

FILE NUMBER: 2024-290

DATE: Tuesday, September 10, 2024

SUBJECT: Additional South Berth Shore Power Connection Point at the B Street Cruise Ship Terminal, San Diego California

DESCRIPTION:

A) Resolution Adopting a First Addendum to the Final Mitigated Negative Declaration for the B Street Shore Power Project and Authorizing Staff to File a Notice of Determination.

B) Resolution Authorizing Issuance of Amendment No. 1 to the Non-Appealable Coastal Development Permit No. 2010-001 to the District for the B Street Shore Power Project.

C) Resolution Approving the Transfer of Funds Within the District FY 2025 Equipment Outlay and Other Capital Projects Appropriation, transferring \$512,610.00 from Contingency to bring the total project budget to \$1,232,273.00 for the Additional South Berth Shore Power Connection Point Project Pursuant to BPC Policy No. 90.

D) Resolution Approving Plans and Specifications and Awarding Contract No. 2023-24 to Universal Wiring Corp, in the Amount of \$463,500.00 for the Construction of Additional South Berth Shore Power Connection Point at the B Street Cruise Ship Terminal, as Budgeted in the FY 2025 Equipment Outlay and Other Capital Projects Appropriation.

EXECUTIVE SUMMARY:

The San Diego Unified Port District (District) is advancing its commitment to environmental sustainability and operational efficiency through a strategic expansion of its shore power infrastructure. In response to the varied power connection needs of cruise ships, the District recommends the addition of a new shore power connection point at the B Street Cruise Ship Terminal's southern berth (Additional South Berth Shore Power Connection Point at the B Street Cruise Ship Terminal Project [proposed Project]).

The proposed Project advances electrification efforts to meet the California Air Resources Board's (CARB) At-Berth Regulation. It implements Oceangoing Vessel Objective 2A of the District's Maritime Clean Air Strategy (MCAS), improving air quality by significantly reducing Diesel Particulate Matter emission from ships-at-berth.

The construction contract was advertised on July 15, 2024. Construction bids were opened on August 14, 2024. Four bidders responded with bids ranging from \$463,500 to \$1,305,801. The lowest responsive and responsible bid was received from Universal Wiring Corp in the amount of \$463,500.00. The Engineer's construction cost estimate was \$500,000.00. To fund this construction contract and contingency, additional funds are

needed. The additional funds are recommended from FY2025 Contingency appropriation in the amount of \$512,610.00.

A Final Mitigated Negative Declaration (Final MND) for the B Street Shore Power Project (previous Project) (SCH #2009111064; Resolution No. 2010-07; Clerk Document No. 69487) was adopted by the Board of Port Commissioners (Board) on January 5, 2010. A First Addendum to the Final MND, dated September 2024 (Addendum [Attachment A]), has been prepared to analyze the proposed Project and to document that none of the conditions in CEQA Guidelines Section 15162, triggering preparation of a subsequent MND, have occurred. The District finds that there are no substantial changes in the project, nor substantial changes with respect to circumstances under which the project is undertaken, nor new information of substantial importance that shows any new or more severe environmental impacts or any substantially different mitigation measures than were previously identified and adopted. The Final MND and Addendum were provided to the Board via a Board Memorandum dated September 5, 2024.

On January 5, 2010, the Board also authorized the issuance of a non-appealable Coastal Development Permit (CDP) CDP-2010-001 to the District for the B Street Shore Power Project (Resolution No. 2010-08; Clerk Document No. 55970) and is provided as Attachment B to this agenda sheet. An amendment to CDP-2010-001 has been prepared in accordance with the District's Coastal Development Permit Regulations (Attachment C). The proposed Project, as conditioned, is consistent with the certified Port Master Plan (PMP) and applicable sections of Chapter 3 and Chapter 8 of the Coastal Act.

RECOMMENDATION:

A) Resolution adopting a First Addendum to the Final MND for the B Street Shore Power Project and authorizing staff to file a Notice of Determination; and

B) Resolution authorizing Amendment No. 1 to the non-appealable CDP No. 2010-001 to the District for the B Street Shore Power Project; and

C) Resolution approving the transfer of funds within the District FY 2025 Equipment Outlay and Other Capital Projects appropriation, transferring \$512,610.00 from Contingency to bring the total project budget to \$1,232,273.00 for the Additional South Berth Shore Power Connection Point Project pursuant to BPC Policy No.90; and

D) Resolution approving plans and specifications and awarding Contract No. 2023-24 to Universal Wiring Corp in the amount of \$463,500.00 for construction of the Additional South Berth Shore Power Connection Point at the B Street Cruise Ship Terminal as authorized by the Board in the FY 2025 Equipment Outlay and Other Capital Projects (OCP) appropriation

FISCAL IMPACT:

There is no fiscal impact caused by the approval of this action.

Funds for the proposed Project are budgeted in the FY 2025 Equipment Outlay and OCP for \$400,000.00.

Additionally, funds from the FY2025 Equipment Outlay and Other Capital Contingency appropriation will supplement the remaining necessary funds to complete the proposed Project. The Contingency has an FY2025 budget of \$870,000.00. Of those OCP funds, \$512,610.00 will be used to complete the proposed Project.

In addition, approval of this agenda item will authorize the expenditure of the construction bid and allow a 20% construction contingency pursuant to Board Policy No.110 for a revised recommended budget of \$912,610.00.

The projected funding sources are summarized in the table below:

Source	Amount
Additional Shore Power Connection Point at CST – FY2025 (OCP)	\$400,000.00
Contingency – FY2025 (OCP)	\$512,610.00
Total	\$912,610.00

The cost and budget are summarized in the table below:

Cost and Budget Summary Table			
Fiscal Year	2024	2025	Totals
Budget**	\$ 1,000,000.00	\$400,000.00	-
Commitments*	\$676,273.00	\$356,609.72	-
Expended	\$319,663.28	-	-
Remaining	\$680,336.72	-	-
Construction Contract	-	\$463,500.00	-
Construction Contingency (~20%)	-	\$92,500.00	-
Total Recommended Budget	-	\$912,610.00	-
Shortfall	-	-	\$232,273.00
Total Project Cost	-	-	\$1,232,273.00

* The Board authorized a sole source equipment purchase and service agreement with Watts Marine, LLC (Resolution No. 2023-108, Clerk Document No. 76181). The not-to-exceed amount is \$676,273.00 with a remaining FY24 carryover amount of \$356,609.72.

**The FY 2024 budget initially allocated \$1,000,000.00. Of this, \$676,273.00 was committed to the Equipment Procurement (PO) & Service and Installation, with \$319,663.28 spent in FY 2024. The remaining balance of \$680,336.72 from FY 2024 was not carried forward to FY 2025. For FY 2025, \$400,000 was budgeted. The overall project shortfall amount is \$232,273 beyond the original \$1,000,000 budget.

Approval of this agenda item will authorize the expenditure of \$463,500.00.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A Port with a healthy and sustainable bay and its environment.

DISCUSSION:

Background

In December 2007, the California Air Resources Board (CARB) implemented the At-Berth Regulation, a pivotal step to curb emissions from ships while docked. This regulation mandated the installation of shore power infrastructure or other emission reduction technologies, enabling vessels to power down their diesel engines during berthing. To comply with the CARB At-Berth Regulation, shore power infrastructure at District facilities were required to be operational and accommodate 50% of all cruise ship calls in 2014 and increasing to 80% of all cruise ship calls by 2020.

In response, the Board took proactive measures. On January 5, 2010, the Board adopted the Final MND for the B Street Shore Power Project (previous Project) (SCH #2009111064; Resolution No. 2010-07; Clerk Document No. 69487). At that time, the Board also authorized the issuance of a non-appealable CDP No. 2010-001 to the District for the B Street Shore Power Project, by Resolution No. 2010-08 (Clerk Document No. 55970). The Final MND addressed the proposed modifications necessary to install shore power equipment at B Street Pier and Broadway Pier Cruise Ship Terminals (CST) so that cruise ships berthing at B Street Pier or Broadway Pier can use electrical power from the shore rather than their engines while at berth. The previous Project allowed for three berths to be equipped with shore power equipment (north and south of B Street Pier and north of Broadway Pier). However, only two berths can provide shore power concurrently, because the south berth at B Street CST and north berth at Broadway CST are connected to the same electrical substation. Power was provided in two phases. Phase 1 was completed in 2011 and marked the establishment of the first connection points on the western ends of the northern and southern berth at B Street CST. Subsequently, Phase Two was completed in 2022, completing the previous Project and establishing shore power at Broadway CST.

In 2020, CARB updated the At-Berth Regulation which requires all cruise ships calling into San Diego to connect to shore power by January 1, 2023, with several exceptions. To continue to align with CARB's stringent At-Berth Regulation and create flexibility for both starboard and port-side vessels, the District proposes the installation of an alternate shore power receptacle at the southern berth of B Street CST.

Additional South Berth Shore Power Connection Project

The proposed Project underscores the dynamic nature of cruise ship needs. Vessels often feature power connection points on both starboard and port sides. This new initiative addresses this variability by introducing an additional connection point. Specifically, it enables ships with starboard connections to access shore power at the southern berth's eastern location.

More specifically, the proposed Project includes the installation of one (1) shore power ground switch; approximately 80 linear feet of under-deck conduit; and, shore power outlet equipment as well as pulling conductors through approximately 750 linear feet of previously constructed duct bank along the south berth and the newly built under-deck conduit. Best Management Practices (BMPs) would be implemented for the below deck work to ensure materials and equipment do not enter San Diego Bay.

Upon Board authorization, construction is expected to begin in October 2024 and be completed by January 2025.

The proposed Project will not result in an increase in capacity and would not enable more than two ships to be connected to shore power, as originally analyzed by the adopted Final MND.

The project advances electrification efforts to continue to meet the CARB's At-Berth Regulation and implements Oceangoing Vessel Objective 2A of the District's MCAS, improving air quality by significantly reducing Diesel Particulate Matter emission from ships-at-berth.

CDP Amendment

The proposed material Amendment No. 1 to non-appealable CDP-2010-001 as described above is necessary to implement the proposed Project, which would enhance the original shore power infrastructure authorized and constructed as part of CDP-2010-001. The proposed amendment to CDP-2010-001 would also update the "Standard Provisions" and "Special Provisions" to reflect current permit language and regulations.

In accordance with Section 14.d. of the District CDP Regulations, the Development Services Director determined that an amendment to CDP-2010-001 is necessary and that the proposed amendment would be a material change due to the nature and extent of the proposed changes. The District CDP Regulations require material amendments to be considered by the Board, along with the consideration of consistency with the Port Master Plan (PMP).

The proposed Project is located in the Civic Zone Subarea of Planning District 3, Centre City Embarcadero, which is delineated on Precise Plan Map Figure 11 of the certified PMP. The land use designations are Marine Terminal, Commercial Recreation, Park/Plaza, and Promenade. The proposed Project will improve the existing shore power system by allowing vessels with starboard connections to access shore power at the southern berth at B Street Pier CST. The existing shore power system is consistent with the land use designation, no other uses are proposed, and existing uses such as the promenade will continue. Therefore, the proposed Project is consistent with the certified land use designations and the certified PMP.

The Project, as conditioned, is fully consistent with California Coastal Act Chapter 8 and Sections 30604(c), 30210-30224, and the public access and recreation policies referenced therein. District staff recommends the Board authorize issuance of Amendment No. 1 to non-appealable CDP-2010-001 to implement the proposed Project.

A copy of the draft amendment to CDP-2010-001 is provided as Attachment C, and a copy of CDP-2010-001 is provided as Attachment B to this agenda sheet.

Conclusion and Recommendation

The proposed Project would enhance existing shore power infrastructure by creating flexibility for cruise ships with either starboard or portside connections to connect to shore power on the eastern or western end of the south berth at B Street Pier CST.

Staff recommends the Board adopt a First Addendum to the Final MND, authorize the issuance of Amendment No. 1 to the non-appealable CDP No. 2010-001 to the District for the B Street Shore Power Project, approve plans and specifications, and award Contract No. 2024-23. There are no substantial changes in the project, nor substantial changes with respect to the circumstances under which the project is undertaken, nor new information of substantial importance resulting in new or more severe environmental impacts or any considerably different mitigation measures than were previously identified.

