

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION AMENDING FY 16/17 BUDGET BY
TRANSFERRING \$351,600 FROM THE
AQUACULTURE AND BLUE TECHNOLOGY NON-
PERSONNEL EXPENSE BUDGET
APPROPRIATION TO THE EQUIPMENT OUTLAY
BUDGET APPROPRIATION, PURSUANT TO BPC
POLICY NO. 90, TO PURCHASE THE FLUPSY**

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, Board of Port Commissioners (BPC) Policy No. 90 establishes a policy for the transfer of amounts between appropriated items in the budget; 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 the SDA proposal and represents a key asset for the District in advancing its shellfish aquaculture program; 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, staff is requesting the transfer of \$351,600 from the Aquaculture and Blue Technology budget to the equipment outlay budget to facilitate the purchase of the FLUPSY; and

WHEREAS, staff recommends adopting a resolution amending the Fiscal Year 2016/2017 budget transferring \$351,600 from the Aquaculture and Blue Technology budget to the equipment outlay budget.

NOW, THEREFORE, BE IT RESOLVED that pursuant to Board of Port Commissioners Policy No. 90, the Board of Port Commissioners of the San Diego Unified Port District, hereby amends the Fiscal Year 2016/2017 budget by transferring \$351,600 from the Aquaculture and Blue Technology Non-Personnel Expense Budget Appropriation to the Equipment Outlay Budget Appropriation for the purchase of the Floating Upweller Nursery System (FLUPSY).

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: