



San Diego Unified Port District

3165 Pacific Hwy.
San Diego, CA 92101

Meeting Minutes

Board of Port Commissioners

Tuesday, June 20, 2017

1:00 PM

Don L. Nay Port Administration Boardroom

A. Roll Call.

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

C. Pledge of Allegiance.

Commissioner Malcolm led the Pledge of Allegiance.

B. Closed Session Report Out.

Thomas A. Russell, General Counsel, announced that the Board considered items on the Closed Session Agenda, and stated that the Board will discuss Closed Session Agenda Item 6 - File No. 2017-0332, and Closed Session Agenda Item 9 - File No. 2017-0296, after the conclusion of this meeting; Commissioner Castellanos recused himself and did not participate in the discussion on Item 6 and one case under Item 9. Mr. Russell stated that there was no other reportable action taken.

CONSENT AGENDA

22. [2017-0279](#) RESOLUTION AUTHORIZING AMENDED AND RESTATED CHULA VISTA BAYFRONT MASTER PLAN FINANCING AGREEMENT BETWEEN THE SAN DIEGO UNIFIED PORT DISTRICT AND THE CITY OF CHULA VISTA

On a motion by Commissioner Moore, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-096. The motion carried by the following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

Adjournment

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adjourned the Regular Meeting until the conclusion of the Special Meeting with the City of Chula Vista. The motion carried by the following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

Rollcall - Meeting Reconvened

Present: 6 - Commissioner Bonelli, Commissioner Castellanos, Commissioner Malcolm, Commissioner Merrifield, Commissioner Moore, and Chairperson Valderrama

Excused: 1 - Commissioner Zucchet

Absent: 0

D. Public Communications.

The following members of the public addressed the Board with non-agenda related comments: Sharon Cloward, President, San Diego Port Tenants Association; Peter H. Flournoy, General Counsel, American Tunaboat Association; and Ken Franke, Chair, San Diego Port Tenants Association.

E. Commissioners' Reports.

Commissioner Merrifield reported on his recent trip to the California Energy Commission (CEC) Ports Energy Collaborative meeting in Lancaster, California. One of the highlights of the trip was the tour of Build Your Dreams (BYD) Motors, an electric motor vehicle manufacturing facility. BYD Motors is a Shanghai based company that operates worldwide, the Lancaster facility is quickly becoming the largest manufacturer of electric buses in the nation. BYD Lancaster also builds electric drayage vehicles and other industrial equipment. These vehicles are zero emission, and provides an alternative that would reduce/eliminate greenhouse gasses on Port cargo terminals if implemented.

F. President's Report.

Randa Coniglio, President/CEO, announced she had a few items to report out and invited Mark Stainbrook, Assistant Chief, Harbor Police, to take the podium in Chief Bolduc's absence. Assistant Chief Stainbrook presented Lifesaving Medals and uniform pins to Officer Ramon Colon, and Officer Aldo Gutierrez for their heroic actions that saved a man's life.

Assistant Chief Stainbrook then provided report on the Coastal Warrior Exercise. The Coastal Warrior Exercise is a regional multi-agency partnership with local and Federal organizations that tests ability to detect, respond, and neutralize radiological/nuclear

devices entering the area. The benefit of a regional collaboration provides the opportunity to test and use the specialized equipment that each agency has.

Ms. Coniglio announced that Renée Yarmey, Program Manager, Energy & Sustainability, was recognized among one of the Top 50 Energy Managers in 2017 by Energy Manager Today at the June Energy Manager and Environmental Leader Conference. The Top Energy Managers are selected from across the nation by Energy Manager Today editors, advisors and industry insiders via a competitive process, recognizing those that have had a positive impact on their organizations, and the industry as a whole.

G. District Clerk's Announcements.

Timothy Deuel, District Clerk, announced for the members of the public as required by the Brown Act, and as directed by the Board of Port Commissioners, that Item 16 - File No. 2017-0301 on the agenda is taking final action to amend the Employment Agreement for the President/CEO that will modify salary and terms of agreement. Additional information can be found in the agenda sheet prepared for that item.

In addition, Mr. Deuel announced that the Board received agenda related materials for Item 9 - File No. 2017-0172 and Item 18 - File No. 2017-0159 after publishing of the agenda.

Mr. Deuel also reported that staff requested the following items be continued to a future Board Meeting: Consent Agenda Item 5 – File No. 2017-0321; Consent Agenda Item 6 - File No. 2017-0320; and Consent Agenda Item 14 - File No. 2017-0290.

On a motion by Commissioner Malcolm, seconded by Commissioner Merrifield, the Board approved staffs' request to continue the following items to a future meeting: Consent Agenda Item 5 - File No. 2017-0321; Consent Agenda Item 6 - File No. 2017-0320; and Consent Agenda Item 14 - File No. 2017-0290. The motion carried by the following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

CONSENT AGENDA

Two members of the public submitted a Request to Speak, however, both speakers withdrew their request.

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted the Consent Agenda as follows: May 16, 2017 Closed Session minutes; May 16, 2017 Regular Session minutes; May 25, 2017 Special Meeting - Closed Session minutes; Resolution 2017-079; Resolution 2017-080; Ordinance 2893; Resolution 2017-081; Resolution 2017-082; Resolution 2017-083; Resolution 2017-084; Resolution 2017-088; Resolution 2017-089; Resolution 2017-091; Resolution 2017-092; Resolution 2017-093; and Resolution 2017-094. The motion carried by the following vote:

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

Nays: 0

Excused: 0

Absent: 1 - Zucchet

Abstain: 0

Recused: 0

1. [2017-0325](#) Approval of minutes for:
May 16, 2017 CLOSED SESSION
May 16, 2017 REGULAR SESSION
May 25, 2017 SPECIAL MEETING - CLOSED SESSION

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board approved the May 16, 2017 Closed Session minutes; May 16, 2017 Regular Session minutes; and the May 25, 2017 Special Meeting - Closed Session minutes, as part of the Consent Agenda.

2. [2016-0422](#) VERIZON WIRELESS CO-LOCATION AT EMBARCADERO MARINA PARK SOUTH IN SAN DIEGO:
A) RESOLUTION ADOPTING AN ADDENDUM TO THE FINAL NEGATIVE DECLARATION FOR THE "SPRINT EMBARCADERO MARINA PARK SOUTH TELECOMMUNICATIONS PROJECT" AND AUTHORIZING STAFF TO FILE A NOTICE OF DETERMINATION
B) RESOLUTION AUTHORIZING ISSUANCE OF A NON-APPEALABLE COASTAL DEVELOPMENT PERMIT FOR THE VERIZON WIRELESS CO-LOCATION PROJECT AT EMBARCADERO MARINA PARK SOUTH IN SAN DIEGO
C) ORDINANCE GRANTING TIDELAND USE AND OCCUPANCY PERMIT (TUOP) FOR TELECOMMUNICATION SITES BETWEEN DISTRICT AND VERIZON WIRELESS (VAW), LLC

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-079, Resolution 2017-080, and Ordinance 2893 as part of the Consent Agenda.

3. [2017-0091](#) RESOLUTION ADOPTING AND APPROVING PLANS AND SPECIFICATIONS AND AWARDED CONTRACT NO. 2016-25 TO ABHE & SVOBODA, INC. IN THE AMOUNT OF \$571,321 FOR THE STRUCTURAL REPAIRS TO BROADWAY PIER PROJECT, AS AUTHORIZED BY THE BOARD IN THE FY 16/17 MAJOR MAINTENANCE BUDGET PROGRAM

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-081 as part of the Consent Agenda.

4. [2017-0099](#) RESOLUTION AUTHORIZING AGREEMENTS WITH ELEVEN

ENVIRONMENTAL EDUCATION PROGRAMS TO EDUCATE AN ESTIMATED 150,000 STUDENTS ON POLLUTION PREVENTION AND NATURAL RESOURCES WITHIN THE SAN DIEGO BAY WATERSHED IN THE AMOUNT OF \$300,000 PER YEAR FOR A TOTAL AMOUNT OF \$1.5 MILLION OVER 5 YEARS USING FUNDING FROM THE ENVIRONMENTAL FUND FOR THE FOLLOWING ORGANIZATIONS:

- A) CHULA VISTA ELEMENTARY SCHOOL DISTRICT COASTAL EDUCATION PROGRAM (FOR A TOTAL AMOUNT OF \$68,800 OVER 5 YEARS);
- B) I LOVE A CLEAN SAN DIEGO (FOR A TOTAL AMOUNT OF \$121,500 OVER 5 YEARS);
- C) LIVING COAST DISCOVERY CENTER (FOR A TOTAL AMOUNT OF \$365,000 OVER 5 YEARS);
- D) MARITIME MUSEUM OF SAN DIEGO (FOR A TOTAL AMOUNT OF \$102,000 OVER 5 YEARS);
- E) OCEAN DISCOVERY INSTITUTE (FOR A TOTAL AMOUNT OF \$199,000 OVER 5 YEARS);
- F) OUTDOOR OUTREACH (FOR A TOTAL AMOUNT OF \$30,000 OVER 2 YEARS);
- G) RESOURCE CONSERVATION DISTRICT OF GREATER SAN DIEGO COUNTY (FOR A TOTAL AMOUNT OF \$113,000 OVER 5 YEARS);
- H) SAN DIEGO AUDUBON SOCIETY (FOR A TOTAL AMOUNT OF \$55,700 OVER 5 YEARS);
- I) SAN DIEGO COASTKEEPER (FOR A TOTAL AMOUNT OF \$10,000 FOR 1 YEAR);
- J) THE OCEAN FOUNDATION (FOR A TOTAL AMOUNT OF \$295,000 OVER 5 YEARS); AND
- K) ZOOLOGICAL SOCIETY OF SAN DIEGO (FOR A TOTAL AMOUNT OF \$140,000 OVER 4 YEARS)

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-082 as part of the Consent Agenda.

5. [2017-0321](#) RESOLUTION SELECTING AND AUTHORIZING AN AGREEMENT WITH [VENDOR] FOR A COMPUTER AIDED DISPATCH SYSTEM AND SYSTEM IMPLEMENTATION SERVICES IN AN AMOUNT NOT TO EXCEED [\$X,XXX,XXX] FROM [DATE] THROUGH [DATE] FUNDED [xx%] BY PORT SECURITY GRANT PROGRAM FY15

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.

6. [2017-0320](#) MODIFICATIONS TO THE TENTH AVENUE MARINE TERMINAL DEMOLITION AND INITIAL RAIL COMPONENT PROJECT TO REFLECT THE PROJECT'S FINAL DESIGN, INCLUDING A LARGER ON-TERMINAL OFFICE FACILITY AND MINOR CHANGES TO OTHER

SITE-SPECIFIC IMPROVEMENTS:

A) RESOLUTION CERTIFYING THE ADDENDUM TO THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE "TENTH AVENUE MARINE TERMINAL REDEVELOPMENT PLAN AND DEMOLITION AND INITIAL RAIL COMPONENT PROJECT";

B) RESOLUTION AUTHORIZING AN AMENDMENT TO THE NON-APPEALABLE COASTAL DEVELOPMENT PERMIT NO. 2016-09 FOR THE TENTH AVENUE MARINE TERMINAL DEMOLITION AND INITIAL RAIL COMPONENT PROJECT

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.

7. [2017-0164](#) RESOLUTION AUTHORIZING AN AGREEMENT WITH MARINE GROUP BOAT WORKS, LLC FOR REPOWERING THE DISTRICT CORAL REEF VESSEL FOR AN AMOUNT NOT TO EXCEED 225,220

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-083 as part of the Consent Agenda.

8. [2017-0171](#) REGIONAL HARBOR MONITORING PROGRAM

RESOLUTION SELECTING AND AUTHORIZING AN AGREEMENT WITH AMEC FOSTER WHEELER ENVIRONMENT AND INFRASTRUCTURE, INC. FOR AN AMOUNT NOT TO EXCEED \$1,525,000 FOR A PERIOD OF FIVE YEARS, FROM JULY 1, 2017 THROUGH JUNE 30, 2022, TO IMPLEMENT THE REGIONAL HARBOR MONITORING PROGRAM AND EVALUATE THE STATUS AND TRENDS OF WATER, SEDIMENTS, AND AQUATIC LIFE IN THE REGION'S HARBORS PURSUANT TO § 13225 OF THE CALIFORNIA WATER CODE

Commissioner Bonelli asked clarifying question, Karen Holman, Principal, Planning and Green Port, responded on behalf of staff.

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-084 as part of the Consent Agenda.

10. [2017-0225](#) A) RESOLUTION AUTHORIZING AMENDMENT TO THE AGREEMENT WITH SAP PUBLIC SERVICES, INC. FOR THE ADDITION OF APPENDIX 13 - SAP ADVANCED LEARNING PACKAGE LICENSING; INCREASING THE LICENSING EXPENDITURE BY \$47,600 PER YEAR, FOR A CUMULATIVE INCREASE OF \$238,000 OVER 5 YEARS; AND B) RESOLUTION AUTHORIZING AN AGREEMENT WITH ASPIREHR, INC. FOR IMPLEMENTATION SERVICES NOT TO EXCEED \$67,650, FOR A MAXIMUM PROJECT COST OF \$305,650 CONDITIONED UPON THE APPROVAL OF ITEM A

On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the

Board adopted Resolution 2017-088 and Resolution 2017-089 as part of the Consent Agenda.

12. [2017-0234](#) RESOLUTION AUTHORIZING THE REQUIRED ANNUAL ADOPTION OF BPC POLICY NO. 115, GUIDELINES FOR PRUDENT INVESTMENTS, INCLUDING RECENT LEGISLATIVE UPDATES PERTAINING TO PUBLIC FUNDS INVESTMENTS
- On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-091 as part of the Consent Agenda.
13. [2017-0275](#) RESOLUTION APPROVING THE AUDIT PLAN FOR FY17/18 PURSUANT TO BOARD OF PORT COMMISSIONERS (BPC) POLICY NO. 035 - POWERS AND FUNCTIONS OF THE PORT AUDITOR
- On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-092 as part of the Consent Agenda.
14. [2017-0290](#) DEMOLITION OF AN EXISTING STRUCTURE AND REDEVELOPMENT OF 1360 NORTH HARBOR DRIVE IN THE CITY OF SAN DIEGO:
- A) RESOLUTION AUTHORIZING ISSUANCE OF A NON-APPEALABLE COASTAL DEVELOPMENT PERMIT TO THE DISTRICT FOR DEMOLITION OF THE VACANT STRUCTURE, PLATFORM, AND PILINGS LOCATED AT 1360 NORTH HARBOR DRIVE IN THE CITY OF SAN DIEGO
- B) RESOLUTION AUTHORIZING ISSUANCE OF A NON-APPEALABLE COASTAL DEVELOPMENT PERMIT TO THE BRIGANTINE, INC. FOR CONSTRUCTION OF THE PORTSIDE PIER PROJECT)
- C) RESOLUTION RESCINDING BOARD RESOLUTION 2016-205 AUTHORIZING ISSUANCE OF A NON-APPEALABLE COASTAL DEVELOPMENT PERMIT FOR THE PORTSIDE PIER RESTAURANT REDEVELOPMENT PROJECT
- This item was continued to a future Board Meeting.
15. [2017-0297](#) RESOLUTION PROCLAIMING SUPPORT OF NATIONAL OCEAN MONTH FOR JUNE 2017
- On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-093 as part of the Consent Agenda.
16. [2017-0301](#) RESOLUTION APPROVING AMENDMENT TO THE EMPLOYMENT AGREEMENT FOR THE EXECUTIVE DIRECTOR (PRESIDENT/CEO)
- On a motion by Commissioner Bonelli, seconded by Commissioner Malcolm, the Board adopted Resolution 2017-094 as part of the Consent Agenda.
11. [2017-0230](#) RESOLUTION AUTHORIZING FOURTH AMENDMENT TO TETRA TECH, INC. LITIGATION ENVIRONMENTAL SUPPORT AGREEMENT INCREASING THE MAXIMUM AMOUNT PAYABLE UNDER THE

AGREEMENT BY \$400,000 FOR A NEW MAXIMUM AMOUNT PAYABLE UNDER THE AGREEMENT OF \$1,766,000, AND EXTENDING THE TERMINATION DATE TO JUNE 30, 2018; AND WAIVING BPC POLICY NO. 110(B) AUTHORIZING A NEW AGREEMENT WITH TETRA TECH, INC. FOR SOUTH CAMPUS LITIGATION ENVIRONMENTAL SUPPORT IN AN AMOUNT NOT TO EXCEED \$390,000 THROUGH JUNE 30, 2018

Due to a relationship between Commissioner Castellanos' law firm and an involved party, Commissioner Castellanos recused himself from any participation on Consent Agenda Item 11 - File No. 2017-0230.

On a motion by Commissioner Malcolm, seconded by Commissioner Bonelli, the Board adopted Resolution 2017-090. The motion carried by the following vote:

Yeas: 5 - Bonelli, Malcolm, Merrifield, Moore, and Valderrama

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 1 - Castellanos

ACTION AGENDA

17. [2017-0291](#) RESOLUTION AUTHORIZING PROCLAMATION AND APPOINTING BOB NELSON AS COMMISSIONER EMERITUS EFFECTIVE JUNE 20, 2017

On a motion by Commissioner Moore, seconded by Commissioner Bonelli, the Board adopted Resolution 2017-095. The motion carried by the following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

18. [2017-0159](#) PRESENTATION AND UPDATE ON THE NORTH EMBARCADERO PRELIMINARY DESIGN PROCESS FOR THE POTENTIAL REALIGNMENT AND PUBLIC ACCESS ALTERNATIVES FOR NORTH HARBOR DRIVE (FROM LAUREL STREET TO G STREET) AND, IF NECESSARY, PROVIDE FURTHER DIRECTION ON NEXT STEPS

Shaun Sumner, Vice President, Real Estate Development, addressed the Board with staff's report and presentation regarding Action Agenda Item 18 - File No. 2017-0159 (A copy of the staff report, presentations and any agenda related materials are on file with

the Office of the District Clerk.)

Mr. Sumner then turned the presentation over to Lucy Contreras, Program Manager, Real Estate Development, to provide overview of the planning and outreach efforts. Ms. Contreras then turned the presentation over to Joseph Smith, Department Manager, Development Services, to present potential design alternatives, key issues for consideration, and update on staff's recommended approach towards integrating/addressing the planning element at a policy level in Port Master Plan Update.

Commissioner Moore asked clarifying questions. Lesley Nishihira, Principal, Planning & Green Port, and Joseph Smith, responded on behalf of staff.

Commissioner Malcolm, Commissioner Merrifield, Commissioner Castellanos, and Commissioner Bonelli offered varied comments. President Coniglio responded on behalf of staff.

The following member(s) of the public addressed the Board with agenda related comments: Laura Hunter; Donna Jones, Attorney, FelCor Hotel Asset Co.; Janet Rogers; Cory Briggs, San Diego Waterfront Coalition (Mr. Briggs was not present, Victoria Clark read his statement into record); Don Wood, Policy Advisor, San Diego Waterfront Coalition; Greg Mueller, CEO, Tucker Sadler, was called to speak but was not present; Carey Algaze, Director of Planning & Entitlement, Pacifica Companies; Peter Flournoy, General Counsel, American Tunaboat Association; and Ray Ashley, President/CEO, Maritime Museum.

Commissioner Merrifield, Commissioner Malcolm, Commissioner Castellanos, and Commissioner Moore, asked clarifying questions, and offered varied comments. Rebecca Harrington, Deputy General Counsel, General Counsel's Office, and Jason Giffen, Planning & Green Port responded on behalf of staff.

19. [2017-0233](#) PRESENTATION ON THE 2016 COPPER LOAD REDUCTION EFFORTS RELATED TO THE SHELTER ISLAND YACHT BASIN TOTAL MAXIMUM DAILY LOAD

Karen Holman, Principal, Planning & Green Port, addressed the Board with staff's report and presentation regarding Action Agenda Item 19 - File No. 2017-0233 (A copy of the staff report, presentations and any agenda related materials are on file with the Office of the District Clerk.)

Commissioner Malcolm and Commissioner Merrifield asked clarifying questions, and offered varied comments. Karen Holman and Jason Giffen responded on behalf of staff.

20. [2017-0280](#) PRESENTATION ON THE TRIPLE BOTTOM LINE AS A POTENTIAL MEASUREMENT AND MANAGEMENT SYSTEM FOR PUBLIC BENEFIT PERFORMANCE AND DIRECTION TO STAFF

Shaun Sumner, Vice President, Real Estate Development, addressed the Board with staff's report and presentation regarding Action Agenda Item 20 - File No. 2017-0280 (A copy of the staff report, presentations and any agenda related materials are on file with the Office of the District Clerk.)

Mr. Sumner then turned the presentation over to John Bandringa, Director of Strategy & Innovation, to speak on the people metrics and how they might be applied at the Port. Mr. Bandringa then turned the presentation back to Mr. Sumner to discuss next steps

and the planning cycle.

Commissioner Moore, Commissioner Malcolm, and Commissioner Merrifield, asked clarifying questions, and offered varied comments. Shaun Sumner, Jason Giffen, and President Coniglio responded on behalf of staff.

21. [2017-0186](#) REVIEW AND CONSIDERATION OF DRAFT PROPOSED BOARD AGENDA FOR THE JULY 11, 2017 MEETING

On a motion by Commissioner Merrifield, seconded by Commissioner Malcolm, the Board adopted the draft agenda for July 11, 2017 as presented. The motion carried by the following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

PUBLIC HEARING AGENDA

23. [2017-0158](#) AMENDMENT OF SAN DIEGO UNIFIED PORT DISTRICT, PORT OF SAN DIEGO TARIFF NO. 1-G, RATES AND CHARGES, AND UPDATED FORMAT AND LANGUAGE

A) RESOLUTION FINDING THE AMENDMENT TO THE SAN DIEGO UNIFIED PORT DISTRICT, PORT OF SAN DIEGO TARIFF NO. 1-G, RATES AND CHARGES, TO INCREASE RATES, ADD NEW RATES AND ITEMS, AND UPDATE TARIFF FORMAT AND LANGUAGE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) AS SPECIFIED UNDER SECTION 15273 OF THE CEQA GUIDELINES

B) CONDUCT A PUBLIC HEARING AND ADOPT AN ORDINANCE AMENDING THE SAN DIEGO UNIFIED PORT DISTRICT, PORT OF SAN DIEGO TARIFF NO. 1-G, RATES AND CHARGES, ADD NEW RATES AND ITEMS, AND UPDATE TARIFF FORMAT AND LANGUAGE

Josefina Balistrieri, Principal, Maritime, addressed the Board with staff's report and presentation regarding Action Agenda Item 23 - File No. 2017-0158 (A copy of the staff report, presentations and any agenda related materials are on file with the Office of the District Clerk.)

Commissioner Bonelli asked clarifying questions. Ms. Balistrieri, and Joel Valenzuela, Director, Maritime, responded on behalf of staff.

On a motion by Commissioner Malcolm, seconded by Commissioner Merrifield, the Board adopted Item A Resolution 2017-097. The motion carried by the

following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

The following member(s) of the public addressed the Board with agenda related comments: Captain Bill Bartsch, Senior Pilot, was called to speak, in his absence Timothy Deuel, District Clerk, read his statement into record.

On a motion by Commissioner Merrifield, seconded by Commissioner Castellanos, the Board adopted Item B Ordinance 2894. The motion carried by the following vote:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

24A. [2017-0129](#) CONDUCT PUBLIC HEARING AND ADOPT AN ORDINANCE ADOPTING THE FISCAL YEAR 2018 FINAL BUDGET

Robert DeAngelis, CFO/Treasurer, addressed the Board with staff's report and presentation regarding Action Agenda Item 24A - File No. 2017-0129 (A copy of the staff report, presentations and any agenda related materials are on file with the Office of the District Clerk.)

Chairman Valderrama asked a clarifying question, Simon Kann, Deputy General Counsel, General Counsel's Office, responded on behalf of staff.

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

On a motion by Commissioner Castellanos, seconded by Commissioner Bonelli, the Board adopted Ordinance 2895. The motion carried by the following vote:

Yeas: 5 - Bonelli, Castellanos, Malcolm, Moore, and Valderrama

Nays: 0

Excused: 2 - Merrifield, and Zucchet

Absent: 0

Abstain: 0

Recused: 0

- 24B.** [2017-0260](#) ORDINANCE AMENDING SALARY ORDINANCE NO. 2868 AND RESOLUTION ESTABLISHING THE SAN DIEGO UNIFIED PORT DISTRICT (DISTRICT) DIRECTORY OF CLASSIFICATION SPECIFICATIONS FOR FY 2017/2018

On a motion by Commissioner Castellanos, seconded by Commissioner Bonelli, the Board adopted Ordinance 2896 and Resolution 2017-098. The motion carried by the following vote:

Yeas: 5 - Bonelli, Castellanos, Malcolm, Moore, and Valderrama

Nays: 0

Excused: 2 - Merrifield, and Zucchet

Absent: 0

Abstain: 0

Recused: 0

- 9.** [2017-0172](#) A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO BLUE ECONOMY AGREEMENTS OR BLUE ECONOMY AGREEMENTS IN SUBSTANTIAL CONFORMANCE THEREWITH, THROUGH THE DISTRICT'S BLUE ECONOMY INCUBATOR WITH:
1. SAN DIEGO BAY AQUACULTURE LLC. FOR A 5-YEAR PILOT PROJECT TO DEMONSTRATE SHELLFISH AQUACULTURE NURSERY OPERATIONS AND MANAGE THE FLOATING UPWELLER SYSTEM; AND
 2. RED LION CHEM TECH LLC. FOR A 1-YEAR PILOT PROJECT TO DEMONSTRATE COPPER REMEDIATION APPLICATIONS FOR A TOTAL AMOUNT NOT TO EXCEED \$165,000; AND
 3. RENTUNDER AB. FOR A 2-YEAR PILOT PROJECT TO DEMONSTRATE A DRIVE-IN BOATWASH TECHNOLOGY FOR A TOTAL AMOUNT NOT TO EXCEED \$140,000; AND
 4. SWELL ADVANTAGE LTD. FOR A 1-YEAR PILOT PROJECT TO REFINE DEVELOPMENT OF A SMART MARINA SOFTWARE AND SMART PHONE APPLICATION FOR A TOTAL AMOUNT NOT TO EXCEED \$100,000
- B) RESOLUTION AWARDED A SOLE SOURCE AGREEMENT TO SNOW & COMPANY, INC. FOR THE PURCHASE AND INSTALLATION OF A CUSTOM-MADE FLOATING UPWELLER SYSTEM (FLUPSY) FOR SHELLFISH AQUACULTURE NURSERY OPERATIONS IN AN AMOUNT OF \$351,600 PURSUANT TO BPC POLICY NO. 110 SECTION III.E.

C) RESOLUTION AMENDING THE FY 16/17 BUDGET BY TRANSFERRING \$351,600 FROM THE AQUACULTURE AND BLUE TECHNOLOGY NON-PERSONNEL EXPENSE BUDGET APPROPRIATION TO THE EQUIPMENT OUTLAY BUDGET APPROPRIATION, PURSUANT TO BPC POLICY NO. 90, TO PURCHASE THE FLUPSY

Due to public's request for comment on this item, Item 9. File No. 2017-0172 was pulled from the Consent Agenda.

Greg Murphy, Executive Director, The Maritime Alliance; Sharon Cloward, President, San Diego Port Tenants Association; John Adriany, Technical Consultant, Shelter Island Master Leaseholders Group/TMDL; Deborah Pennell, Chair, Shelter Island Master Leaseholders Group/TMDL; and John McNeece, Board Member, The Maritime Alliance.

Commissioner Castellanos, Commissioner Moore, Commissioner Malcolm, and Commissioner Merrifield asked clarifying questions, offered varied comments, and responded to public comments. Philippe Leblanc, Program Manager, Aquaculture & Blue Tech, Rebecca Harrington, Deputy General Counsel, General Counsel's Office, Ellen Gross, Assistant General Counsel, General Counsel's Office, Simon Kann, Deputy General Counsel, General Counsel's Office, and President Coniglio responded on behalf of staff.

On a motion by Commissioner Castellanos seconded by Commissioner Malcolm, the Board adopted Resolution 2017-085, Resolution 2017-086, and Resolution 2017-087. The motion carried as follows:

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

Nays: 0

Excused: 1 - Zucchet

Absent: 0

Abstain: 0

Recused: 0

OFFICER'S REPORT

25. [2017-0313](#) MONTHLY NOTIFICATION REPORTS

Monthly Notification of Change Orders Pursuant to BPC Policy No. 110:

A) Change Order No. 2 to Contract No. 2014-29 with Reyes Construction, Inc. / Increases Contract by \$15,560.00

B) Change Order No. 1 to Contract No. 2017-09 with DFS Flooring / Increases Contract by \$877.00

C) Change Order No. 2 to Contract No. 2016-40 with SD Remodeling / Reconciliation - Increases Contract by \$11,865.00

D) Change Order No. 3 to Contract No. 2014-29 with Reyes Construction,

Inc. / \$838,647.20 Increase & 75 Calendar Day Time Extension thru 09/09/17

Monthly Notification of Cost Recovery User Fee Waivers Granted by the Executive Director Pursuant to BPC Policy No. 106:

- A) Request for User Fee Waiver Form from Roman Catholic Bishop of San Diego for Roman Catholic Bishop of San Diego TUOP, for total amount \$500.00
- B) Request for User Fee Waiver Form from Duncan McIntosh Company, Inc. for San Diego International Boat Show, for total amount \$19,190.00

Monthly Notification of Rent Reviews Completed 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

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

ATTEST:

Clerk of the San Diego Unified Port District,