

DRAFT

RESOLUTION 20xx-xxx

RESOLUTION AWARDING A SOLE SOURCE AGREEMENT TO SNOW & COMPANY, INC. FOR THE PURCHASE AND INSTALLATION OF A CUSTOM-MADE FLOATING UPWELLER SYSTEM (FLUPSY) FOR SHELLFISH AQUACULTURE NURSERY OPERATIONS IN AN AMOUNT OF \$351,600 PURSUANT TO BPC POLICY NO. 110 SECTION III.E.

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, on May 9, 2016, the District launched the Blue Economy incubator inviting early stage and market-ready ventures that align with the incubator objectives to submit applications and business proposals on a continuous basis; and

WHEREAS, the District received multiple inquiries and seven official proposals, of which, four were deemed complete and were moved forward for consideration under a four step competitive review process; and

WHEREAS, after completion of the competitive selection process, staff recommends that the Board of Port Commissioners (BPC) authorize an agreement with San Diego Bay Aquaculture, to operate a Floating Upweller Nursery System (FLUPSY) for the pilot shellfish aquaculture nursery operations for 5 years; and

WHEREAS, staff is also recommending entering into an agreement for the purchase and installation of a custom-made FLUPSY from Snow & Company, Inc. Seattle, WA; and

WHEREAS, the installation of a FLUPSY has independent utility from SDA proposal and represents a key asset for the District in advancing its shellfish aquaculture program; and

WHEREAS, the FLUPSY is a type of equipment only available from a single source, Snow & Company Inc.; and

WHEREAS, each FLUPSY is uniquely designed, fabricated and built to specifications at each location used; and

20xx-xxx

WHEREAS, the purchase of a FLUPSY by a non-competitive proposal/agreement is sought because this type of equipment is only available from a single source; and

WHEREAS, the agreement includes the District investment in the FLUPSY asset in the amount of \$351,600, with the District providing certain permit rights, and use of District-owned property and/or equipment in exchange for a percentage of revenue from the pilot project and other consideration; and

WHEREAS, BPC Policy No. 110 Section III.E. authorizes single or sole source purchases in excess of \$175,000 subject to BPC approval; and

WHEREAS, BPC Policy No. 110 Section III.E. requires a single source or sole source justification memorandum detailing the reasons the agreement cannot be competed and said memorandum is provided as Attachment F to the corresponding agenda sheet; and

WHEREAS, staff recommends awarding a sole source agreement to Snow & Company, Inc. as this action will help advance the planning and pre-development work necessary to establish permit-ready infrastructure to support potential shellfish aquaculture in San Diego Bay.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the San Diego Unified Port District, authorizes the Executive Director or her designated representative to enter into a sole source agreement with Snow & Company, Inc. for the purchase and installation of a custom-made floating upweller system (FLUPSY) for shellfish aquaculture nursery operations in an amount of \$351,600 pursuant to Board of Port Commissioners Policy 110 Section III.E.

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 20th day of June, 2017, by the following vote: