

FILE NUMBER: 2024-350

DATE: Tuesday, September 10, 2024

SUBJECT: Memorandum Of Understanding with the Port of Ensenada for 20th Year Anniversary Sister Port Commemoration

DESCRIPTION: Adopt a Resolution Authorizing a new Memorandum of Understanding with the Port of Ensenada to Commemorate the 20th Year Anniversary of the Sister Port Relationship Between the Port of Ensenada and the Port of San Diego and Update Areas of Collaboration and Cooperation

EXECUTIVE SUMMARY:

On August 31, 2004, representatives from the Ports of San Diego and Ensenada met to sign a Memorandum of Understanding to formalize a sister-port relationship and commence discussions on areas of mutual benefit. These areas included commercial cargo, cruise business, tourism, and fishing activities.

The proposed new MOU (Attachment A) would commemorate and reaffirm the 20-year relationship and signify the work being done between the ports in support of a potential ferry service between Ensenada and San Diego, as well as cruise business marketing, aquaculture, and other mutual beneficial areas as agreed upon by both parties.

A celebration to commemorate the 20th anniversary of the original MOU signing will be held at the Port's Broadway Pier Pavilion on September 25, 2024 wherein a ceremonial signing of the new MOU will be held.

RECOMMENDATION:

Adopt a resolution authorizing a new Memorandum of Understanding with the Port of Ensenada to commemorate the 20th year anniversary of the Sister Port Relationship between the Port of San Diego and the Port of Ensenada and update areas of collaboration and cooperation.

FISCAL IMPACT:

The MOU in and of itself does not have any fiscal impact. Funds for the 20th Anniversary Commemoration event are included in the Fiscal Year 2025 Budget.

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COMPASS STRATEGIC GOALS:

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

- A thriving and modern maritime seaport.
- A vibrant waterfront destination where residents and visitors converge.

- A Port with a comprehensive vision for Port land and water uses integrated to regional plans.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

Due to their geographic and trade lane proximity and similarities, the Ports of San Diego and Ensenada have forged an informal working relationship over the years. Based on current and historical discussions, areas of mutual interest include a potential passenger ferry service between Ensenada and San Diego, cruise marketing and development, and aquaculture.

Recently, staff members of both ports have engaged in reciprocal visits and discussions to evaluate a potential ferry service noted above. There have been notable developments in the last two years in this regard. The entities currently involved in this effort include Azteca Ferries (a private Mexican entity), the Port of Ensenada, U.S. Customs and Border Protection, the United States Coast Guard, California Air Resources Board, and the District. While there are still several significant approvals and tasks remaining to begin operations, Azteca Ferries has purchased an existing international ferry vessel (Victoria Clipper IV) which is in dry dock undergoing system and engine upgrades. California Air Resources Board has given Azteca Ferries tentative approval for the vessel to operate in state waters under the condition that the vessel's engines are upgraded to the cleanest tier, "tier IV". Vessel upgrades are tentatively set for completion in later this year. After the retrofit, the U.S. Coast Guard can begin its certification process. U.S. Customs and Border Protection is also assessing the Port Pavilion on Broadway Pier to identify potential required upgrades to clear ferry passengers into the United States. Pending approvals from all concerned agencies, ferry service is tentatively scheduled to begin no earlier than 2025.

The new Memorandum of Understanding will formalize the working discussions taking place regarding the proposed ferry service as well as other areas of mutual interest.

A celebration to commemorate the 20th anniversary of the original MOU signing will be held at the Port's Broadway Pier Pavilion on September 25, 2024 wherein a ceremonial signing of the new MOU will be held.

General Counsel's Comments:

The Office of the General Counsel has reviewed and approve this agenda and proposed MOU, as presented, as to form and legality.

Environmental Review:

The proposed Board action, including without limitation adopting a resolution authorizing a new Memorandum of Understanding with the Port of Ensenada (Resolution 2004-92)

to commemorate the 20th year anniversary of the Sister Port relationship between the Port of Ensenada and the Port of San Diego and update areas of collaboration and cooperation, does not constitute a project under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because there is not a potential to result in a direct or indirect physical change in the environment. Therefore, the proposed Board action is not subject to CEQA and no further action under CEQA is required.

The proposed Board action complies with Section 21 and 35 of the Port Act, which allow for the Board to pass resolutions and to do all acts necessary and convenient for the exercise of its powers. 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 does not allow for development, as defined in Section 30106 of the California Coastal Act, or new development, pursuant to Section 1.a. of the District's Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or an exclusion finding is not required.

Diversity, Equity, and Inclusion Program:

This agenda sheet has no direct DEI impact on District workforce or contract reporting at this time.

PREPARED BY:

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Attachment(s):
Attachment A: Sister Ports MOU