

## **RESOLUTION 2018-018**

### **RESOLUTION AUTHORIZING AGREEMENT WITH H.P. PURDON & COMPANY, INC. FOR SPONSORSHIP OF 2018 JULY 4th BIG BAY BOOM FIREWORKS SHOW IN THE AMOUNT OF \$180,000 IN FUNDING AND \$140,185 IN DISTRICT SERVICES FOR A MAXIMUM AMOUNT NOT TO EXCEED \$320,185**

**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**, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials, and equipment, and grants; and

**WHEREAS**, the Big Bay Boom July 4th Fireworks Show ("Show") is one of the highlights of the summer in the San Diego area, drawing hundreds of thousands of visitors—local and out-of-region—to San Diego Bay and the waterfront; and

**WHEREAS**, the Show generates substantial economic and promotional impact through visitor spending and strong media exposure; and

**WHEREAS**, the 2018 Show is anticipated to be viewed by approximately 500,000 people in person and on live television; and

**WHEREAS**, the Show has been an annually recurring event for the last 17 years, and fireworks for the Show have historically been discharged from four barges in North San Diego Bay that are located near Seaport Village, the Embarcadero, Harbor Island, and Shelter Island; and

**WHEREAS**, the original applicant for District's Tidelands Activation Program (TAP) sponsorship of the 2018 Show was the Armed Services YMCA of the USA – San Diego Branch (ASYMCA) which requested \$200,000 in funding and \$140,185 in District services, and has requested that the District sponsorship for the 2018 Show be granted to H.P. Purdon & Company Inc. (H.P. Purdon) the producer of the event; and

**WHEREAS**, H.P. Purdon has agreed to assume the ASYMCA sponsorship; and

**WHEREAS**, after reviewing the sponsorship application, District staff and the Port of San Diego Tidelands Activation Program Advisory Committee, recommended \$145,000 in funding be approved by the Board; and

**WHEREAS**, on May 25, 2017, the BPC adopted Resolution #2017-076, approving sponsorship funding for the 2018 Show in the amount of \$160,000, and directed District staff to obtain an economic impact analysis of the Show; and

**WHEREAS**, on May 25, 2017, the BPC approved Article 14 of the San Diego Unified Port District Code, the District Fireworks Ordinance, governing fireworks displays that require a discretionary approval from the District; and

**WHEREAS**, costs for producing the Show continue to rise at a higher rate than does the event's income; and

**WHEREAS**, the cost of fireworks for the 2018 Show are anticipated to increase by 20%, or over \$35,000 above the costs of the 2017 Show, and the cost of the tugs and barges that are used has also increased by 20% or \$13,000 in the past two years; and

**WHEREAS**, as a result of the establishment of the District Fireworks Ordinance, H.P. Purdon will not be required to conduct water sampling and analysis or marine mammal monitoring in conjunction with the 2018 Show, as required in past years, which will result in estimated cost savings between \$12,000 and \$40,000 for the 2018 Show; and

**WHEREAS**, H.P. Purdon will be required to obtain a permit and comply with the provisions of the District Fireworks Ordinance, and obtain all other permits and approvals required by law, including approvals and permits required under the California Coastal Act; and

**WHEREAS**, as a result of increased costs associated with the 2018 Show, District staff recommends that the BPC increase funding by \$20,000, for a maximum of \$180,000 in funding and \$140,185 in District services, for a maximum amount payable under the agreement of \$320,185, and with H.P. Purdon required to complete an economic impact analysis of the 2018 Show at its sole expense.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Executive Director or her designated representative is hereby authorized and directed on behalf of the San Diego Unified Port District to enter into an agreement with H.P. Purdon & Company, Inc. for sponsorship of 2018 July 4th Big Bay Boom Fireworks Show in the amount of \$180,000 in funding and

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\$140,185 in District services for a maximum amount payable under the agreement not to exceed \$320,185.

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 9<sup>th</sup> day of January, 2018, by the following vote:

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

NAYS: None.


EXCUSED: Zucchet

ABSENT: None.

ABSTAIN: None.

  
Rafael Castellanos, Chairman  
Board of Port Commissioners

ATTEST:

  
Donna Morales  
District Clerk

(Seal)