PORT

MISSION

The City of Richmond's Port Department is responsible for developing, marketing, leasing, and operating all City-owned marine terminals to obtain the maximum financial benefit to the City. Revenues from rents and charges to vessels are used to cover the costs of operations and maintenance, as well as to make payments for purchase of property and equipment.

2006/07 DEPARTMENT GOALS

Conclude the co-marketing effort with Auto Warehousing Company (AWC) for additional automotive business at Terminals 2, 3 and Point Potrero Marine Terminal (PPMT) to enhance volumes and revenues

Complete Remediation Construction for Operable Unit 2 (OU2), the former scrap yard site inlet area

Commence the Security Enhancement Project at Point Potrero Marine Terminal

Enter into a Business Development Agreement with the Port of Oakland, which includes a non-compete clause and a structure for co-marketing maritime facilities at both ports

PORT
ACCOMPLISHMENTS 2005-2006:
Completed Terminal 3 site improvements for Matson/SSA and commenced the vehicle distribution service to and from Hawaii.
Initiated Remediation Construction for OU2 (Operable Unit 2), the inlet area of former scrap yard site.
Increased Terminal 3 revenues.
Resolved previous years' outstanding receivables.
Exceeded the revenue projections (MAG) at PPMT (Hyundai/Kia auto operations).
Contracted with Transdevelopment Group to update the Port's Strategic Business Plan.

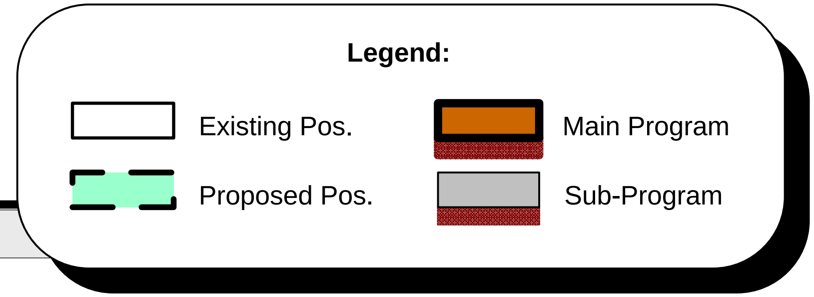
OBJECTIVES 2005-2006:	STATUS
Conclude the co-marketing effort with Auto Warehousing Company (AWC) for additional automotive business at Terminals 2 and 3 and PPMT to enhance volumes and revenues.	**In-Progress**
Complete Remediation Construction for OU2 (Operable Unit 2), the inlet area of former scrap yard site.	**Accomplished**
Commence the Security Enhancement Project at PPMT.	**In-Progress**
Enter into a Business Development Agreement with the Port of Oakland, which includes a non-compete clause and a structure for co-marketing maritime facilities at both ports.	**In-Progress**
Prepare a Business Plan for the creation of an independent Port Department with its own governing body (Port Commission) and budget separate of the City's General Fund.	**Dropped**

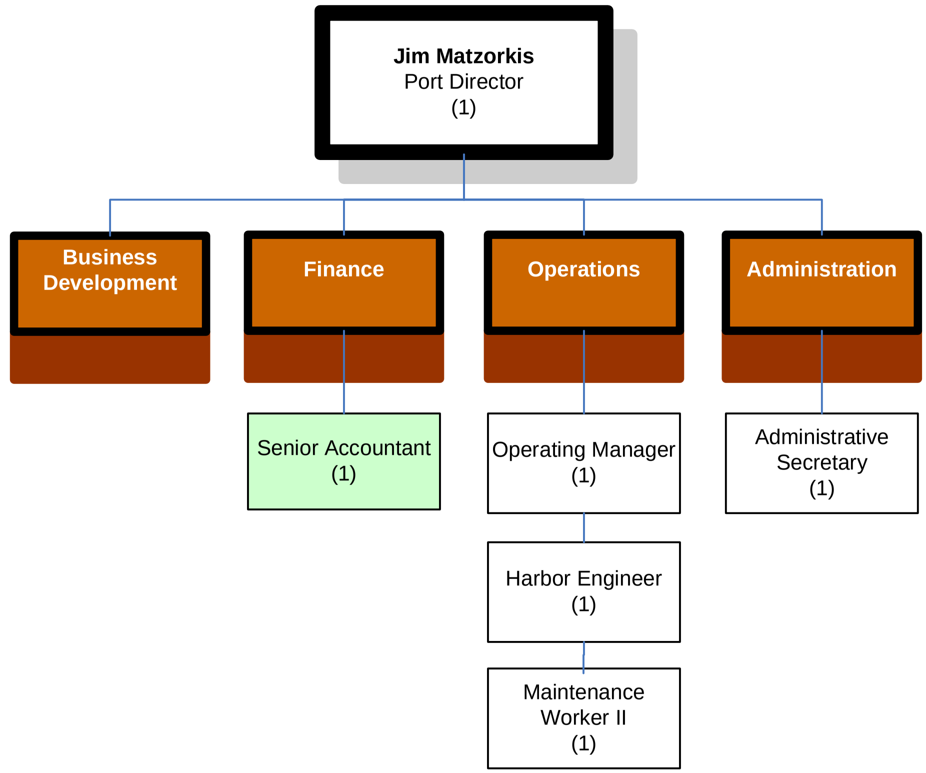
PORT DEPARTMENT
PROGRAM ORGANIZATIONAL CHART

Administration 10163	Finance 10163	Business Development 10163	Operations 10164-10169
*Office Administration	*Budget Preparation	*Marketing	*Vessel Scheduling
*Record Retention	*Account Receivables	*Lease Negotiations	*Facility Security
*Vessel A/D Data	*Account Payables	*Contracting	*Safety Compliance
*Tariff Compliance	*Financial Reporting	*Business Plan	*Purchasing
*Tonnage Statistic	*Revenue Collections	*Permitting (CEQA)	*Engineering
*A/R Invoicing	*Grant Management	*Project Planning	*Construction
*Procurement Compliance	*CIP Administration	*Revenue Forecasting	*Maintenance
*Special Projects	*Property Management		*CIP Project Management
	*Insurance Compliance		*Regulatory Compliance

Port of Richmond
2007 Organizational Chart

Existing FTE* = 5 Projected FTE*=6





PORT MULTI-YEAR COMPARATIVE POSITION LISTING

Staff Summary	Actual 2003/2004	Actual 2004/2005	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Assistant City Manager (10%)	0.1	0.1		
Accounting Assistant II	1.0			
Administrative Secretary	1.0	1.0	1.0	1.0
Deputy Director				
Harbor Engineer	1.0	1.0	1.0	1.0
Maintenance Worker II	1.0	1.0	1.0	1.0
Port Director	1.0	1.0	1.0	1.0
Port Maintenance Manager	1.0	1.0	1.0	1.0
Senior Accountant				1.0
TOTAL Full-time Equivalents (FTEs)	6.1	5.1	5.0	6.0

PORT — DEPARTMENT FINANCIAL SUMMARY

FUNDING SOURCE/S	Actual 2003/2004	Actual 2004/2005	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 2,330,989	$ 4,966,194	$ 5,186,800	$ 5,308,234
Sale of Property				$ 7,000,000
Interest Earned	$ 27,202	$ 37,535	$ 10,000	$ 10,000
TOTAL FUNDING	$ 2,358,191	$ 5,003,729	$ 5,196,800	$ 12,318,234

EXPENDITURES	Actual 2003/2004	Actual 2004/2005	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services	$ 659,418	$ 595,137	$ 632,911	$ 796,712
Contractual Services	$ 227,728	$ 88,264	$ 333,500	$ 393,500
Other Operating Expenses	$ 726,248	$ 852,279	$ 569,106	$ 649,409
Debt Service	$ 2,161,147	$ 2,161,147	$ 3,097,244	$ 9,535,129
Allocated Costs	$ 166,065	$ 295,820	$ 117,917	$ 517,638
TOTAL EXPENDITURES	$ 3,940,606	$ 3,992,647	$ 4,750,678	$ 11,892,388
TOTAL BUDGET	$ 3,940,606	$ 3,992,647	$ 4,750,678	$ 11,892,388

Estimated Budget by Program	Proposed Budget 2006/2007
Administration (10163)	$ 8,138,987
Terminal 1 (10164)	$ 30,111
Terminal 2 (10165)	$ 41,755
Terminal 3 (10166)	$ 1,671,149
Terminal 4 (10167)	$ 53,611
PPMT - Others (10168)	$ 352,839
PPMT - Autos (10169)	$ 1,603,936
TOTAL BUDGET	$ 11,892,388

Program
Overview

Port Administration

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs		
Sale of Property		
Interest Earned	$ 10,000	$ 10,000
TOTAL FUNDING	$ 10,000	$ 10,000

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services	$ 632,911	$ 796,712
Contractual Services	$ 95,000	$ 65,000
Other Operating Expenses	$ 125,656	$ 129,495
Debt Service	$ 573,460	$ 6,876,716
Allocated Costs	$ 107,417	$ 271,064
TOTAL EXPENDITURES	$ 1,534,444	$ 8,138,987
TOTAL BUDGET	$ 1,534,444	$ 8,138,987

Port Administrative Division

<u>Service Level</u>

Provide administrative support to Port management

Service Level Enhancement

Ensure that all vendors and lessees comply with insurance requirements

Performance Measure

Number of vendors and lessees

Number that comply with insurance requirements

Service Level Enhancement

Reorganize filing system

Performance Measure

Was filing system reorganized?

Service Level Enhancement

Update Port web page

Performance Measure

Was Port web page updated?

Service Level Enhancement

Ensure that the Port meets all outside agency regulatory requirements

Performance Measure

Is the Port compliant with all outside agency regulatory requirements?

Port Finance

Service Level

Maximize revenue with sound business practices

Service Level Enhancement

Issue invoices by the 3rd day of each month

Performance Measure

Number of invoices issued per month

Number of invoices issued by 3rd day of each month

Service Level Enhancement

Process payments within 2 weeks of receipt

Performance Measure

Number of payments received
Number of payments processed within 2 weeks of receipt

Service Level Enhancement

Refinance current bonds with lower interest rates

Performance Measure

Number of bonds

Number of bonds refinanced with lower interest rates

Service Level Enhancement

Prepare required budget by deadlines

Performance Measure

Was the budget prepared by deadlines?

Port	**Finance (Con't)**
Service Level Enhancement	
	Generate account aging report by end of first week of each month
Performance Measure	
	Number of reports generated by the beginning of the week of each month
Service Level Enhancement	
	Release purchasing requisition within five working days
Performance Measure	
	Number of requisitions released
	Number of requisitions released within five working days

Port	**Business development**
<u>Service Level</u>	Create business opportunities to maximize revenue
Service Level Enhancement	Update Port business plan
Performance Measure	Was Port business plan updated?
Service Level Enhancement	Update all current Port leases
Performance Measure	Number of current leases Number of current leases updated
Service Level Enhancement	Standardize short-term leases
Performance Measure	Number of short-term leases Number of short-term leases standardized

Program
Overview

Terminal 1

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 22,000	$ 5,865
Sale of Property		$ 7,000,000
TOTAL FUNDING	$ 22,000	$ 7,005,865

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services		
Contractual Services	$ 10,000	$ 20,000
Other Operating Expenses	$ 17,100	$ 7,000
Debt Service		
Allocated Costs	$ 3,000	$ 3,111
TOTAL EXPENDITURES	$ 30,100	$ 30,111
TOTAL BUDGET	$ 30,100	$ 30,111

Program
Overview

Terminal 2

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 460,000	$ 487,446
Sale of Property		
TOTAL FUNDING	$ 460,000	$ 487,446

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services		
Contractual Services	$ 5,000	$ 5,000
Other Operating Expenses	$ 4,500	$ 6,500
Debt Service		
Allocated Costs	$ 2,500	$ 30,255
TOTAL EXPENDITURES	$ 12,000	$ 41,755
TOTAL BUDGET	$ 12,000	$ 41,755

Program
Overview

Terminal 3

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 950,000	$ 1,247,850
Sale of Property		
TOTAL FUNDING	$ 950,000	$ 1,247,850

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services		
Contractual Services	$ 72,000	$ 18,000
Other Operating Expenses	$ 79,100	$ 236,164
Debt Service	$ 1,263,784	$ 1,398,413
Allocated Costs	$ 3,500	$ 18,572
TOTAL EXPENDITURES	$ 1,418,384	$ 1,671,149
TOTAL BUDGET	$ 1,418,384	$ 1,671,149

Program
Overview

Terminal 4

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 4,800	$ 34,800
Sale of Property		
TOTAL FUNDING	$ 4,800	$ 34,800

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services		
Contractual Services	$ 21,000	$ 20,000
Other Operating Expenses	$ 17,000	$ 17,500
Debt Service		
Allocated Costs	$ 500	$ 16,111
TOTAL EXPENDITURES	$ 38,500	$ 53,611
TOTAL BUDGET	$ 38,500	$ 53,611

Program
Overview

PPMT - Others

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 1,000,000	$ 782,273
Sale of Property		
TOTAL FUNDING	$ 1,000,000	$ 782,273

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services		
Contractual Services	$ 15,000	$ 150,000
Other Operating Expenses	$ 235,750	$ 175,750
Debt Service		
Allocated Costs	$ 1,000	$ 27,089
TOTAL EXPENDITURES	$ 251,750	$ 352,839
TOTAL BUDGET	$ 251,750	$ 352,839

Program
Overview

PPMT - Autos

PROGRAM FINANCIAL SUMMARY		
FUNDING SOURCE/S	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Rent / Tariffs	$ 2,750,000	$ 2,750,000
Sale of Property		
TOTAL FUNDING	$ 2,750,000	$ 2,750,000

EXPENDITURES	Adopted Budget 2005/2006	Proposed Budget 2006/2007
Personnel Services		
Contractual Services	$ 115,500	$ 115,500
Other Operating Expenses	$ 90,000	$ 77,000
Debt Service	$ 1,260,000	$ 1,260,000
Allocated Costs		$ 151,436
TOTAL EXPENDITURES	$ 1,465,500	$ 1,603,936
TOTAL BUDGET	$ 1,465,500	$ 1,603,936

Port Operations

Service Level

Operate Port facilities

Service Level Enhancement

Perform facility inspections monthly

Performance Measure

Number of facilities

Number of facility inspections completed per month

Service Level Enhancement

Develop maintenance schedule of essential equipment and structures

Performance Measure

Was maintenance schedule completed?

Service Level Enhancement

Complete Port Potrero Marine Terminal inlet dredging and pavement project within budget

Performance Measure

Was dredging and pavement project completed?

Was the project completed within budget?

Service Level Enhancement

Complete RFP for Port Potrero Marine Terminal Trail Construction Design contract

Performance Measure

Was RFP completed?

Port Operations (Con't)

Service Level Enhancement

Complete final design documents for Terminal 2 Wharf replacement project

Performance Measure

Were final design documents completed?

Service Level Enhancement

Complete Terminal 4 environmental remediation at no cost to the City

Performance Measure

Was remediation completed?

What was the cost to the City?