

**DRAFT**

**RESOLUTION 20xx-xxx**

**RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO THE AGREEMENT WITH MARINE GROUP BOAT WORKS, LLC, FOR FULL SERVICE IMPOUNDED VESSEL SERVICES, GRANTING INDEMNIFICATION TO MARINE GROUP BOAT WORKS, LLC, ADDING TERMS UNDER WHICH THE DISTRICT INDEMNIFIES MARINE GROUP BOAT WORKS TO REFLECT ITS RELIANCE ON INFORMATION AND DIRECTION FROM THE DISTRICT. NO ADDITIONAL FUNDING WILL BE REQUIRED IN THE CURRENT FISCAL YEAR. ALL 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.**

**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 I (Port Act); and

**WHEREAS**, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials, and equipment, and grants; and

**WHEREAS**, on July 1, 2017, the District entered into a three (3) year agreement with Marine Group Boat Works, LLC (Marine Group) for full service impounded vessel services in an amount not to exceed \$600,000, which was amended on February 12, 2019 increasing to an amount not to exceed \$1,529,400; and

**WHEREAS**, the impounded vessel agreement with Marine Group, is used to provide impound services for vessels that have been abandoned or impounded by Harbor Police and expires June 30, 2020; and

**WHEREAS**, services include acceptance of towed vessels, inventory reports, storage, vessel haul out, vessel transportation, the lien sale process, title acquisition processes, and vessel demolition; collectively, these services are referred to as the 'vessel process' and ultimately result in the sale or demolition of each vessel; and

**WHEREAS**, in providing services under this agreement, Marine Group Boat

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Works relies on information and direction provided by District staff. Marine Group Boat Works has requested the agreement be amended to include the District indemnifying Marine Group Boat Works to reflect its reliance on information and direction from the District; and

**WHEREAS**, staff recommends the agreement be amended to include the District indemnifying Marine Group Boat Works to reflect its reliance on information and direction from the District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District (District) as follows:

That the Executive Director and/or her designated representative is hereby authorized on behalf of the District to enter into Amendment No. 2 to Agreement with Marine Group Boat Works, LLC for full service impounded vessel services, adding terms under which the District indemnifies Marine Group Boat Works to reflect its reliance on information and direction from the District.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL

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By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 14<sup>th</sup> day of May 2019, by the following vote: