has to be done but I hate to lay good money after bad, you know, and all that. And let's get moving. So I'm just curious but I guess it has to be done. It's just outrageous. Like, last year, we were just talking millions of dollars just patching a hole. You know, so. Okay, that's all the questions I have.

President Gilman: Commissioner McNeely, do you have any questions?

Commissioner McNeely: I have no questions, thank you.

[Laughter]

Commissioner McNeely: Thank you for the presentation.

President Gilman: Commissioner Adams.

Commissioner Adams: That was a good one, Ken.

President Gilman: Yeah, Commissioner Adams, do you have a comment or questions?

Commissioner Adams: Well, maybe to ease Steve's pain a little bit. I've been on the Commission since 2012 and I remember when this thing was fully functioning and the late Senator Dianne Feinstein, may God rest her soul, used to get funding from the government for that. And at the time, we had over probably 1000 people working there from 11 different unions. And it was very, very vibrant.

And just know, what happened was, it was cheaper to go to Portland or Seattle or Alaska, and we just couldn't keep up with it. And so, this thing has been going on for about nine years. And Steve, I feel your pain and stuff like that. But the Port was trying to be creative, so was the Commission, to be, to try to reinvent something that we could do to save it or to make something out of it. A lot of things came up about a [train in], so just a lot of things that we can maybe provide jobs for the community.

But unfortunately, something like this takes time and I'm going to tell you something. You don't want to do anything that the Port winds up getting sued, we do something in a hurry. And you've got to think about the ramifications of that. And the expertise that it takes, not everybody can do something like that. It's a specialized, it's very specialized. It really is. It's a hard thing to do. And I wish it was just that easy that we could just go tear it down like that, but it's not like that.

And I support it. This is well thought out. It's painful, but we have to do it the right way and nobody gets hurt. We do it, you know, right and eventually maybe something else can go down there. But I agree with you. This thing needs to go, but we have to do it in these steps and stuff like that. We want to make it safe and we've got time to think about it. But, I hate to see it go because it was a historical landmark.

It was a part of history. It was a part of, you know, Hunters Point and it provided a lot of jobs for residents, apprenticeships and stuff like that, that people couldn't go to college. And it was just a great thing. And then Senator Feinstein, she had her trademark on that. She took a lot of pride in that.

So, when it comes, I'm going to support it. It's painful but I understand that a lot of that stuff takes a lot of expertise and not anybody's going to go out there

and do that kind of work. This is really, people that really, really have to know what they're doing and like anything, it costs. So, I'm good. I understand it and so, it's a long process. I mean, nine years later. But that's just some of the things that I've seen since I've been on the Port Commission. And it's got to be well thought out. So, thank you.

Vice President Engblom: Thank you for the presentation. I guess, yeah, it's -- when I first moved to San Francisco, I had the opportunity to work as the Port was transitioning and negotiating with the new landowners at Pier 70, I remember being a young urban designer and just looking at this area and saying, "What are we doing with that area?" And everybody's like, "Nope. That's shipbuilding. That's sacrosanct. We're not doing anything there." Or ship repair, sorry.

So here we are. This is, you know, I think we all know the answer. You know, the work plan is in front of us. The cost, the reality of this is here. But I think we need to give people a little bit of hope here. Like, what's next?

Commissioner Adams: Yes.

Vice President Engblom: I was just quickly doing the math and you know, just based on the rough numbers, this is about, between the two Docks, it's about five and a half acres of area, just those Eureka and Dry Dock 2, that's half the size of Pier 30/32. Right? So, the cost of this seems to be in line with, you know, if I remember right, the enabling infrastructure repair at Pier 30/32 is a very big number, but it's a billion-dollar real estate opportunity.

So I guess, what I would like to know is, how do we do this hard work of getting this done, but what is our vision? What are we going to do with five and a half acres, right in front of the area of the city that's demanding the highest rent in the entire city? This is very desirable area. And in December, I was remiss to say this in the earlier comments, like in December I had an opportunity to go visit the cruise terminal. On a rainy day, when I learned a lot about how that facility, as much as we're celebrating it 10 years on, is not going to keep pace with the future of the cruise. So, you know, picking up on what Commissioner Lee's comments about, you know, "Maybe a cruise terminal."

You know, I don't know what the right answer is, but I'm not sure if this is in our Waterfront Plan, like, "What are we doing with these areas?" So I would like to just sort of challenge us to say, "What is this going to be?" Like, how do we reserve the rights? Because I think we all, we know what we need to do to get this dangerous facility, you know, it's our responsibility to take care of this. So we have to do that. But I think it's also, it gives us the responsibility to say, "What is next?"

Because, you know, Maritime protection is one thing, but I've used this term before, Maritime projection, what are we going to do next? What's next?

What's the next generation of jobs? So whatever it is, is it Open Space? Is it, you know, whatever it's going to be, those are huge numbers of areas and I don't, it's really painful just to talk about cost. But if we shift and we start saying, "This is the next billion-dollar real estate opportunity." Then all of sudden, it's like, "Okay, well, we can see the future. So we're investing 60 million but we're unlocking the opportunity for a billion-dollar real estate opportunity." Thanks.

President Gilman: I have no questions, thank you so much for your presentation. I think everything has been said. Jenica, next item please.

11. NEW BUSINESS

Acting Director Martin: I am recording coming back to the Commission to talk about Pier 68 and what is next beyond the challenge we face with disposing of what's there. Is there other New Business?

President Gilman: No, I don't think I heard any other New Business. I do think it would be appropriate for us globally to adjourn our meeting in solidarity with the people in Minneapolis and Saint Paul who right now are putting their lives on the line to uphold the values this country was founded on, if my fellow Commissioners support that.

Commissioner Adams: So moved.

Commissioner Lee: Let - can I? I have two New Business I just want to before we close.

President Gilman: Oh, I'm so sorry Steven.

Commissioner Lee: Cut me off, but it's okay.

President Gilman: I didn't see, you didn't raise your hand.

Commissioner Lee: Oh, it's okay. But anyway, I'm just curious, with all the flood waters coming up and everything and thinking back at the '89 earthquake, do we have a set Emergency Plan in case the bridge goes down again? Because, you know, our Ferry Terminals are going to be the way to get out. So I'm just curious, do we have something that we work with Emergency Services and that's already in plan rather than trying to do it by the hip?

I'd like to see if there is some kind of possible Emergency Plan to use our Ferry Terminals as a way to get out of the city in case something like that happens again. Or is there something already in place? So that's number one.

Number two is, I just need a progress report on the Maritime side about the ice machine for the fishermen and maybe where we're at on with the reactivation of the fuel dock. Because it seems like that's kind of on the mind of

the fishermen right now to get more of them to be more engaged with us. So those are the two items I'm just curious about, if we could get some follow up on that.

President Gilman: Thank you, Commissioner. I apologize. Is there any other New Business from Commissioners? Because I feel bad now. I do, so I'll do my adjournment again. I did also want to announce that it's listed in the Look Forward in your documents, but I did want to uplift it as we talk about the fact that at our meeting on January 27th, we will be doing a public forum on our two-year budget as required under City rules and regulations.

But that also meeting will have another informational presentation which I hope that we have large public turnout for, and Port staff turnout for, which is we will be doing an informational presentation because it just went live as we were sitting in this meeting on the job announcement and job recruitment for the next Port Director for the City and County of San Francisco. So Berkeley Search and DHR will be coming here to do a formal presentation, informational only. And to receive public comment that will inform the Commission as we look and screen candidates and interview them for this incredibly important role.

So those will be our two informational public items at our meeting on January 27th, so we hope to see the public here. And then with that note, we close our meeting today in solidarity with our brothers and sisters in the City of Minneapolis and Saint Paul who are standing up for the values that this country was founded on, liberty, the right to protest and the freedom of speech when they see tyranny. I close this meeting in adjournment. Thank you.

12. ADJOURNMENT

ACTION: Commissioner Adams moved to adjourn the meeting. Commissioner Lee seconded the motion. All commissioners were in favor.

The meeting was adjourned at 4:50 p.m.