

**DRAFT**

**SAN DIEGO UNIFIED PORT DISTRICT**

**ORDINANCE xxxx**

**ORDINANCE AMENDING THE FISCAL YEAR 2022  
BUDGET INCREASING THE EQUIPMENT OUTLAY  
AND OTHER CAPITAL PROJECTS  
APPROPRIATION BY \$350,000 FOR AN INCREASE  
TO THE U.S. COAST GUARD PHASE II TENANT  
IMPROVEMENTS PROJECT TO BE FUNDED FROM  
THE U.S. COAST GUARD/GENERAL SERVICES  
ADMINISTRATION (GSA) REIMBURSEMENT OF  
\$350,000**

**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**, on January 19, 2021, the Board authorized the award of public works contract 2019-38 to Solpac Construction, Inc dba Soltek Pacific (Contractor) in the amount of \$2,889,091 for the U.S Coast Guard Tenant Improvement Phase II project within the total project budget of \$3,450,000 approved by the Board in Equipment Outlay and Other Capital Projects (EO&OCP) from Unrestricted Resources; and

**WHEREAS**, pursuant to Board of Port Commissioners (BPC) Policy No. 110, Board authorization is required for contract change orders in excess of 10% of the original contract award for contracts awarded in excess of two million dollars, but not in excess of ten million dollars; and

**WHEREAS**, to date, three contract change orders have been processed at the staff level up to the 10% limit; and

**WHEREAS**, staff is seeking Board approval of contract Change Order No. 4 in the amount of \$400,000 for a total construction contract value increase to \$3,577,999.37 to allow the project team to deliver additional U.S. Coast Guard (Tenant) requested project scope that is reimbursable by General Services Administration (GSA) upon project completion; and

**WHEREAS**, Change Order No. 4 funding is comprised of \$50,000 from remaining project budget and an additional \$350,000 from Tenant reimbursement; and

**WHEREAS**, Board authorization will increase the U.S. Coast Guard Tenant Improvement Phase II total project budget to \$3,800,000 from \$3,450,000; and

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**WHEREAS**, a District FY 2022 Budget amendment is required to appropriate the additional \$350,000 which is intended to be reimbursed by the Tenant; and

**WHEREAS**, pursuant to the Lease, this additional scope will be reimbursed by GSA as a lump sum payment at the completion of construction; and

**WHEREAS**, staff recommends the Board increase the Equipment Outlay and Other Capital Projects Appropriation by \$350,000 for an increase to the U.S. Coast Guard Phase II Tenant Improvements Project to be primarily funded by General Services Administration.

**NOW, THEREFORE**, the Board of Port Commissioners of the San Diego Unified Port District does ordain as follows:

Section 1. The FY 2022 budget is hereby amended to increase the Equipment Outlay and Other Capital Projects Appropriation by \$350,000 for an increase to the U.S. Coast Guard Phase II Tenant Improvements Project to be primarily funded by General Services Administration.

Section 2. This Ordinance shall take effect on the 31<sup>st</sup> day from its passage by the Board of Port Commissioners.

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 12<sup>th</sup> day of October 2021, by the following vote: