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**AMENDMENT NO. 1 TO AGREEMENT BETWEEN
SAN DIEGO UNIFIED PORT DISTRICT
and
MARINE GROUP BOAT WORKS, LLC.
for
FULL SERVICE IMPOUNDED VESSEL SERVICES
AGREEMENT NO. 50-2017RH**

The parties to this Amendment No. 1 to Agreement are the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation (District) and MARINE GROUP BOAT WORKS, LLC., a California Corporation (Service Provider).

Recitals:

District and Service Provider are parties to an Agreement for Full Service Impounded Vessel Services. The agreement is on file in the Office of the District Clerk as Document No. 66568 dated April 19, 2017. It is now proposed to increase the agreement amount by \$929,338.90 from a total of \$600,000.00 to \$1,529,338.90, amend Attachment A and add a Fee Schedule to Attachment B.

The Parties Agree:

1. Section 3.a., **MAXIMUM EXPENDITURE**, is hereby amended to increase the agreement amount by \$929,338.90 from a total of \$600,000.00 to a new, not to exceed total amount of \$ 1,529,338.90.
2. Attachment A, **SCOPE OF SERVICES**, is replaced with the revised Attachment A dated February 13, 2019.
3. Attachment B, **COMPENSATION & INVOICING**, adding Fee Schedule for National City Vessel Storage Yard.

ADDITIONAL FEE SCHEDULE:**Term 2 (02/13/19 – 06/30/19): National City Vessel Storage Yard**

Item No.	Item	Unit of Measure	Amount
1	Transportation Services, One Way to Service Provider Lot – Up to 65	EA	\$5,370.00
2	Transportation Services, One Way to Service Provider Lot - 65' 1"+	EA	\$12,990.00
3	Transportation Services, One Way to District Provided Lot – Up to 65'	EA	\$ 3,370.00
4	Transportation Services, One Way to District Provided Lot - 65' 1"+	EA	\$ 9,990.00

Term 3 (07/01/19 – 06/30/20): National City Vessel Storage Yard

Item No.	Item	Unit of Measure	Amount
1	Transportation Services, One Way to Service Provider Lot – Up to 65	EA	\$ 5,837.00
2	Transportation Services, One Way to Service Provider Lot - 65' 1"+	EA	\$14,219.00
3	Transportation Services, One Way to District Provided Lot – Up to 65'	EA	\$ 3,637.00
4	Transportation Services, One Way to District Provided Lot - 65' 1"+	EA	\$ 10,919.00

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All other terms, covenants, and conditions in the original Agreement shall remain in full force and effect and shall be applicable to this Amendment.

SAN DIEGO UNIFIED PORT DISTRICT




Marcus J. Cromartie
Director, General Services

**MARINE GROUP BOAT WORKS,
LLC**



Todd Roberts
President

Approved as to form and legality:
GENERAL COUNSEL



By: Assistant/Deputy

A manually signed copy of this Amendment transmitted by email or any other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

ATTACHMENT A
SCOPE OF SERVICES
San Diego Unified Port District
Revised: February 13, 2019

1. General Information

- a. Service Provider shall provide full service impounded vessel services for San Diego Bay at Port District facilities and properties within the Cities of San Diego, Coronado, National City, Chula Vista, and Imperial Beach.
- b. Service Provider shall provide full service impounded vessel services for all District needs. Services shall include, but not limited to storage, demolition, lien sale of vessels, vessel investigations and reports, all of which shall become the property of the District, without restriction as to use by District.
- c. Service Provider shall provide all labor, supervision, materials, equipment and related incidentals required to perform services under this agreement, unless otherwise stated herein. Service Provider shall move, cover or protect any structures or equipment that may be damaged during related vessel services. Service Provider shall remove from Tidelands all materials, tools, equipment, debris and coverings upon completion of services. Service Provider shall not permit debris and waste material generated from all operations to enter into storm water conveyance system. Service Provider shall maintain site safety and security for public areas at all times.
- d. While working on District property, Service Provider's employees shall wear uniforms with appropriate company name and logo which has been approved by the District Representative. Service Provider's vehicles shall be clearly marked with appropriate company name and logo.
- e. At the sole discretion of the District, the following pre-designated District landside facilities may be provided for the exclusive use of storing impounded vessels undergoing the lien sale process required under Local, State, and

Federal Laws including, but not limited to California Harbors & Navigation Code §500 et seq., and all successor amendments. These District landside storage facilities include the property located at 891 G Street, Chula Vista, CA 91909, and the National City Vessel Storage Yard, northwest of Bay Marina Drive and Tidelands Avenue, adjacent to Marine Group Boat Works' National City location. Service Provider may not any perform services under this Agreement at District Storage Facilities other than impounded vessel storage unless and until otherwise directed by the District in writing. For the purposes of this Agreement, storage shall be defined as the period of time that a vessel is sitting on stands in the District's landside storage facilities while undergoing the applicable legal processes prior to sale, demolition, or removal by the registered owner.

2. Safety

- a. Service Provider shall abide by all applicable laws and regulations, including all local, state, federal, Cal/OSHA, OSHA, and District codes, and policies related to safety. Service Provider will be responsible for fines incurred if not in compliance with OSHA standards. Before the start of work, Service Provider shall post signs and provide barricades. Service Provider shall remove all signs and barricades at the completion of the service. Service Provider shall follow current Caltrans traffic control guidelines when performing service as applicable. Service Provider shall provide required submittals to the District Representative as listed in the Submittal Section of this Scope of Services.

- (1) Service Provider shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the services provided.

- (2) Service Provider shall give notices and comply with all applicable laws and regulations of any public body having jurisdiction for the safety of persons

or property to protect them from damage, injury or loss, and shall erect and maintain all necessary safeguards for such safety and protection.

(3) Material usage shall be accomplished with strict adherence to California Division of Industrial Safety, or other governing regulations, and all manufacturers' warnings and application instructions listed on the Safety Data Sheet and on the product container label.

(4) Injury & Illness Prevention Program (IIPP): Service Provider shall prepare and submit to the District's Representative, one (1) copy of their IIPP that addresses all the actions necessary to establish a safe working environment, prior to the commencement of on-site service. It is the Service Provider's responsibility to take all reasonable precautions to ensure the safety of the public and its employees and to comply with all federal, state, and local regulations. It is the Service Provider's responsibility to establish and maintain safe onsite working conditions for the duration of the project.

3. Environmental

- a. Service Provider shall abide by all applicable laws and regulations, including all local, state and federal laws and regulations as well as all District codes and policies related to environmental protection, including but not limited to Article 10 of the District Code. San Diego Port District Tidelands are regulated under Regional Water Quality Control Board Order No. R9-2013-0001, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS0109266, waste Discharge Requirements for Discharges of Urban Run-off from the Municipal Separate Storm Sewer Systems (MS4s) Draining the Watersheds of the County of San Diego, the Incorporated Cities of San Diego county, and the San Diego Unified Port (Municipal Permit), as adopted, amended, and/or modified. The Municipal Permit regulates activities that could degrade storm water quality. All services to be completed as part of the Agreement must comply with Article 10 of the

District Code and all applicable Municipal Permit requirements related to permitted activities including the following requirements:

- (1) No discharges of any material may enter the storm drain system or receiving water (San Diego Bay) including water, wash water, dust, petroleum products, soil or debris. Service Provider must immediately remove any such material that inadvertently enters the storm drain system and immediately notify District staff.
- (2) If any activity could potentially release materials to the storm drain system or the bay, the District Representative must be notified prior to activity and appropriate protection of the storm drain system shall be implemented as described in the California Stormwater Best Management Practices Handbooks developed by the California Stormwater Quality Association (www.cabmphandbooks.com), or the US EPA's Preliminary Data Summary of Urban Stormwater Best Management Practices (www.epa.gov/waterscience/guide/stormwater/). All storm drain protection systems must minimize the discharge of pollutants and be adequately maintained.
- (3) Any materials being stored which could release constituents by wind or run-off transport shall be protected by overhead cover, secondary containment, tarpaulins, or other appropriate methods.
- (4) Best Management Practices (BMPs) must be implemented to prevent water, wash water, and/or debris from being tracked or transported off of the service site.
- (5) Any fuel products, lubricating fluids, grease or other products and/or waste released from Service Provider's vehicles or equipment, shall be collected and disposed of immediately in accordance with state, federal, and local laws.

- (6) All job-site waste materials generated as a result of operations will be properly disposed of at the completion of service including unsalvageable materials that may enter the storm drain conveyance system.
- (7) Service Provider shall ensure that all employees are trained on the nature and implementation of the special provisions outlined above. This training shall include identifying the location of the storm drains on the job site, highlighting the proximity of the bay and the direct connection between the storm drain and the bay, and identifying all BMPs to be implemented to prevent the discharge of pollutants to the storm drain conveyance system or the bay.
- (8) District Planning and Green Port staff may conduct a storm water inspection to verify that BMPs are properly implemented at any time during this Agreement. Additional BMPs may be recommended or required to eliminate or prevent discharges to the stormwater conveyance system or the receiving water.
- (9) Environmentally Preferable Products - In alignment with the District's Green Port Policy, the District will strive to minimize environmental impacts directly attributable to operations on San Diego Bay and the tidelands. In alignment with this Policy, the District has established criteria for the procurement of environmentally preferable products.
- (10) Accordingly, where practicable and cost effective, Service Provider shall use cleaning and disinfecting products that meet Green Seal certification at all District facilities. All cleaning and power washing products claiming Green Seal certification, shall be required to bear this certification. Products recognized by the Environmental Protection Agency's (EPA) Safer Detergents Stewardship Initiative or the Design for the

Environment Program are not required to be Green Seal certified. More information is available at www.greenseal.org and www.epa.gov/dfe. Germicidal detergents needed to perform services under this Agreement are not required to be Green Seal certified. Service Provider shall only use District approved equipment, materials, and supplies and shall comply with the District's Environmental Sustainability Policy. Accordingly, where practicable and cost effective, Service Provider shall use products that meet Green Seal certification for all services rendered under this Agreement. All products claiming Green Seal certification shall be required to bear this certification. More information is available at www.greenseal.org and www.epa.gov/dfe.

(11) The District may permit the substitution or addition of environmentally preferable products when such products are readily available at a competitive cost and satisfy the District's performance needs. The District may choose to provide any environmentally preferable products for Service Provider's use during services rendered under this Agreement.

- b. For the purpose of clarity, Service Provider shall not be held responsible under this Agreement for maintenance of the District Storage Facilities, the implementation and maintenance of BMPs within the District Storage Facilities with respect to impounded vessels while stored at those facilities, or for potential releases from impounded vessels while stored at the District Storage Facilities that are beyond Service Provider's control and unrelated to Service Provider's actions. In the event that the Parties agree in writing that Service Provider may utilize the District Storage Facilities for a purpose other than impounded vessel storage in the future, Service Provider would be required to implement and maintain BMPs related to those future services and to otherwise comply with all applicable requirements including those set forth above.

4. Legal

- a. Service Provider shall comply with all applicable Local, State, and Federal laws and regulations including, but not limited to California Harbors & Navigation Code §500 et seq., and all successor amendments.
- b. Return To Owner. Service Provider shall verify ownership prior to the release of any vessel. Service Provider shall collect total amount due attributed to Service Provider's costs, fees, and expenses at no additional costs to the District. Any liens paid shall be credited back to The District on the next monthly billing. Service Provider agrees to provide access to retrieval areas to vessel owners for the purpose of claiming vessels within a reasonable time after a request made by the vessel owner to Service Provider, during regular business hours.
- c. Lien Sales. In the event of a lien sale, Service Provider shall begin all bids at the total value of the liens incurred. In the event of a lien sale, Service Provider shall credit all proceeds back to the District on the next monthly billing. Any bid over and above total value of the lien, shall be divided equally between Service Provider and District.
- d. Access to Vessel Storage and Retrieval Areas. Service Provider shall provide access and escort in vessel storage areas to vessel owners, during regular business hours for the purpose of obtaining their personal property, not subject to lien, in compliance with Harbors & Navigation Code §509 et seq., and all successor amendments.
- e. Release of Ownership. Service Provider shall provide registered owner the option to release ownership of the vessel to the District with the approval of the Bay Control Officer. Upon release, Service Provider shall provide the District a signed copy of the release of ownership.

5. Execution

a. Service Provider shall immediately notify District Representative of any vessel arriving, departing, or change in status. Service Provider shall maintain all necessary documentation including, but not limited to assessment, pictures, documentation, reports, and letters. Service Provider shall provide District Representatives access to Service Provider's vessel storage facilities. Service Provider shall be responsible for the containment and remediation of contaminants originating from impounded vessels kept in its waterside and dry vessel storage sites, including, but not limited to, use of boom, pump-out, and absorbent materials in the event of a release of contaminants.

(1) In-Water Storage. Service Provider shall provide in-water storage to accommodate at least 25 vessels not exceeding 65 feet in length. Service Provider shall also provide sufficient security to maintain and protect the condition and contents of each impounded vessel in in-water storage.

(2) Transportation Services

(a) Transportation Services (one way) and Storage to Service Provider Landside Storage Area. Service Provider shall be responsible for providing the proper transportation services and complying with all applicable Local, State, and Federal laws and pay for all required fees in doing so. Service Provider shall take the necessary steps, and provide all necessary material and equipment to provide safe and secure transportation to the storage facility. Transportation services shall also include all labor, materials and equipment required to safely set and block each vessel in an upright position. Setting and blocking of vessels shall include a sufficient number of stands to safely store each vessel (four (4) stands minimum per vessel) in a vertical position. Compensation for in-water storage of impounded vessels will be a

maximum of five (5) days and no additional compensation for in-water storage more than five (5) days will be allowed.

- (b) Transportation Services (One Way) to District Provided Landside Storage Area. The District may elect to provide a landside storage area for the purposes of storing impounded vessels. Service Provider shall transport impounded vessels from their in-water storage facility to District provided landside storage area. District landside storage area is located at 891 G St., Chula Vista, CA 91909 and the National City Vessel Storage Yard, northwest of Bay Marina Drive and Tidelands Avenue. Service provider shall be responsible for providing the proper transportation services and complying with all applicable local, State and Federal laws and pay for all required fees. Service Provider shall take the necessary steps and provide all necessary material and equipment to provide safe and secure transportation to the storage facility. Services shall include all labor, materials and equipment required to safely transport impounded vessels and set and block each vessel in an upright position. Setting and blocking of vessels shall include a sufficient number of stands to safely store each vessel (four (4) stands minimum) in a vertical position. Compensation for in-water storage of impounded vessels will be a maximum of five (5) days and no additional compensation for in-water storage more than five (5) days will be allowed, unless as directed by District Representative.

- (3) Inventory. Service Provider shall prepare and submit a written inventory upon arrival of vessels at Service Provider's facility. Inventory report shall be submitted within 5 business days to the District for review and prior to transport of the vessel. Service Provider shall provide a minimum of 10 digital photos of the following: one bow, one stern, two of each side (two left and two right), two of deck (front and rear), one of each interior room, and any other additional photos required to support inventory of the vessels. Report shall include the Harbor Police Report Number, HIN

Number, CF Number or DOC Number, and vessel description. In addition, any damages to vessels shall be photographed, recorded, and submitted attached with the inventory report. If the conditions of the vessel render it unsafe or hazardous to health to enter the interior, Service Provider shall record visually the complete interior of the vessel, which shall become a part of the inventory.

- (4) Vessel Assessment. Service Provider shall perform an assessment of the vessel to determine basic overall condition of vessel and all equipment. A written report detailing the assessment shall be provided to the District within 24 hours of assessment completion. Report shall include the Harbor Police Report Number, HIN Number, CF Number or DOC Number, name, type, color, a condition report, and estimated value. The vessel assessment report shall also include full-length printed 4"x6" photographs of the vessel's port and starboard sides and the stern and bow and include printed 4"x6" photographs of anything pertinent within the vessel.
- (5) Marine Survey. Service Provider shall provide a full marine survey of any stored vessels, which shall comply at a minimum with the requirements of Harbors & Navigation Code §526, and shall provide digital photographs and/or videotape which shall be made a part of the Marine Survey.
- (6) Proceed Against Impounded Vessels. Service Provider shall proceed against impounded vessels at the time the lien amount on the vessel reaches \$1,500.00, or 72 hours, whichever occurs first for each vessel subject to this section. Service Provider shall commence lien sale proceedings pursuant to Harbors & Navigation Code §503 or §504 §526 in accordance with applicable laws and the procedures set forth in this Agreement. Lien sale procedures and pricing established therefore as set forth in Exhibit B.1, Compensation, assumes that such lien sale can be processed without the need for Service Provider to utilize the services of

legal counsel. If Service Provider determines that it is not able to process such lien sales without the assistance of legal counsel, Service Provider shall provide District with a written cost proposal to perform such service(s).

(a) State

Lien Sale proceedings shall be conducted in accordance with Harbors & Navigations Code §500 et seq., specifically Sections 503 and 504 and any amendments or successor enactments to said code sections.

(b) Federal

Lien Sales of Federally Documented Vessels: Service Provider shall comply with the provisions of 46 CFR §67.83, 46 CFR §7.220, 4 CFR §223, and 46 CFR §7.301 and any amendments or successor enactments to said code sections.

(7) Small Claims / Legal Proceedings. Service Provider shall provide any services related to small claims proceedings relating to the lien sales of vessels, which may from time to time arise pursuant to Harbors & Navigation Code §503 and §504 and any amendments or successor enactments to said code sections.

(8) Vessel Haul Out. Service Provider shall provide all labor, rigging, and equipment needed to move vessels from water to landside storage at the Service Provider's facility.

(9) Junk Slip Services. Service Provider shall follow the proper procedure and pay the appropriate fees dictated by the State of California Department of Motor Vehicles to become the legal owner and simultaneously obtain a "Junk Slip" expressly and solely for the purpose of demolishing the vessel. District agrees to pay applicable storage and

other associated fees outlined in the statement of work, until the vessel is destroyed.

- (10) Laydown. Service Provider shall provide labor, equipment, and materials necessary to move and store vessels within the District storage facility.
- (11) Vessel Demolition / Disposal. Service Provider shall provide demolition and disposal for any storage vessels and parts thereof. Prior to demolition, all vessels shall be photographed and weighed. Service Provider shall provide a copy of all landfill receipts for payment. Service Provider shall comply with all Local, State, and Federal Government laws. The District reserves the right to dispose of all or part of any vessel at its discretion. Service Provider is responsible for all containment of spills during demolition with no additional costs to the District.

6. Service and Response Time

- a. Service Provider shall provide related vessel services that meet the following response times:
 - (1) Service Calls. When notified by the District Representative, Service Provider shall provide services onsite for all scheduled appointments including weekends. Service Provider shall have an answering service or office personnel available during normal business hours to receive service request notifications.
 - (2) Rework. The District Representative shall inspect the quality of work and if required, Service Provider shall correct the work deficiencies at no additional costs to the District provided the deficiencies are detailed by the District in writing.

7. Submittals

a. Service Provider shall provide the following submittals to the District Representative, prior to the commencement of work.

(1) Materials Service Provider shall submit, for District Representative's acceptance, a list of all material proposed to be used under this Agreement.

(2) Permits Whenever and/or wherever traffic control is required for public safety and convenience, Service Provider shall obtain a City Traffic Control Permit(s) for roofing maintenance services. Service Provider shall also obtain all other permits incidental to the service, or made necessary by its operation, including those permits required for night service, overload and equipment, and pay all fees and costs incurred for and by the permit requirements. However, Service Provider shall not be entitled to reimbursement from the District for said fees and costs.

(3) Safety Data Sheets (SDS) – Service Provider shall furnish three (3) copies of the SDS for all chemicals used on District properties.

(4) Injury and Illness Prevention Program (IIPP) - Service Provider shall provide one (1) copy of the IIPP that addresses all the actions necessary to establish a safe working environment.

8. Security Background Check and Badging

a. The District may require Service Provider's personnel to pass a security background check and wear a badge while on District property. Service Provider's personnel who do not initially pass the security check, or who subsequently have their security clearance withdrawn for any reason, shall not provide service in support of this Agreement.

- b. The District reserves the right to limit the number of employees for security background check and badging. Upon request, Service Provider shall submit to the District Representative within a minimum of seventy-two (72) hours a list of employees with security and badging clearance and maintain an updated list. Service Provider shall return all badges of terminated or terminating employees within seventy-two (72) hours of notice.
- c. Service Provider shall comply with all local, state, federal, and District codes, policies and procedures. Service Provider shall abide by all security requirements incidental to the service or made necessary by its operation.
- d. **Transportation Workers Identification Credential (TWIC)** If applicable, each Service Provider's personnel that render services on secure areas of District facilities must obtain and present a TWIC for entry to secure areas at: Tenth Avenue Marine Terminal, National City Marine Terminal, B Street Pier and Broadway Pier facilities.
- e. An individual must provide biographic and biometric information such as fingerprints, sit for a digital photograph and successfully pass a security threat assessment conducted by the US Department of Homeland Security, Transportation Security Administration.
- f. Service Provider shall pay all fees and costs incurred for and by the security requirements including TWIC. Service Provider shall not be entitled to reimbursement from the District for said fees and costs.
- g. Additional information pertaining to the TWIC requirement is also available in the US Department of Homeland Security, Transportation Security Administration website, www.tsa.gov/twic.

9. Licensing and Certification

- a. Service Provider shall maintain all federal, state and local licenses, permits, and certifications required to operate vessel services.