The construction contract was advertised on July 15, 2024. Construction bids opened on August 14, 2024. Four (4) bidders responded with bids ranging from \$463,500 to \$1,305,801.18. The bids are listed in the following table:

VBID	Vendor	Vendor Type	Bid Amount
390272	Universal Wiring Corp	MBE, HIS, MAL	\$463,500.00
389587	Ace Electric Inc	CADIR, CCR, Local	\$765,900.00
389395	The Ryan Company, Inc.		\$787,650.00
388982	Michels Pacific Energy	CADIR	\$1,305,801.18

Based on the review of bids, the lowest responsive and responsible bid was submitted by the Universal Wiring Corp in the amount of \$463,500.00. The Engineer's construction cost estimate was \$500,000.00.

General Counsel's Comments:

The Office of the General Counsel has reviewed this staff report and the attachments as presented to it and approves them as to form and legality.

Environmental Review:

In accordance with CEQA, a Final MND for the B Street Shore Power Project (previous Project) was adopted by the Board on January 5, 2010, by Resolution No. 2010-07 (SCH #2009111064; Clerk Document No. 69487). The Final MND addressed the proposed modifications necessary to install shore power equipment at B Street Pier and Broadway Pier CSTs so that cruise ships berthing at B Street Pier or Broadway Pier can use electrical power from the shore rather than their own engines while at berth.

The District has determined that the adopted Final MND has continuing informational value with respect to the proposed Project and that none of the conditions in CEQA

Guidelines Section 15162, requiring preparation of a subsequent or supplemental MND or Environmental Impact Report, have occurred. In accordance with Section 15164, a First Addendum to the Final MND has been prepared as: 1) no substantial changes are proposed to the Project; 2) no substantial changes have occurred with respect to the circumstances under which the Project is undertaken that require major revisions to the MND due to the involvement of new significant environmental effects or a substantial increase in severity of previously identified significant effects; and 3) no new information of substantial importance has come to light that (a) shows the Project will have one or more significant effects not discussed in the MND, (b) identifies significant impacts would be substantially more severe than those analyzed in the MND, (c) shows that mitigation measures or alternatives previously found not to be feasible are now feasible and would reduce significant impacts, or (d) shows that mitigation measures or alternatives which are considerably different from those analyzed in the adopted MND would substantially reduce one or more significant effects on the environment. If the Board approves any discretionary action to carry out the proposed Project, staff will file a Notice of Determination pursuant to CEQA Guidelines Section 15094.

The Final MND for the B Street Shore Power Project and the First Addendum to the Final MND for the Additional South Berth Shore Power Connection Point at B Street Cruise Ship Terminal Project were provided to the Board via a Board Memorandum dated September 5, 2024. The Final MND and First Addendum to the Final MND can be accessed on the District's website at:

<<https://www.portofsandiego.org/public-records/port-updates/notices-disclosures/ceqa-documents>>.

The proposed Board actions comply with Section 87 of the Port Act, which allows for all visitor-serving commercial and industrial uses and purposes, and the construction, reconstruction, repair, and maintenance of commercial and industrial buildings, plants, and facilities. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board actions are consistent with the Public Trust Doctrine.

The proposed Board actions conform with the Coastal Act process. If the Board authorizes the issuance of Amendment No. 1 to CDP-2010-001, the Coastal Act review would be complete for the proposed Project and the CDP Amendment would be issued as soon as possible after the Board action, in accordance with the District's Coastal Development Permit Regulations.

Diversity, Equity, and Inclusion Program:

Due to limited known subcontracting opportunities, no SBE goal was established for this contract.

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Attachment(s):

- Attachment A: Draft First Addendum to the Final Mitigated Negative Declaration for the B Street Shore Power Project
- Attachment B: Coastal Development Permit No. 2010-001 for the B Street Shore Power Project
- Attachment C: Draft Amendment No. 1 to Coastal Development Permit No. 2010-001 for the B Street Shore Power Project