

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION AUTHORIZING AN INDEMNITY
PURSUANT TO A RIGHT OF ENTRY LICENSE
AGREEMENT WITH MARINE GROUP BOAT WORKS,
LLC FOR THE SAN DIEGO UNIFIED PORT
DISTRICT'S IMPLEMENTATION OF UTILITY
UPGRADES RELATED TO THE RESORT HOTEL &
CONVENTION CENTER IN CHULA VISTA**

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 (Act); and

WHEREAS, in April 2018, RIDA Chula Vista, LLC (RIDA) entered into a Disposition and Development Agreement (DDA) with the San Diego Unified Port District (District) and City of Chula Vista (City) for the development of a resort hotel and convention center (RHCC) on approximately 37 acres of land within the Chula Vista Bayfront (CVB); and

WHEREAS, the DDA sets forth the mechanism to design, finance, and construct the RHCC, associated parking, and surrounding public infrastructure, which includes portions of E, G, and H Streets, pedestrian and bicycle paths, utilities, and stormwater improvements (collectively, Phase 1A Infrastructure); and

WHEREAS, RIDA has actively been designing and coordinating its utility plan as part of the Phase 1A Infrastructure, including its impacts on adjacent District tenants; and

WHEREAS, these utilities will serve the future RHCC by providing water, electricity, gas, and other facilities while maintaining existing utilities to adjacent tenants; and

WHEREAS, the City's Fire Department has identified that as a result of the require infrastructure work, anticipated utility impacts during construction will reduce fire water flow at the adjacent Marine Group Boat Works, LLC (MGBW) leased premises and will require an upgrade to MGBW's current fire water flow system; and

WHEREAS, in order to begin future construction of either the RHCC or Phase 1A Infrastructure, the fire water flow system must first be upgraded so MGBW's on-site fire water system is not jeopardized during construction of the RHCC, making the fire water flow upgrade a critical path item to commencement of construction of the Phase 1A Infrastructure and ultimately the RHCC; and

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WHEREAS, MGBW currently has a Lease with the District (Clerk's Doc. No. 54509, filed February 13, 2009, as amended), which Lease expires on January 31, 2030 and contains an option to extend for an additional 11 years; and

WHEREAS, the proposed Right of Entry License Agreement (ROE) (Attachment A to the corresponding agenda sheet on file with the Office of the District Clerk) would allow the District to access and upgrade the existing underground fire water system at MGBW's leased premises; and

WHEREAS, the ROE's corresponding exhibits (Description of Premises; Scope of Work) will be inserted once the work's full scope is determined and finalized by the District, at which point the ROE will be submitted to MGBW for execution; and

WHEREAS, the final scope of work is not expected to materially change from what is described in the corresponding agenda sheet to which this resolution relates, and MGBW is in agreement with the terms of the ROE subject to final approval of the accompanying exhibits; and

WHEREAS, the work under the executed ROE, which will be completed by the District, is anticipated to occur in either Spring or Summer 2021 and is expected to take approximately two months to complete; and

WHEREAS, the term of the ROE shall expire December 31, 2021; and

WHEREAS, in order to proceed with the ROE to complete the work at its leased premises, MGBW has requested that the ROE contain an indemnity whereby the District indemnifies MGBW for damages caused by the District's work, which indemnity requires Board approval through a Resolution; and

WHEREAS, staff recommends that the Board adopt a Resolution authorizing an indemnity to Marine Group Boat Works, LLC pursuant to a Right of Entry License Agreement substantially in the form attached to the accompanying agenda sheet following the incorporation of the exhibits to such agreement (Description of Premises and Scope of Work) and execution of the agreement by Marine Group Boat Works, LLC, for the San Diego Unified Port District's implementation of utility upgrades related to the Resort Hotel & Convention Center in Chula Vista.

NOW THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the San Diego Unified Port District hereby authorizes the Executive Director or his designated representative to grant an indemnity pursuant to a Right of Entry License Agreement substantially in the same form attached to the agenda sheet to which this resolution relates with Marine Group Boat Works, LLC conditioned upon the incorporation of the exhibits to the agreement (Description of Premises and Scope of Work) and execution of the agreement by Marine Group Boat Works, LLC for the San Diego Unified Port District's implementation of utility

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upgrades related to the Resort Hotel & Convention Center in Chula Vista.

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 11th day of February 2021, by the following vote: