



San Diego Unified Port District

3165 Pacific Hwy.
San Diego, CA 92101

Meeting Minutes

Board of Port Commissioners

Wednesday, September 12, 2018

1:00 PM

Don L. Nay Port Administration Boardroom

A. Roll Call.

Present: 6 - Commissioner Bonelli, Chairperson Castellanos, Commissioner Malcolm, Commissioner Merrifield, Commissioner Moore, and Commissioner Zucchet
Excused: 1 - Commissioner Valderrama
Absent: 0

Officers Present: Coniglio, DeAngelis, Medina, Monson, Morales, and Russell

B. Closed Session Report Out.

Thomas A. Russell, General Counsel, announced that the Board considered the items on the Closed Session Agenda and stated that no reportable action was taken. Additionally, Mr. Russell announced that Chairman Castellanos recused himself and did not participate in Closed Session Item 6 - File No. 2018-0433.

C. Pledge of Allegiance.

Commissioner Bonelli led the Pledge of Allegiance.

D. Public Communications.

Chairman Castellanos introduced Senator Ben Hueso, 40th District, State of California, and invited him to the podium. Senator Hueso presented the Port with Senate Concurrent Resolution 149 designating September 2018 as Green Port Month.

The following member(s) of the public addressed the Board with non agenda-related comments: Corchelle Worsham, Membership Services Coordinator, San Diego Port Tenants Association.

In the abundance of caution, due to the subject matter indicated by the remaining speakers, Chairman Castellanos recused himself and turned the dais to Commissioner Bonelli.

Public comment was continued. The following members addressed the Board with non agenda-related comments: Tom Lemmon, San Diego Building Trades; Ryan Karlgodt, Research Analyst, Unite Here Local 30; Kevin Heinly, Principal & Managing Director, Gensler; Steve Strauss, Attorney, Cooley LLP; and Uri Feldman, President, Sunroad.

Commissioner Malcolm provided comments.

Chairman Castellanos returned to the dais.

E. Commissioners' Reports.

Commissioner Bonelli spoke about the annual 9/11 ceremony conducted by the Port.

F. President's Report.

Randa Coniglio, President/CEO, invited Kellie Carlson, Senior Environmental Specialist, Planning & Green Port, to speak about Green Port Month. Ms. Carlson provided information regarding upcoming events and an overview of the 2018 accomplishments. Ms. Carlson then turned the presentation over to Heather Kramp, Assistant Planner, Planning & Green Port, to provide an update on the Port's Environmental Education program. Ms. Kramp then turned the presentation over to Melissa Dailey, Associate Environmental Specialist, Planning & Green Port, to present information on upcoming cleaning events. Jason Giffen, Assistant Vice President, Planning & Green Port then presented the Michelle White Environmental Awards.

Commissioner Merrifield provided comments.

Ms. Coniglio then spoke about the Small Business Enterprise Event held on Monday August 20th. Port staff provided a networking event tailored to small businesses. This event provided attendees insight into the types of products and services the Port needs. During the event attendees networked with key staff and learned valuable information on how to do business with the Port. Attendees were given information about our Capital Improvement Program and Major Maintenance program.

G. District Clerk's Announcements.

Donna Morales, District Clerk, reported that staff requested to continue the following items: Action Agenda Item 12 - File No. 2018-0420, Action Agenda Item 14 - File No. 2018-0431, and Action Agenda Item 15 - File No. 2018-0413. Additionally, Thomas A. Russell, General Counsel, requested to continue Consent Agenda Item 9 - File No. 2018-0372.

On a motion by Commissioner Malcolm, seconded by Commissioner Merrifield, the Board adopted the requested docket changes. The motion carried by the following vote:

Yeas: 6 - Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 0

APPROVAL OF MINUTES[2018-0386](#)

Approval of minutes for:

August 9, 2018 - SPECIAL CLOSED SESSION

August 14, 2018 - CLOSED SESSION

August 14, 2018 - REGULAR BPC MEETING

On a motion by Commissioner Bonelli, seconded by Commissioner Merrifield, the Board approved the minutes. The motion carried by the following vote:

Yeas: 6 - Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 0

CONSENT AGENDA

3.

[2018-0339](#)

RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO TELECOMMUNICATIONS LICENSE AGREEMENT WITH THE IRVINE COMPANY, LLC, A DELAWARE LIMITED LIABILITY COMPANY, EXTENDING THE TERM FOR AN ADDITIONAL TWO (2) YEARS PLUS ONE (1), ONE (1) YEAR OPTION THROUGH JUNE 30, 2021 AND GRANTING INDEMNITY AND JURY TRIAL WAIVER UNDER THE TELECOMMUNICATIONS LICENSE AGREEMENT FOR ANY CLAIMS ARISING OUT OF THE USE, OPERATION, MAINTENANCE AND REPAIR OF THE TELECOMMUNICATIONS EQUIPMENT FOR THIS AGREEMENT AND FUTURE SIMILAR AGREEMENTS

Commissioner Malcolm recused himself and did not participate in this item.

On a motion by Commissioner Merrifield, seconded by Commissioner Bonelli, the Board adopted Resolution 2018-142. The motion carried by the following vote:

Yeas: 5 - Bonelli, Castellanos, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 1 - Malcolm

Commissioner Malcolm returned to the dais.

On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted the remaining Consent Agenda Items, thereby adopting Resolution 2018-140; Ordinance 2927, Resolution 2018-141; Ordinance 2928; Resolution 2018-143; Resolution 2018-144; Resolution 2018-145; Resolution 2018-146 and Resolution 2018-147; Resolution 2018-148; and Ordinance 2929. The motion carried by the following vote:

Yeas: 6 - Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 0

1. [2018-0291](#) **RESOLUTION APPOINTING LESLIE FREEMAN AS CHAIRPERSON OF THE PERSONNEL ADVISORY BOARD FROM SEPTEMBER 2, 2018 TO SEPTEMBER 1, 2019**

On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Resolution 2018-140 as part of the Consent Agenda.

2. [2018-0334](#) **SCHEDULE OF COMPENSATION**
A)ORDINANCE ESTABLISHING A SCHEDULE OF COMPENSATION FOR ALL OFFICERS AND EMPLOYEES OF THE SAN DIEGO UNIFIED PORT DISTRICT
B) RESOLUTION AMENDING THE SAN DIEGO UNIFIED PORT DISTRICT DIRECTORY OF CLASSIFICATION SPECIFICATIONS FOR FY 18/19

On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Ordinance 2927 and Resolution 2018-141 as part of the Consent Agenda.

4. [2018-0340](#) **ORDINANCE GRANTING A ONE (1) YEAR LEASE WITH NINETEEN (19) ADDITIONAL ONE (1) YEAR OPTION PERIODS TO THE UNITED STATES OF AMERICA, ACTING THROUGH THE UNITED STATES COAST GUARD, FOR THE OPERATION OF A REAR RANGE LIGHT LOCATED AT THE WEST END OF SHELTER ISLAND IN THE CITY OF SAN DIEGO**

On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Ordinance 2928 as part of the Consent Agenda.

