

# FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

## Seaport

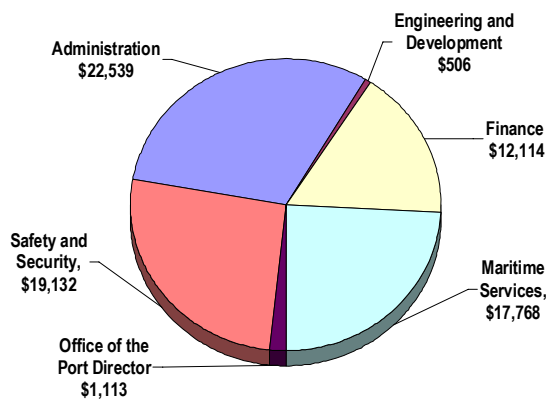
The Seaport Department (Seaport) manages the Dante B. Fascell Port of Miami-Dade County (POM). The POM is the busiest passenger cruise home port in the world and the 12th busiest cargo container port in the United States.

As part of the Transportation and Economic Development strategic areas, the Seaport is responsible for meeting the infrastructure needs of the cruise and cargo industries, ensuring the POM is managed efficiently and effectively, and maintaining, renovating, and expanding the Port's facilities. The Seaport promotes cruise and cargo growth through infrastructure enhancements and throughput capacity improvements combined with an aggressive foreign and domestic marketing program.

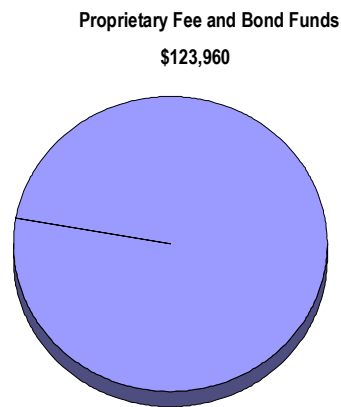
As one of the largest economic engines in Miami-Dade County, the Seaport works with the maritime, cruise, and cargo industries, truckers, freight forwarders, various federal and state agencies, the Miami-Dade Police and Fire Rescue Departments, as well as all the ancillary services that support these customers.

### FY 2008-09 Adopted Budget

**Expenditures by Activity**  
(dollars in thousands)



**Revenues by Source**  
(dollars in thousands)



# FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

---

## TABLE OF ORGANIZATION

<b><u>OFFICE OF THE DIRECTOR</u></b>					
<ul style="list-style-type: none"> <li>• Formulates departmental policies and procedures and provides overall direction and coordination for all divisions</li> </ul>					
<u>FY 07-08</u> 6	<u>FY 08-09</u> 6				
<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;"><b><u>MARITIME SERVICES</u></b></p> <ul style="list-style-type: none"> <li>• Responsible for cargo and cruise ship operations and associated berthing and terminal management functions</li> </ul> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; border: none;"><u>FY 07-08</u> 175</td> <td style="text-align: center; border: none;"><u>FY 08-09</u> 173</td> </tr> </table> </div>	<u>FY 07-08</u> 175	<u>FY 08-09</u> 173	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;"><b><u>FINANCE</u></b></p> <ul style="list-style-type: none"> <li>• Responsible for all accounting activities, including cost accounting, reconciliation, accounts payable, financial statements, credit/collection, and billing</li> </ul> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; border: none;"><u>FY 07-08</u> 30</td> <td style="text-align: center; border: none;"><u>FY 08-09</u> 29</td> </tr> </table> </div>	<u>FY 07-08</u> 30	<u>FY 08-09</u> 29
<u>FY 07-08</u> 175	<u>FY 08-09</u> 173				
<u>FY 07-08</u> 30	<u>FY 08-09</u> 29				
<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;"><b><u>SECURITY ENFORCEMENT</u></b></p> <ul style="list-style-type: none"> <li>• Responsible for the overall security planning and enforcement of the POM at the federal, state, and local levels; and operates POM badging and identification functions</li> </ul> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; border: none;"><u>FY 07-08</u> 126</td> <td style="text-align: center; border: none;"><u>FY 08-09</u> 135</td> </tr> </table> </div>	<u>FY 07-08</u> 126	<u>FY 08-09</u> 135	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;"><b><u>ENGINEERING</u></b></p> <ul style="list-style-type: none"> <li>• Develops and implements all capital related items required by POM</li> </ul> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; border: none;"><u>FY 07-08</u> 29</td> <td style="text-align: center; border: none;"><u>FY 08-09</u> 32</td> </tr> </table> </div>	<u>FY 07-08</u> 29	<u>FY 08-09</u> 32
<u>FY 07-08</u> 126	<u>FY 08-09</u> 135				
<u>FY 07-08</u> 29	<u>FY 08-09</u> 32				
<b><u>ADMINISTRATION</u></b>					
<ul style="list-style-type: none"> <li>• Responsible for human resources, procurement, contracts, information technology, and grant activities; and manages the switchboard and mail center operations</li> </ul>					
<u>FY 07-08</u> 34	<u>FY 08-09</u> 35				

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

### FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 06-07	Budget FY 07-08	Adopted FY 08-09
<b>Revenue Summary</b>			
Carryover	11,395	27,752	10,701
Interest Income	0	4	300
Proprietary Fees	91,968	106,064	112,959
Transfer From Other Funds	13,300	0	0
Total Revenues	116,663	133,820	123,960
<b>Operating Expenditures Summary</b>			
Salary	19,922	19,955	22,209
Fringe Benefits	5,908	6,722	7,713
Other Operating	38,198	42,518	41,985
Capital	453	2,349	1,265
Total Operating Expenditures	64,481	71,544	73,172
<b>Non-Operating Expenditures Summary</b>			
Debt Service	34,003	34,358	36,548
Reserve	0	27,157	10,900
Transfers	5,572	0	3,340
Other Non-Operating Adjustments	0	761	0
Total Non-Operating Expenditures	39,575	62,276	50,788

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 07-08	Adopted FY 08-09	Budget FY 07-08	Adopted FY 08-09
<b>Strategic Area: Transportation</b>				
Administration	20,125	22,539	34	35
Engineering & Development	976	506	29	32
Finance	12,418	12,114	30	29
Maritime Services	18,512	17,768	175	173
Office of the Port Director	1,143	1,113	6	6
Safety and Security	18,370	19,132	126	135
Total Operating Expenditures	71,544	73,172	400	410

### CAPITAL BUDGET SUMMARY

(dollars in thousands)	PRIOR	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FUTURE	TOTAL
<b>Revenue</b>									
Army Corps of Engineers	0	2,670	0	0	0	0	32,744	35,195	70,609
Building Better Communities GOB Program	100,000	0	0	0	0	0	0	0	100,000
FDOT Funds	2,080	13,544	5,526	2,500	2,500	2,500	3,939	0	32,589
FDOT-County Incentive Grant Program	0	0	670	1,000	0	0	0	0	1,670
FEMA Hazard Mitigation Grant	49	0	480	0	0	0	0	0	529
FEMA Reimbursements	2,576	1,144	1,500	0	0	0	0	0	5,220
Private Donations	90	0	0	0	0	0	0	0	90
Seaport Bonds/Loans	36,134	40,661	59,519	60,302	34,477	82,177	53,092	40,115	406,477
US Department of Homeland Security	5,308	4,631	999	0	0	0	0	0	10,938
Total:	146,237	62,650	68,694	63,802	36,977	84,677	89,775	75,310	628,122
<b>Expenditures</b>									
<b>Strategic Area: Transportation</b>									
Cargo Facilities Improvements	11,963	13,500	20,150	11,600	8,250	8,250	7,750	0	81,463
Equipment Acquisition	0	0	2,000	11,000	0	0	0	0	13,000
New Passenger Facilities	0	800	22,075	25,125	22,000	0	0	0	70,000
Passenger Facilities Improvements	9,875	11,592	4,490	2,350	0	0	0	0	28,307
Port Facility Improvements	17,753	119,300	18,192	13,727	6,727	50,427	7,727	0	233,853
Seaport Dredging	1,100	8,010	0	0	0	26,000	74,298	75,310	184,718
Security Improvements	5,546	9,448	1,787	0	0	0	0	0	16,781
Total:	46,237	162,650	68,694	63,802	36,977	84,677	89,775	75,310	628,122

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

### SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual FY 05-06	Actual FY 06-07	Budget FY 07-08	Actual FY 07-08	Budget FY 08-09
Travel	74	52	130	59	60
Outside Maintenance	661	782	1,290	775	1,160
Contract Temporary Employees	129	244	119	271	178
Administrative Reimbursement	1,558	1,558	1,900	1,900	2,000
Transfers and Reimbursements					
• Audit and Management Services - Audit Services	110	110	110	110	110
• Consumer Services Department - Taxi Cab Inspections	57	57	57	50	100

### ADOPTED FEE ADJUSTMENTS FOR SERVICES

Fee Adjustments	Current Fee FY 07-08	Adopted Fee FY 08-09	Dollar Impact FY 08-09
• Cruise Passenger Wharfage- Multi-day cruises per passenger embarking and debarking	8.61	8.98	875,000
• Dockage per gross registry ton	0.26	0.28	682,000
• Cargo Vessel Wharfage per short ton	2.21	2.32	524,000
• Gantry Crane Rentals per hour	588.00	617.40	252,000
• Reefer Fee per day or any portion thereof	50.00	52.50	198,000
• Water-use per ton	1.60	1.68	80,000

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

### **DIVISION: OFFICE OF THE PORT DIRECTOR**

The Office of the Director is responsible for overseeing Port operations. The Director is responsible for policies and procedures and provides overall direction and coordination for all divisions.

- Develops legislative items for Board of County Commissioners approval
- Acts as intergovernmental liaison with state, federal, and local government agencies
- Coordinates outside communication and public information, media, and public relations
- Develops and implements long-range plans for the Port's continued growth and development
- Oversees departmental performance and initiatives

### **Strategic Plan Outcome - Measures**

- TP6-3: Meet existing and future demand levels for passengers and cargo at the ports

Objectives	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Actual	Target
Increase non-maritime revenue to the Port	Generate advertising revenue (in thousands)	N/A	N/A	\$1,000	\$0*	\$1,000

\*Advertising revenue did not materialize in FY 2007-08 due to a lack of viable bidders; advertising bid package is being revised for FY 2008-09

### **BUDGET PRIORITIES**

- Continue high level visits with potential cargo and cruise customers to initiate and finalize long-term contracts
- Begin construction of the Port of Miami Tunnel working in conjunction with the Florida Department of Transportation and concessionaire; projected project completion is FY 2012-13 (\$100 million from Building Better Communities GOB Program and \$43.5 of future Seaport Bonds)
- Retain and expand cruise and cargo business at the Port

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

---

### **DIVISION: SAFETY AND SECURITY**

The Security Enforcement Division is responsible for the overall security planning and enforcement of the Port of Miami at the federal, state, and local levels.

- Supervises, manages, and administers all public safety and seaport security efforts, including protection of all Port of Miami buildings and property
- Oversees issuance of identification cards granting access to the Port of Miami
- Ensures adherence to the Facilities Security Plan (FSP) as mandated by the Maritime Transportation Security Act

### **Strategic Plan Outcome - Measures**

- TP6-2: Enhanced customer service, convenience, and security at every level of contact with the ports (priority outcome)

Objectives	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Actual	Target
Ensure public safety and security at the POM	Security staffing level (in FTE)	89	82	110	105	106

### **BUDGET PRIORITIES**

- Begin installation of access controls for federal Transport Workers Identification Credentials (TWIC) (\$2.415 million); finalize construction of a communications command and control center (\$4.425 million); complete cruise provisioning inspection facility (\$1.677 million); begin terminals D and E security upgrades (\$2.6 million); and finalize Phase Two installation of waterside surveillance cameras (\$3 million)
- Ensure quality control of contracted security services

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

---

### **DIVISION: ENGINEERING & DEVELOPMENT**

The Engineering and Development Division is responsible for developing and implementing all capital related items required by the Port.

- Completes infrastructure upgrades on time and within budget
- Provides in-house project management capability to reduce use of outside consultants
- Responsible for grant activities
- Coordinates Port of Miami engineering and construction management activities
- Coordinates environmental issues with various local, state, and federal agencies

### **Strategic Plan Outcome - Measures**

- ES8-2: Planned necessary resources to meet current and future operating and capital needs

Objectives	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Actual	Target
Improve internal capacity to oversee capital improvements	Percentage of projects completed on time and within budget*	N/A	N/A	N/A	N/A	100%

\*The Department is incorporating this measure for FY 2008-09

### **BUDGET PRIORITIES**

- Begin construction of Parking Garage Terminal D (\$15.056 million), which will add 750 parking spaces; complete general infrastructure improvements (\$1.5 million programmed in FY 2008-09) for the renovation of office buildings, facilities, and infrastructure; begin installation of canopies in the security area at the main cargo gates (\$998,000)

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

---

### **DIVISION: ADMINISTRATION**

The Administration Division is responsible for procurement, human resource, risk management, information technology and mail room activities.

- Coordinates activities with the Florida Ports Council
- Provides human resource functions, including recruitment, employee counseling, and administration of policy and procedures
- Oversees maintenance of computerized systems to include parking gates, cruise and cargo logistics applications, and the Port's telecommunication and network division

### **Strategic Plan Outcome - Measures**

- TP6-3: Meet existing and future demand levels for passengers and cargo at the ports

<b>Objectives</b>	<b>Measures</b>	<b>FY 06-07</b>		<b>FY 07-08</b>		<b>FY 08-09</b>
		<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>
Improve Port efficiency	Percentage of mandatory employee training completed on time	100%	100%	100%	100%	100%

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

### **DIVISION: MARITIME SERVICES**

The Maritime Services Division is responsible for cruise and cargo activities, port maintenance, property management, public relations, advertising and media contact.

- Coordinates berthing activities and terminal management functions
- Directs Port trade development, advertising, promotions, marketing, customer service, traffic research, and tariffs activities
- Maintains facilities to achieve high customer satisfaction and rental occupancy
- Maintains competitive pricing and strengthens relationships with the port stakeholders

### **Strategic Plan Outcome - Measures**

- TP6-3: Meet existing and future demand levels for passengers and cargo at the ports

Objectives	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Actual	Target
Efficiently oversee all cruise and cargo operations	Crane availability	99.0%	98.8%	99.0%	98.8%	99%
	Seaport cargo tonnage (in thousands)	9,399	7,835	7,640	7,430	7,945
	Cruise passengers (in thousands)*	3,880	3,787	3,940	4,138	3,945
	Percentage of rental property occupancy	95%	95%	95%	96%	95%

\*Reduction in cruise passenger activity is due to a cruise line changing departure destination

### **BUDGET PRIORITIES**

- Finalize improvements at cruise terminals B and C (\$13.667 million); make final payments for construction completed at cruise terminals D and E (\$7.3 million)
- Begin Seaboard container yard improvements including bulkhead and drainage (\$10 million programmed for FY 2008-09); begin Phase III Dredging (\$6.910 million programmed for FY 2008-09) to increase depth to 50 feet

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

### **DIVISION: FINANCE**

The Finance and Accounting Division is responsible for Port accounting and budget activities.

- Oversees cost accounting, accounts payable and receivable, financial statements, and year-end financial audits
- Prepares, coordinates, and administers capital and operational budget activities
- Oversees permitting and collection process
- Manages accounting operations for gantry cranes
- Develops and implements financial activities to enhance revenues and reduce expenditures

### **Strategic Plan Outcome - Measures**

- TP6-3: Meet existing and future demand levels for passengers and cargo at the ports

Objectives	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Actual	Target
Provide efficient administrative support to the Port	Prepaid scale accounts	N/A	N/A	120	139	150
	Gantry crane revenues (in thousands)	\$8,500	\$11,000	\$8,100	\$7,919	\$9,200
	New Parking revenue (in thousands)	N/A	N/A	\$150	\$150	\$200

### **Budget Enhancements or Reductions and Additional Comments**

- In February 2006, the Department received a \$22.5 million settlement from dredging litigations with Safeco/Dutra; the Department used \$3.4 million in FY 2005-06 and \$13.5 million in FY 2006-07 towards debt service payments; the remaining \$6.0 million, including accumulated interest, was expended in FY 2007-08 towards debt service payments
- The Seaport Promotional Fund is budgeted at \$911,000 in FY 2008-09 and will be used for activities pursuant to County policy and Administrative Order 7-32; these funds are not proposed as competitive grant funding but rather allocations for limited programs that promote Seaport maritime activities; funding is provided for the Office of the Chair - Protocol Section (\$131,000), annual support to the International Trade Consortium (\$295,000); funding is also provided for the following activities: Seaport promotional/inaugural events (\$50,000), the Latin Chamber of Commerce of the United States (CAMACOL) (\$125,000), InterAmerican Mayor's Conference (\$65,000), Greater Miami Convention and Visitors Bureau (\$75,000), World Trade Center Miami (\$75,000), and Sea Trade Cruise Shipping Convention (\$95,000)
- The FY 2008-09 Adopted Budget includes a \$40.661 million State of Florida Sunshine loan for the following: container yard improvements (\$4.9 million), install stormceptors (\$1.5 million), improvements at cruise terminals B and C (\$1.748 million), construction of parking garage D (\$6.95 million), Phase III Dredging (\$3.02 million), security upgrades to terminals D and E (\$1.85 million), capitalize eligible engineering services (\$4.727 million), gantry crane refurbishment (\$2 million), cruise terminals D and E upgrades to meet demand of new service and finalization of previous upgrades (\$7.5 million), and other infrastructure projects (\$6.466 million)
- The FY 2008-09 Adopted Budget includes the addition of 10 security positions (overages approved in FY 2007-08) to address increased security requirements and to assist in the reduction of overtime costs
- Capital improvement projects completed in FY 2007-08 include completion of main cargo gateway system (\$11.7 million), terminals D and E (\$78 million), installation of cargo gateway security systems (\$1.86 million), and installation of Phase I waterside surveillance system (\$730,000)

## FY 2008 - 09 Adopted Budget and Multi-Year Capital Plan

---

### Department Operational Unmet Needs

<b>Description</b>	<b>Startup Costs/ Non Recurring Costs</b>	<b>Recurring Costs</b>	<b>Positions</b>
Purchase components required to upgrade sewer pumps, alarm systems, and air conditioning units	\$500	\$0	0
Purchase new lawn mowers and tractors throughout the Port to replace aging equipment	\$250	\$0	0
<b>Total</b>	<b>\$750</b>	<b>\$0</b>	<b>0</b>