



SAN FRANCISCO BAR PILOTS ASSOCIATION

Pier 9 East End
San Francisco, CA 94111

September 7, 2023

Commissioner Karen Tynan
President, CA Board of Pilot Commissioners

Subject: PV Golden Gate – REQUEST FOR FINAL AUTHORIZATION, DISBURSEMENT AND REIMBURSEMENT

Dear Commissioner Tynan,

SFBP is pleased to inform the Commission that the *New PV Golden Gate* was delivered to Pier 9 on September 2, 2023. Construction of the vessel is complete and it is anticipated that it will be put into service mid-September after completion of crew training. This submission constitutes our request for Final Authorization, disbursement and reimbursement as per Harbor and Navigation Code, Division 5, 1194(d)(3). SFBP B&P requests the BOPC approve the total cost of \$9,410,006.19, comprised of \$7,189,789.66 in Project Expenses, \$2,099,573.53 in Interest Expenses and \$120,643.00 in Bank Fees Expenses.

PROJECT COST	\$	7,189,789.66
INTEREST	\$	2,099,573.53
BANK FEES	\$	120,643.00
TOTAL COST	\$	9,410,006.19

Below please find the details of our request:

- 1. Construction Loan Payments:** SFBP B&P requests authorization for disbursement of full repayment of the 10-year fixed rate (4%) construction loan entered into with JP Morgan Chase Bank on August 29, 2023. Principal and interest on this loan totals \$8,518,250.51.

Summary of the expenses comprising the final loan amount are as follows:

Payments to Snow & Company, Inc and Holdback:	\$6,871,601.24
Payments to First Republic Bank (in loan):	<u>\$118,600.00</u>
Total:	\$6,990,201.24

SFBP B&P is aware that BOPC is still finalizing the administration of the Special Fund established in Harbor and Navigation Code, Division 5, 1159 and that the details of how the funds will be disbursed have not yet been finalized. Generally, we request these funds be disbursed over loan period 2023-2033 as per the amortization schedule. We further request that BOPC approve the annual amounts (calendar year) for the years as detailed in the below table and request the BOPC delegate approval of

future disbursement of these funds to the BOPC Finance Committee, with disbursement activity reported to the full Board.

PV Golden Gate - Construction Loan Reimbursement Schedule		
Loan Amount	\$	6,990,201.24
Interest	\$	1,528,049.27
Total	\$	8,518,250.51
		Annual Amount for Reimbursement
2023	\$	215,228.08
2024	\$	851,592.04
2025	\$	851,592.04
2026	\$	851,592.04
2027	\$	851,592.04
2028	\$	851,592.04
2029	\$	851,592.04
2030	\$	851,592.04
2031	\$	851,592.04
2032	\$	851,592.04
2033	\$	638,694.03

SFBP B&P LOAN AND BANK LEGAL FEES				
VENDOR	INVOICE DATE	INVOICE #	DESCRIPTION	AMOUNT
FIRST REPUBLIC BANK	4/6/2021		LOAN FEES	\$ 75,000.00
FIRST REPUBLIC BANK	4/6/2021		LEGAL FEES	\$ 35,000.00
FIRST REPUBLIC BANK	8/29/2023		LEGAL FEES	\$ 8,600.00
TOTAL				\$ 118,600.00

SFBP B&P LOC PAYMENTS TO SNOW & COMPANY, INC					
VENDOR	INVOICE DATE	INVOICE #	DESCRIPTION	DATE PAID	AMOUNT
SNOW & COMPANY, INC.	3/8/2021	9558	Initial Deposit	4/6/2021	\$ 1,001,423.00
SNOW & COMPANY, INC.	7/30/2021	9653	MILESTONE #1	8/16/2021	\$ 333,968.00
SNOW & COMPANY, INC.	8/27/2021	9668	MILESTONE #2	9/20/2021	\$ 667,615.00
SNOW & COMPANY, INC.	11/16/2021	9712	MILESTONE #3	12/1/2021	\$ 360,000.00
SNOW & COMPANY, INC.	3/22/2022	9787	MILESTONE #4	3/25/2022	\$ 881,423.00
SNOW & COMPANY, INC.	5/6/2022	9823	MILESTONE #5	5/9/2022	\$ 661,067.00
SNOW & COMPANY, INC.	6/24/2022	9860	MILESTONE #6	7/5/2022	\$ 881,423.00
SNOW & COMPANY, INC.	10/6/2022	9911	MILESTONE #7	10/6/2022	\$ 285,959.17
SNOW & COMPANY, INC.	1/25/2023	9988	MILESTONE #8	1/25/2023	\$ 714,962.22
SNOW & COMPANY, INC.	3/13/2023	10045	MILESTONE #9	3/15/2023	\$ 696,729.07
SNOW & COMPANY, INC.	7/12/2023	10088	MILESTONE#10	7/28/2023	\$ 287,031.78
FIRST REPUBLIC BANK*	7/12/2023	10088	MILESTONE#10_#2	7/28/2023	\$ 100,000.00
*FUNDS HELD BACK FOR COMPLETION OF POST DELIVERY WORK					
TOTAL					\$ 6,871,601.24

Note that \$100,000 was held back for completion of post-delivery work on the HVAC System and As-Built Drawings. The HVAC work has been satisfactorily completed and \$50,000 was released to Snow & Company on 8/14/2023. As of the date of this submission, \$50,000 remains on deposit with SFBP B&P to be released when the As-Built Drawings are satisfactorily completed.

Attached for initial review is the JPMC Loan Amortization Table, FRB Line of Credit Transaction History, Line of Credit Loan Disbursement Schedule, PVGG Final Fixed Rate Disbursement, PVGG SNOW Invoices Combined, PVGG Acceptance of SNOW HVAC Holdback Combined. Additional documentation is available to be provided as requested.

- SFBP B&P Initial Disbursement Request:** SFBP B&P respectfully requests disbursement of funds to make the 2023 construction loan payments. Details of the amounts to be disbursed are below. We request disbursement of the full amount prior to November 1, 2023.

SFBP B&P INITIAL DISBURSEMENT REQUEST	
SEPTEMBER 1, 2023 LOAN PAYMENT	\$ 2,330.07
OCTOBER 1, 2023 LOAN PAYMENT	\$ 70,966.00
NOVEMBER 1, 2023 LOAN PAYMENT	\$ 70,966.00
DECEMBER 1, 2023 LOAN PAYMENT	\$ 70,966.00
TOTAL	\$ 215,228.07

3. **Expenses Incurred Directly by SFBP B&P:** SFBP B&P requests reimbursement in the amount of \$ 891,755.68 for the direct expenses as detailed below. We request reimbursement of the full amount prior to November 1, 2023.

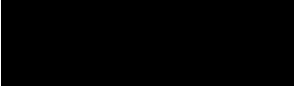
EXPENSES INCURRED DIRECTLY BY SFBP B&P		
CONSTRUCTION		
VENDOR	DESCRIPTION	AMOUNT
SNOW & COMPANY, INC.	PRE PRODUCTION PLANNING	\$ 30,000.00
PUGET SOUND MARINE SERVICES	PROJECT MGMT	\$ 159,476.90
KEVIN BALDWIN, ESQ	SFBP B&P LEGAL	\$ 16,275.00
MISC	SEE DETAIL	\$ 31,204.47
HOTEL	SEE DETAIL	\$ 27,772.61
MEALS	SEE DETAIL	\$ 6,533.29
TRAVEL	SEE DETAIL	\$ 46,926.15
	SUBTOTAL	\$ 318,188.42
INTEREST		
FIRST REPUBLIC BANK	LOC INTEREST EXPENSE	\$ 571,524.26
FIRST REPUBLIC BANK	FIXED LOAN - LENDER'S COUNSEL FEE	\$ 1,400.00
FIRST REPUBLIC BANK	RECORDING FEES	\$ 643.00
	TOTAL	\$ 891,755.68

Attached for initial review is a spreadsheet providing SFBP B&P expense detail, SFBP B&P PVGG EXPENSE DETAIL BOPC.xlsx. Additional documentation is available to be provided as requested.

Regarding the disposition of the *Old PV Golden Gate*, SFBP intends to continue to operate this vessel as a “back up” until satisfied that the *New PV Golden Gate* is performing as anticipated. SFBP is researching options for sale, donation or scrapping. These options are limited due to the CARB “expiration date” of December 23, 2023. SFBP is aware of the requirements of Harbor and Navigation Code, Division 5, 1194(c) and will continue to keep the Commission informed on this matter.

SFBP wishes to thank our Industry Partners, Commissioners and BOPC Staff for their support and interest in this project as well as our SFBP Boat Team and Build Partners. It was a challenging undertaking to complete during the Pandemic and associated Supply Chain disruption. We are very proud to have delivered the first Tier 4 pilot vessel in the United States that will safely and efficiently serve our pilotage grounds for years to come.

Respectfully submitted,



President
San Francisco Bar Pilots Benevolent and Protective Association

Attached:

JPMC Loan Amortization Table, FRB Line of Credit Transaction History, Line of Credit Loan Disbursement Schedule, PVGG Final Fixed Rate Disbursement, PVGG SNOW Invoices Combined, PVGG Acceptance of SNOW HVAC Holdback Combined, SFBP B&P PVGG EXPENSE DETAIL BOPC.xlsx