



Revised

Staff Report

TO: Board of Harbor Commissioners

FROM: Steve McGrath, General Manager

DATE: October 4, 2018

SUBJECT: Oyster Point Marina and Park: Potential New Agreement with South San Francisco

Recommendation/Motion:

Receive report and provide direction to staff.

Policy Implications:

None at this time, although the Joint Powers Agreement under which the District operates Oyster Point Marina and Park will terminate in 2026, and, at this Commission's direction, discussions have commenced regarding a new agreement.

See

<https://www.smharbor.com/oyster-point-joint-powers-agreement-with-the-city-of-south-san-francisco>

Fiscal Implications/Budget Status:

None at this time.

Discussion:

In February 2017, this Commission directed staff to work with the City and the Liaison Committee on drafting a new agreement for operation of OPM by the District.

See

<https://www.smharbor.com/2017-02-15-2017-harbor-board-of-commissioners-special-meeting-opmp-study-session-4-00-pm>

That effort was expanded to incorporate discussion, drafting and agreement on an Implementation Agreement in September 2017.

See

https://smharbor.specialdistrict.org/files/b87f475b1/2017_08_16_SSF_OPM_Impl_Agmt_SR.pdf

The Liaison Committee met most recently on April 17, 2018, received a report from City Manager Mike Futrell, and me. The Committee reviewed the basic elements of a potential new agreement and directed staff to continue to develop these for inclusion in an agreement for review by this Commission and the City Council.

See:

https://smharbor.specialdistrict.org/files/b867b0ebb/2018-04-17+OPM+Liaison+Committee_SR.pdf

This Commission received an update from staff on July 18, 2018 regarding the status of construction, funding for the fueling system and development of a new agreement, including whether a management agreement is a viable option.

See

https://www.smharbor.com/files/538c70d5a/2018_07_18_OPM_Fuel_Agmt-CFD_SR.pdf

Since that time, staff for both the City and the District have continued to meet and have made considerable progress on the development of a new agreement.

In trying to construct a new agreement that will still remain viable in 30 years, a degree of flexibility is required, as not all situations can be properly forecast, but staff have addressed several fundamental principles and basic agreement has been reached as follows:

1. Term: Initial 15-year with two ten-year renewals
2. District responsible for Marina and East side
3. City responsible for West side
4. City responsible for protection against sea level rise
5. City responsible for inundation or damage caused by landfill subsidence (unless caused by District)
6. District to work on replacing docks which are past their useful life
7. District and City to jointly manage Operational Performance Indicators (OPIs) to measure management and maintenance of the facilities
8. Default:
 - a. City or District not substantially meeting OPIs
 - b. District not maintaining 80% of average Bay Area occupancy for two years
9. Termination:
 - a. City pays District depreciated value of assets
 - b. District may be required to remove docks
 - c. District keeps and removes all personal property (vehicles, vessels, equipment etc.)

- d. City and District cooperate on staff, tenancies, leases and permits, etc.
10. Next steps:
 - a. Resolve details around water quality, subsidence, termination
 - b. Incorporate Board direction into agreement
 - c. Return to this Commission

Summary:

Staff recommends this Commission receive this report and provide direction on items to approve, include, exclude, amend or otherwise incorporate into the potential agreement with South San Francisco.

Attachments:

[Oyster Point Marina Presentation](#)