

## MEMORANDUM

November 8, 2019

TO: MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Willie Adams, Vice President  
Hon. Gail Gilman  
Hon. Victor Makras  
Hon. Doreen Woo Ho

FROM: Elaine Forbes  
Executive Director

SUBJECT: Request retroactive approval of Port Commission President Kimberly Brandon's travel to Washington, D.C. with Port staff to advocate for a technical amendment to the Water Resources Development Act (WRDA) bill.

**DIRECTOR'S RECOMMENDATION:** Approve Attached Resolution No. 19-44

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### **Executive Summary:**

Port staff requests that the Port Commission retroactively approve President Kimberly Brandon's travel to Washington, D.C. on October 28-30, 2019. As President of the Port Commission, Commissioner Brandon's attendance at the meetings added additional prestige to the Port of San Francisco's delegation to Washington, D.C.

### **Background:**

Commissioner Brandon together with Director Forbes, Brad Benson and Daley Dunham travelled to Washington, D.C. on October 28-30, 2019 to meet with and seek bi-partisan support in the Senate and House of Representatives regarding a technical amendment to the Water Resources Development Act (WRDA).

### **Port's WRDA Request:**

Where flood management benefits are the same in states with and without seismic risk, higher project costs in states with seismic risk results in a lower benefit-cost ratio, a key metric used by U.S. Army Corps of Engineers (USACE) to determine project eligibility and funding levels.

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The proposed language was developed in concert with regional USACE staff and would modify how seismic benefits are considered by USACE, elevating them from their current status as “incidental” benefits to a new category - “associated” benefits. The concept of “associated” costs already exists in the USACE framework. The proposal is a modest change to the USACE’s procedure. The Port’s proposed WRDA language amendment is as follows:

"For flood risk management projects that incidentally generate seismic safety benefits in regions of moderate or high seismic hazard, the Secretary shall recognize such benefits as associated National Economic Development benefits, not subject to incidental benefit policies, and shall include such benefits in the economic analysis of the project. Reasonable maximization of National Economic Development benefits used in plan selection shall be based on total project benefits, inclusive of flood risk management and associated benefits."

The proposed change would: (1) allow projects to count seismic benefits toward the initial threshold requirement of a 0.5 benefit cost ratio (currently restricted to flood risk management benefits); (2) allow all benefits to be considered in final plan selection; and (3) increase the competitiveness of projects with seismic benefits for future appropriations. The proposed change to WRDA is not in pursuit of special treatment but rather, an effort to address an inequity in current USACE processes that puts states in seismically active regions at a competitive disadvantage.

In addition to Alaska, Washington, Oregon and California, this language would benefit USACE flood protection projects in Arkansas, Hawaii, Kentucky, Missouri, South Carolina, Tennessee and other states. This language has been formally endorsed by the American Association of Port Authorities (AAPA).

The Senate will commence writing the WRDA bill amendment this month. The House is expected to call for constituent WRDA requests in December and commence writing early in 2020. Committee staff meetings is key, as members generally take their expert recommendations on new policy like that which would follow our proposed WRDA language.

While in Washington, the Port delegation met with executives from the US Army Corps of Engineers (USACE) headquarters and thanked the agency for the \$800,000 allocation in the President’s budget to support the project, as well as for informally pledging to USACE-SF project staff funding based on a good faith assumption the 3x3x3 waiver request will be approved once submitted (following completion of their external validation of expected costs). The Port also requested an additional \$3 million in funding in the USACE 2020 Workplan for the Port's San Francisco Flood Resiliency Study.

To maintain high visibility for the Port seawall project, the Port delegation also met with the following and provided an update on the seawall project as well as other projects.

- Senator Dianne Feinstein
- Congressman Jared Huffman

- Congresswoman Jackie Speier
- Congressman Alan Lowenthal, Port's Caucus Chair
- Robert Edmondson, House Speaker Nancy Pelosi's chief of staff
- John Kane, Annie D'Amato and Mark Mendenhall (Senate Committee on Environment and Public Works staff)
- Ryan Seiger and Camille Touton (House Transportation & Infrastructure Subcommittee on Water Resources)
- Ryan Fisher, Principal Deputy Assistant Secretary of the Army Civil Works
- Andrew Harding and Lizzy Olsen (Senate Committee on Environment and Public Works staff)

**Recommendation:**

Port staff recommends Port Commission's retroactive approval of the resolution authorizing Port Commission President Kimberly Brandon's travel to Washington, D.C. on October 28-30, 2019. The cost of the trip was covered in the Port Commission's Fiscal Year 2019-2020 budget.

Prepared by: Amy Quesada  
Port Commission Affairs Manager

Prepared for: Elaine Forbes  
Executive Director

**PORT COMMISSION  
CITY & COUNTY OF SAN FRANCISCO  
RESOLUTION NO. 19-44**

WHEREAS, Commissioner Brandon together with Director Forbes, Brad Benson and Daley Dunham travelled to Washington, D.C. on October 28-30, 2019 to meet with and seek bi-partisan support in the Senate regarding a technical amendment to the Water Resources Development Act; and

WHEREAS, Flood management benefits are the same in states with and without seismic risk, higher project costs in states with seismic risk results in a lower benefit-cost ratio, a key metric used by U.S. Army Corps of Engineers (USACE) to determine project eligibility and funding levels; and

WHEREAS, The proposed language noted in the staff reports was developed in concert with USACE staff and would modify how seismic benefits are considered by USACE, elevating them from their current status as “incidental” benefits to a new category, “associated” benefits; and

WHEREAS, The proposed change would: (1) allow projects to count seismic benefits toward the initial threshold requirement of a 0.5 benefit cost ratio (currently restricted to flood risk management benefits); (2) allow all benefits to be considered in final plan selection; and (3) increase the competitiveness of projects with seismic benefits for future appropriations; and

WHEREAS, The proposed change to WRDA is not in pursuit of special treatment but rather, an effort to address an inequity in current USACE processes that puts a minority of states at a competitive advantage; and

WHEREAS, The topics noted in the staff report which were discussed with various members of the Senate are of utmost importance to the Port; and

WHEREAS, Port Commission President Kimberly Brandon’s attendance at the meetings added additional prestige to the Port of San Francisco’s representation; and

WHEREAS, The cost of this trip is covered in the Port’s Fiscal Year 2019-2020 budget; now, therefore, be it

RESOLVED, That the Port Commission hereby retroactively approves this travel request.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 2019.***

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Secretary