

**RESOLUTION 2017-086**

**RESOLUTION AWARDING 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.**

**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 1, (Port Act); and

**WHEREAS**, on May 9, 2016, the District launched the Blue Economy incubator inviting early stage and market-ready ventures that align with the incubator objectives to submit applications and business proposals on a continuous basis; and

**WHEREAS**, the District received multiple inquiries and seven official proposals, of which, four were deemed complete and were moved forward for consideration under a four step competitive review process; and

**WHEREAS**, after completion of the competitive selection process, staff recommends that the Board of Port Commissioners (BPC) authorize an agreement with San Diego Bay Aquaculture, to operate a Floating Upweller Nursery System (FLUPSY) for the pilot shellfish aquaculture nursery operations for 5 years; and

**WHEREAS**, staff is also recommending entering into an agreement for the purchase and installation of a custom-made FLUPSY from Snow & Company, Inc. Seattle, WA; and

**WHEREAS**, the installation of a FLUPSY has independent utility from SDA proposal and represents a key asset for the District in advancing its shellfish aquaculture program; and

**WHEREAS**, the FLUPSY is a type of equipment only available from a single source, Snow & Company Inc.; and

**WHEREAS**, each FLUPSY is uniquely designed, fabricated and built to specifications at each location used; and

**WHEREAS**, the purchase of a FLUPSY by a non-competitive proposal/agreement is sought because this type of equipment is only available

from a single source; and

**WHEREAS**, the agreement includes the District investment in the FLUPSY asset in the amount of \$351,600, with the District providing certain permit rights, and use of District-owned property and/or equipment in exchange for a percentage of revenue from the pilot project and other consideration; and

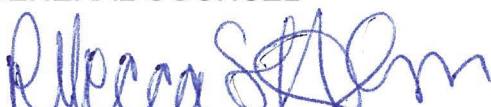
**WHEREAS**, BPC Policy No. 110 Section III.E. authorizes single or sole source purchases in excess of \$175,000 subject to BPC approval; and

**WHEREAS**, BPC Policy No. 110 Section III.E. requires a single source or sole source justification memorandum detailing the reasons the agreement cannot be competed and said memorandum is provided as Attachment F to the corresponding agenda sheet; and

**WHEREAS**, staff recommends awarding a sole source agreement to Snow & Company, Inc. as this action will help advance the planning and pre-development work necessary to establish permit-ready infrastructure to support potential shellfish aquaculture in San Diego Bay.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Port Commissioners of the San Diego Unified Port District, authorizes the Executive Director or her designated representative to enter into a sole source agreement with 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 Board of Port Commissioners Policy 110 Section III.E.

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 20<sup>th</sup> day of June, 2017, by the following vote:

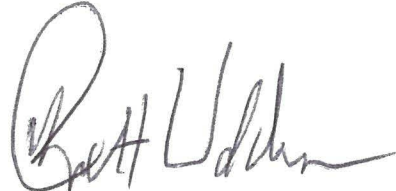
AYES: Bonelli, Castellanos, Malcolm, Merrifield, Moore, and Valderrama

NAYS: None.

EXCUSED: Zucchet

ABSENT: None.

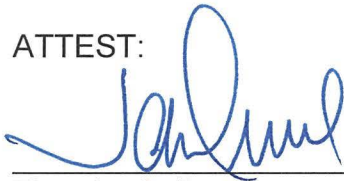
ABSTAIN: None.



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Robert Valderrama, Chair  
Board of Port Commissioners

ATTEST:



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Timothy A. Deuel  
District Clerk

(Seal)