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5. [2018-0343](#) **RESOLUTION SELECTING AND AUTHORIZING AN AGREEMENT WITH AGREEYA SOLUTIONS, INC. FOR INTERNAL INTRANET REDESIGN, DEVELOPMENT, IMPLEMENTATION, AND MAINTENANCE SERVICES FOR TWO YEARS IN AN AMOUNT NOT TO EXCEED \$394,000. FY2019 EXPENDITURES ARE BUDGETED. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET**
- On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Resolution 2018-143 as part of the Consent Agenda.
6. [2018-0357](#) **RESOLUTION AUTHORIZING AN ASSIGNMENT AND ASSUMPTION OF THE SPONSORSHIP AGREEMENT WITH EXTREME SAN DIEGO, LLC TO EXTREME SAILING SAN DIEGO, LLC FOR THE OCTOBER 2018 EXTREME SAILING SERIES, CLERK'S DOCUMENT NO. 68444, AND ADOPTED BY RESOLUTION 2018-064**
- On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Resolution 2018-144 as part of the Consent Agenda.
7. [2018-0369](#) **RESOLUTION AMENDING BOARD OF PORT COMMISSIONERS (BPC) POLICY No. 371, RECORDS RETENTION POLICY AND RENAMING THE POLICY TO RECORDS AND INFORMATION MANAGEMENT POLICY**
- On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Resolution 2018-145 as part of the Consent Agenda.
8. [2018-0371](#) **EMERGENCY MARINE FENDER REPLACEMENT AT BROADWAY PIER**
- A) **RESOLUTION BY A FOUR-FIFTHS VOTE AUTHORIZING CONTINUED ACTION FOR THE EMERGENCY MARINE FENDER REPLACEMENT AT BROADWAY PIER**
- B) **RESOLUTION APPROVING THE TRANSFER OF FUNDS WITHIN THE FY 2018-19 BUDGET FROM DISTRICT CONTINGENCY TO CAPITAL MAJOR MAINTENANCE CONTINGENCY IN THE AMOUNT OF \$250,000 PURSUANT TO BOARD POLICY 90, AND ALLOCATING FUTURE REIMBURSEMENT FROM VESSEL OPERATOR AND INSURANCE PROCEEDS TO DISTRICT CONTINGENCY**
- On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Resolution 2018-146 and Resolution 2018-147 as part of the Consent Agenda.

9. [2018-0372](#) **ORDINANCE AMENDING ARTICLE 10 OF THE SAN DIEGO UNIFIED PORT DISTRICT CODE, STORMWATER MANAGEMENT AND DISCHARGE CONTROL, TO MAKE EDITORIAL AND CLARIFYING CHANGES IN CONFORMANCE WITH SAN DIEGO REGIONAL WATER QUALITY CONTROL BOARD ORDER NO. R9-2013-0001 (MUNICIPAL PERMIT)**
- This Item was continued to a future Board meeting.
10. [2018-0379](#) **RESOLUTION CONSENTING TO A SUBLEASE BETWEEN LFS DEVELOPMENT, LLC, A DELAWARE LIMITED LIABILITY COMPANY, DBA INTERCONTINENTAL HOTEL AND GELATO & CO., A CALIFORNIA CORPORATION, DBA GELATO & FRIENDS, FOR A TEN (10) YEAR TERM WITH ONE (1) FIVE (5) YEAR OPTION, WITH CONDITIONS**
- On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Resolution 2018-148 as part of the Consent Agenda.
11. [2018-0381](#) **ORDINANCE GRANTING AMENDMENT NO. 1 TO LEASE WITH DRISCOLL, INC. AT 2702 SHELTER ISLAND DRIVE TO EXTEND THE CONSTRUCTION COMPLETION DEADLINE OF THE LEASE TO JANUARY 1, 2019**
- On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted Ordinance 2929 as part of the Consent Agenda.

ACTION AGENDA

12. [2018-0420](#) **RESOLUTION AUTHORIZING BLUE ECONOMY INCUBATOR AGREEMENT WITH PACIFIC OCEAN AQUAFARMS, LLC (POA) FOR DISTRICT TO COOPERATE IN POA'S FEDERAL PERMIT APPLICATION AND NATIONAL ENVIRONMENTAL PROTECTION ACT (NEPA) REVIEW PROCESSES FOR POA'S PROPOSED PROJECT DEMONSTRATING SUSTAINABLE OFFSHORE AQUACULTURE IN FEDERAL WATERS**
- This Item was continued to a future Board meeting.
13. [2018-0380](#) **NAVY PIER MAJOR MAINTENANCE AND REDEVELOPMENT**
- A) PRESENTATION OF THE TEN-YEAR MAJOR MAINTENANCE PLAN FOR NAVY PIER AND TIMELINE ON PLANNING PROCESS FOR FUTURE REDEVELOPMENT OF NAVY PIER
- B) RESOLUTION APPROVING TRANSFER OF FUNDS FROM THE FY2018/19 CAPITAL MAJOR MAINTENANCE CONTINGENCY TO THE STRUCTURAL REPAIRS TO NAVY PIER PROJECT IN THE AMOUNT OF \$350,000.00 PURSUANT TO BPC POLICY

NO. 90**C) RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AWARDING CONTRACT NO. 2016-37 TO REYES CONSTRUCTION, INC. IN THE AMOUNT OF \$3,585,140.00 FOR THE STRUCTURAL REPAIRS TO NAVY PIER PROJECT AS AUTHORIZED BY THE BOARD IN THE FY2018/19 MAJOR MAINTENANCE BUDGET**

Ernesto Medina, Chief Engineer, Engineering-Construction, addressed the Board with staff's report and presentation regarding Action Agenda Item 13 - File No. 2018-0380 (A copy of the staff report, presentations and any agenda-related materials are on file with the Office of the District Clerk). Mr. Medina then turned the presentation over to Lesley Nishihira, Director, Planning, to review the upcoming planning process for the pier as part of the Port Master Plan Update. Ms. Nishihira then turned the presentation over to Christopher McGrath, Program Manager, Engineering, to discuss the Asset Management Program. Mr. McGrath then turned the presentation over to Noemi Aquino, Associate Engineer, Engineering, to discuss the first proposed project in the series. Ms. Aquino then turned the presentation back to Mr. Medina to discuss staff's recommendations.

The following member(s) of the public addressed the Board with agenda-related comments: None

Commissioner Bonelli, Commissioner Merrifield, Commissioner Moore, Commissioner Malcolm, and Chairman Castellanos provided comments and asked clarifying questions. Mr. Medina, Ken Wallis, Director, Port as a Service, Lesley Nishihira, Rebecca Harrington, Senior Deputy General Counsel, General Counsel's Office, Taylor Stack, Asset Manager, Real Estate, Kristine Love, Parking Manager, Port as a Service, and Tony Gordon, Director, Real Estate, responded on behalf of staff.

On a motion by Commissioner Merrifield, seconded by Commissioner Bonelli, the Board adopted Resolution 2018-149 and Resolution 2018-150. The motion carried by the following vote:

Yeas: 6 - Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 0

14. [2018-0431](#) **A) RESOLUTION AUTHORIZING AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT BETWEEN THE DISTRICT AND THE CITY OF CHULA VISTA (CITY) FOR THE CHULA VISTA BAYFRONT FACILITIES FINANCING AUTHORITY TO REFLECT CHANGES IN THE AMENDED AND RESTATED FINANCING AGEEMENT BETWEEN THE DISTRICT AND THE CITY DATED JUNE 20, 2017, AND CORRECT OTHER NON-SUBSTANTIVE CHANGES**

**B) RESOLUTION APPOINTING [_____] AND
[_____] TO THE BOARD OF THE CHULA VISTA
BAYFRONT FACILITIES FINANCING AUTHORITY, WITH
CONDITIONS**

The Board will consider staff's request to continue this item to a future Board meeting.

This Item was continued to a future Board meeting.

**15. [2018-0413](#) PRESENTATION OF THE SAN DIEGO UNIFIED PORT DISTRICT
EQUAL OPPORTUNITY PROGRAM ANNUAL REPORT FOR
FISCAL YEAR 17/18**

The Board will consider staff's request to continue this item to a future Board meeting.

This Item was continued to a future Board meeting.

**16. [2018-0331](#) REVIEW AND CONSIDERATION OF DRAFT PROPOSED BOARD
AGENDA FOR THE OCTOBER 9, 2018 MEETING**

On a motion by Commissioner Bonelli, seconded by Commissioner Zucchet, the Board adopted the proposed agenda for October. The motion carried by the following vote:

Yeas: 6 - Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 0

PUBLIC HEARING AGENDA

- 17. [2018-0390](#) COSTA VISTA RV RESORT AT CHULA VISTA BAYFRONT:**
- A) CONDUCT PUBLIC HEARING AND ADOPT RESOLUTION
RE-AUTHORIZING ISSUANCE OF AN APPEALABLE COASTAL
DEVELOPMENT PERMIT TO SUN COMMUNITIES, INC. FOR
THE COSTA VISTA RV RESORT REVISED PROJECT,
CONDITIONED ON SATISFACTION OF CERTAIN CONDITIONS
PRECEDENT**
- B) RESOLUTION RESCINDING BOARD RESOLUTION 2018-070
AUTHORIZING ISSUANCE OF AN APPEALABLE COASTAL
DEVELOPMENT PERMIT FOR THE COSTA VISTA RV RESORT**

**PROJECT CONDITIONED ON SATISFACTION OF CERTAIN
CONDITIONS PRECEDENT**

Wileen Manaois, Director, Development Services, addressed the Board with staff's report and presentation regarding Action Agenda Item 17 - File No. 2018-0390 (A copy of the staff report, presentations and any agenda-related materials are on file with the Office of the District Clerk). Ms. Manaois then turned the presentation over to Austin Silva, Associate Planner, Development Services, to provide a project overview, key milestones, and staff recommendations.

Commissioner Bonelli asked clarifying questions. Stephanie Shook, Program Manager, Real Estate, responded on behalf of staff.

Chairman Castellanos opened the Public Hearing for public comment. No public came forward to speak.

Chairman Castellanos and Commissioner Merrifield provided comments.

On a motion by Commissioner Moore, seconded by Commissioner Malcolm, the Board adopted Resolution 2018-151 and Resolution 2018-152. The motion carried by the following vote:

Yeas: 6 - Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Zucchet

Nays: 0

Excused: 1 - Valderrama

Absent: 0

Abstain: 0

Recused: 0

OFFICER'S REPORT

18. [2018-0415](#) OFFICER'S REPORT

**MONTHLY NOTIFICATION OF CHANGE ORDERS PURSUANT TO
BPC POLICY NO. 110:**

A) Change Order No. 1 to Contract No. 2018-03R with Conan Construction, Inc. / 41 Calendar Day Time Reduction thru 06/30/18

**MONTHLY NOTIFICATION OF COST RECOVERY USER FEE
WAIVERS GRANTED BY THE EXECUTIVE DIRECTOR PURSUANT
TO BPC POLICY NO. 106:**

None to Report

**MONTHLY NOTIFICATION OF RENT REVIEWS CONSENTED TO
ADMINISTRATIVELY PURSUANT TO BPC POLICY NO. 355 AS**

AMENDED ON JANUARY 10, 2017:

None to Report

MONTHLY NOTIFICATION OF ENCUMBRANCES CONSENTED TO ADMINISTRATIVELY PURSUANT TO BPC POLICY NO. 355 AS AMENDED ON JANUARY 10, 2017:

None to Report

MONTHLY NOTIFICATION OF LEASE AMENDMENTS CONSENTED TO ADMINISTRATIVELY PURSUANT TO BPC POLICY NO. 355 AS AMENDED ON JANUARY 10, 2017:

- A) Amended, Restated, and Combined Lease to Old Town Trolley Tours of San Diego, Inc. for Operation of Amphibious Seal Tours and Trolley Tours in the San Diego Bay, and Ticket Sales Kiosk thru 11/30/24

*Secretary, Board of Port Commissioners
San Diego Unified Port District*

ATTEST:

Clerk of the San Diego Unified Port District