

DRAFT

RESOLUTION 20xx-xxx

RESOLUTION AUTHORIZING A 5-YEAR MUNICIPAL SERVICES AGREEMENT THROUGH JUNE 30, 2026 WITH THE CITY OF SAN DIEGO FOR POLICE, FIRE, AND EMERGENCY SERVICES ON NON-AD VALOREM DISTRICT PROPERTY LOCATED IN THE CITY OF SAN DIEGO, WITH BASELINE RESETS IN 2023 AND 2025

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

WHEREAS, Section 21 of the Port Act authorizes the Board of Port Commissioners (Board) to pass all necessary ordinances and resolutions for the regulation of the District; and

WHEREAS, the District reimburses its five Member Cities for certain services provided on non-taxpaying Tidelands within the geographical boundaries of each city; and

WHEREAS, these agreements are referred to as Municipal Services Agreements (MSAs); and

WHEREAS, at the December 28, 2020 Board meeting, the Board authorized two new MSAs - one with the City of Imperial Beach for the provision of police, fire, emergency medical, lifeguard, animal control services, and tidelands maintenance services and the other with the City of Chula Vista for the provision of police, fire, and emergency medical services; and

WHEREAS, presently, there are three other MSAs with the member cities of San Diego, National City, and Coronado for the provision of law enforcement, fire, and emergency services on tidelands and all of which expire on June 30, 2021; and

WHEREAS, following the December 28, 2020 Board meeting, staff began negotiations to renew these remaining existing MSAs generally based on the framework established by the Imperial Beach and Chula Vista MSAs; and

WHEREAS, staff reached out to the cities of San Diego, National City, and Coronado to negotiate new MSAs; and

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WHEREAS, during these discussions, staff offered either to negotiate a new baseline rate for services now, as was done with Imperial Beach, or continue with the current adjusted baseline rate and services for another year with a three percent (3%) escalation and renegotiate in 2022 as was the case with Chula Vista; and

WHEREAS, the City of San Diego elected to negotiate a new baseline rate for services that will commence as of July 1, 2021; and

WHEREAS, after such negotiations, and as recommended by staff, the proposed rate for FY 21/22 is \$1,550,699 with future adjustments to the baseline rate and services to occur in 2023 and 2025; and

WHEREAS, San Diego City staff requested a total agreement term of five years; and

WHEREAS, the new proposed MSA with the City of San Diego states that the Board, in its sole and absolute discretion, may approve an increase or decrease or no change to the Baseline Rate in 2023 and 2025 as part of the review of the Baseline Rate and service levels in such years; and

WHEREAS, the proposed MSA also allows the District the ability to defer up an amount equal to five (5) service years' worth of the annual three percent (3%) payment increases; and

WHEREAS, either party may terminate the proposed MSA upon six (6) months' prior written notice; and

WHEREAS, the proposed MSA includes provisions that permit the District to perform an audit and service study of the City of San Diego's records and performance associated with providing the services under the MSA, with the objective of establishing reasonable metrics to measure the costs of such services; and

WHEREAS, staff and the City of San Diego have worked closely together to negotiate an MSA to provide more certainty for both the District and the City of San Diego as well as more accurately reflect the cost of providing services on tidelands; and

WHEREAS, upon the effectiveness of the proposed MSA, the existing MSA with the City of San Diego will automatically terminate, provided that each of the City of San Diego and the District shall remain liable for obligations arising prior to the effectiveness of the proposed MSA and other specific obligations in the existing MSA that survive termination; and

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WHEREAS, staff recommends the Board authorize a new MSA with the City of San Diego.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District that the Executive Director, or his designee, is hereby authorized on behalf of the San Diego Unified Port District to enter into a 5-year Municipal Services Agreement through June 30, 2026 with the City of San Diego for Police, Fire, and Emergency Services on non-ad valorem District property located in the City of San Diego.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 15th day of June 2021, by the following vote: