



Legislation Details (With Text)

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Title: RESOLUTION AUTHORIZING AMENDMENT NO.1 TO AGREEMENT WITH DESIGN SPACE MODULAR BUILDINGS, INC. TO LEASE TEMPORARY OFFICE SPACE FOR DISTRICT STAFF AT THE TENTH AVENUE MARINE TERMINAL, EXTENDING THE TERM OF THE AGREEMENT TO NOVEMBER 14, 2022, WITH A 12-MONTH OPTIONAL TERM THAT SHALL TERMINATE ON NOVEMBER 14, 2023, INCREASING THE AGREEMENT AMOUNT BY \$190,273.32 TO A NEW NOT-TO-EXCEED AMOUNT OF \$364,552.91, INCLUDING THE GRANTED OPTIONAL TERM.

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Attachments: 1. 10. 2020-0334 Attachment A, 2. 10. 2020-0334 Draft Resolution

Date	Ver.	Action By	Action	Result
10/6/2020	1	Board of Port Commissioners	adopted	

DATE: October 6, 2020

SUBJECT:

RESOLUTION AUTHORIZING AMENDMENT NO.1 TO AGREEMENT WITH DESIGN SPACE MODULAR BUILDINGS, INC. TO LEASE TEMPORARY OFFICE SPACE FOR DISTRICT STAFF AT THE TENTH AVENUE MARINE TERMINAL, EXTENDING THE TERM OF THE AGREEMENT TO NOVEMBER 14, 2022, WITH A 12-MONTH OPTIONAL TERM THAT SHALL TERMINATE ON NOVEMBER 14, 2023, INCREASING THE AGREEMENT AMOUNT BY \$190,273.32 TO A NEW NOT-TO-EXCEED AMOUNT OF \$364,552.91, INCLUDING THE GRANTED OPTIONAL TERM.

EXECUTIVE SUMMARY:

The San Diego Unified Port District (District) has an agreement to lease from Design Space Modular Buildings Inc. (Design Space) temporary modular office facilities for Maritime staff at the Tenth Avenue Marine Terminal (TAMT). The temporary offices are necessary, with the demolition of Transit Shed 2, which previously housed Maritime staff offices. The demolition of Transit Shed 2 was part of the Transportation Infrastructure Generating Economic Recovery (TIGER) project for the redevelopment of TAMT.

The current agreement with Design Space Modular Buildings, Inc. for temporary modular office facilities will end on December 6, 2020. Since a permanent office location solution has not been identified for Maritime staff at this time, the action requested will authorize Amendment No.1 to the agreement, extending the end date to November 14, 2023 and increasing the agreement amount by \$190,273.32 for a new total of \$364,552.91, including an optional one-year term extension.

RECOMMENDATION:

Adopt a Resolution authorizing Amendment No. 1 for temporary office space at Tenth Avenue Marine Terminal that will provide the District's Maritime Department office space for administrative and terminal operations staff.

FISCAL IMPACT:

The proposed agreement amendment amount of \$190, 273.32 with Design Space Modular Buildings, Inc., increases the total contract amount from \$174,279.59 to \$364,552.91. For the current Fiscal Year, this amendment will be funded from the Maritime's approved FY 2021 budget for equipment rental.

Funds required for future fiscal years will be budgeted for in the appropriate year subject to Board approval upon adoption of each fiscal year's budget.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A thriving and modern maritime seaport.
- A Port that is a safe place to visit, work and play.
- A Port with an innovative and motivated workforce.

DISCUSSION:

In July 2016, the Board accepted a \$10 million Transportation Investment Generating Economic Recovery (TIGER) grant and approved an additional allocation of \$14M to complete the initial phase project of the redevelopment of the Tenth Avenue Marine Terminal (TAMT). The project consisted of the demolition of two obsolete transit sheds (Transit Sheds 1 and 2), surface improvements, an upgraded stormwater treatment system, and rail improvements.

Project construction commenced in December 2017 and was recently completed in June of 2020. To accommodate the demolition of Transit Shed 2, which housed Maritime staff offices at its headhouse, Maritime staff had to be relocated. The relocation and construction of permanent Maritime staff offices was originally part of the project scope; however, due to budgetary constraints, was initially re-sequenced and then ultimately removed from the project scope. It therefore became necessary to relocate Maritime staff to temporary modular office facilities until a permanent solution for staff offices could be identified.

On August 31, 2018 the District issued a Request for Proposal (RFP) for Temporary Office Space at Tenth Avenue Marine Terminal and Design Space Modular Buildings, Inc. was selected. On December 7, 2018 the District commenced an agreement with Design Space Modular Buildings, Inc. to lease temporary modular office structures at Tenth Avenue Marine Terminal, for a total not to exceed \$174,279.59. This amount included initial configuration and set-up, monthly rental, and removal. The agreement is valid through December 6, 2020.

Since permanent office facilities have not been identified for Maritime staff, the agreement with

Design Space needs to be amended to facilitate continued use of temporary office space. The proposed amendment will extend the agreement to November 14, 2023, including an optional one-year term, and increase the total amount by \$190,273.32 for a new total of \$364,552.91.

General Counsel's Comments:

The Office of the General Counsel has reviewed and approved this agenda, the proposed amendment, and resolution, as presented, as to form and legality.

Environmental Review:

The proposed Board action, including without limitation, a resolution authorizing an amendment to an agreement for temporary office space at Tenth Avenue Marine Terminal was adequately covered in the Final Environmental Impact Report (FEIR) for the Tenth Avenue Marine Terminal Redevelopment Plan and Demolition and Initial Rail Component Project (SCH #2015-031046, Clerk Document No. 65901), prepared and adopted/certified by the District on December 13, 2016 (Resolution No. 2016-199), Addendum No. 1 to the FEIR for the Demolition and Initial Rail Component Project (Clerk Document No. 67004), adopted/certified by the District on July 11, 2017 (Resolution No. 2017-0100), and Addendum No. 2 to the FEIR for the Implementation and Installation of a Renewable Microgrid Project (Clerk Document No. 65901), adopted certified by the District on April 10, 2018 (Resolution No. 2018-061). The EIR and Addendum analyzed a 5,000 square feet permanent office facility and the temporary office space is approximately the same size (5,040 sq. ft) and would be of similar capacity. Therefore, it falls within the analysis of the EIR and Addendum. The proposed project is not a separate "project" for CEQA purposes but is a subsequent discretionary approval related to a previously approved project. (CEQA Guidelines § 15378(c); *Van de Kamps Coalition v. Board of Trustees of Los Angeles Comm. College Dist.* (2012) 206 Cal.App.4th 1036.) Additionally, pursuant to CEQA Guidelines Sections 15162 and 15163, and based on the review of the entire record, including without limitation, the FEIR and addendums, the District finds and recommends that the proposed Board actions do not require further environmental review as: 1) no substantial changes are proposed to the project and no substantial changes have occurred that require major revisions to the FEIR and addendums due to the involvement of new significant environmental effects or an increase in severity of previously identified significant effects; and 2) no new information of substantial importance has come to light that (a) shows the Project will have one or more significant effects not discussed in the FEIR and addendums, (b) identifies significant impacts would not be more severe than those analyzed in the FEIR and addendums, (c) shows that mitigation measures or alternatives are now feasible that were identified as infeasible and those mitigation measures or alternatives would reduce significant impacts, and (d) no changes to mitigation measures or alternatives have been identified or are required. Because none of these factors have been triggered, the District has the discretion to require no further analysis or environmental documentation (CEQA Guidelines §15162(b)). Pursuant to CEQA Guidelines §15162(b), the District finds and recommends that no further analysis or environmental documentation is necessary. Accordingly, the proposed Board action is merely a step in furtherance of the original project for which environmental review was performed and no supplemental or subsequent CEQA has been triggered, and no further environmental review is required.

The proposed Board action complies with sections 21, 35, and 87 of the Port Act, which allow for the Board to pass resolutions, to do all acts necessary and convenient for the exercise of its powers, and

for the establishment, improvement, and conduct of a harbor, and for the construction, reconstruction, repair, maintenance, and operation of wharves, docks, piers, slips, quays, and all other works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient, for the promotion and accommodation of commerce and navigation. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board action was covered in the Coastal Development Permit (CDP) (CDP 2016-09) for the Tenth Avenue Marine Terminal Redevelopment Plan and Demolition and Initial Rail Component Project, issued on December 13, 2016 (Resolution No. 2016-201); amendment no. 1 to the CDP for the Demolition and Initial Rail Component Project, issued on July 11, 2017 (Resolution No. 2017-101); and amendment no. 2 to the CDP for the Implementation and Installation of a Renewable Microgrid Project, issued on April 10, 2018 (Resolution No. 2018-062). The proposed Board action is consistent with the projects analyzed in the CDP and subsequent amendments. No additional action under the California Coastal Act is required at this time.

Equal Opportunity Program:

Due to limited known sub opportunities, no SBE goal was established for this Agreement.

PREPARED BY:

Joel Valenzuela
Director, Maritime

Attachment(s):

Attachment A: Amendment No. 1 for Agreement 251-2018MA with Design Space Modular Buildings, Inc.