

FILE NUMBER: 2025-256

DATE: Tuesday, December 9, 2025

SUBJECT: Indemnity for Vendors Associated with the July 4, 2026 Big Bay Boom Fireworks Show

DESCRIPTION: Resolution Authorizing the District to Grant Indemnity to the Vendors Associated with the July 4, 2026 Big Bay Boom Fireworks Show

EXECUTIVE SUMMARY:

The District has been the proud title sponsor of the Big Bay Boom Fireworks Show (Big Bay Boom) since its inception over 24 years ago. The Big Bay Boom is a free public event that brings an estimated 400,000 people to the waterfront to celebrate the country's Independence Day. The most recent economic impact report estimated that in 2024, the Big Bay Boom generated an economic impact of \$100 million, as well as \$22 in tenant revenue for every dollar the District provided in sponsorship.¹ The District also benefits from the promotional impact of the event's media exposure, which includes a 2-hour program on Fox 5.

Due to growing environmental concerns, the California Coastal Commission (Coastal Commission) required issuance of a Coastal Development Permit (CDP) for last year's Big Bay Boom event on July 4, 2025. On February 6, 2025, the Coastal Commission unanimously approved a two-year CDP, which authorized the Big Bay Boom on July 4, 2025 and July 4, 2026 (Attachment A – Notice of Intent to Issue Coastal Development Permit). The CDP requires additional noise, water, and biological monitoring of the event, which updates and strengthens the best management practices and environmental mitigation measures established in the District's Fireworks Display Ordinance.²

Similar to last year, the District plans to enter into service agreements directly with several vendors to produce the event. Staff plans to enter into agreements with the following vendors: HP Purdon Company for production support services; Pyro Spectaculars, Inc. for fireworks production; Pacific Maritime Group, Inc. for barges in support of the fireworks production; and the San Diego Fleet Week Foundation for fundraising services. As part of their agreements to produce the event, these vendors require the contracting party to indemnify and hold harmless against any losses associated with the Big Bay Boom event. Board Policy No. 110 requires action by the Board to grant indemnity when the District enters into agreements with third parties. Therefore, staff is requesting authorization from the Board to grant indemnity to the vendors associated with the July 4, 2026 Big Bay Boom event.

As with prior Big Bay Boom events, staff from multiple departments will work to ensure compliance with the District's Fireworks Display Ordinance and the CDP issued for the event.

RECOMMENDATION:

Adopt a Resolution Authorizing the District to Grant Indemnity to Vendors Associated with the July 4, 2026 Big Bay Boom Fireworks Show.

FISCAL IMPACT:

This agenda item will have no fiscal impact.

COMPASS STRATEGIC GOALS:

The Big Bay Boom is viewed by an estimated 400,000 people from District tidelands on the waterfront of San Diego Bay, as well as from upland off-tidelands locations, and is viewed via live telecast locally and shown on TV stations in Los Angeles, Sacramento, Fresno, and Bakersfield. Big Bay Boom spectators view the festivities from the District's parks and public spaces along the waterfront and from private and commercial vessels on the bay. A variety of District tenant businesses benefit from this signature event.

The Big Bay Boom Fireworks Show supports the District's mission to be a provider of waterfront activation, economic vitality, and community benefit through water and land recreation.

This agenda item supports the following Strategic Goals.

- A Port that the public understands and trusts.
- A vibrant waterfront destination where residents and visitors converge.
- A Port with a healthy and sustainable bay and its environment.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

Background

The Big Bay Boom has thrilled people along the San Diego waterfront for over 24 years. It is an annual event that celebrates the nation's Independence Day every 4th of July and it serves as the District's largest activation event. The show consists of fireworks discharged simultaneously from four barges located in north San Diego Bay near Seaport Village, the Embarcadero, Harbor Island, and Shelter Island, synchronized with themed music broadcast by a local radio partner. The event lasts for approximately 20 minutes and is the largest fireworks show on the west coast.

In May 2017, the Board certified a Final Environmental Impact Report (FEIR)³ for fireworks display events and adopted an accompanying Fireworks Display Ordinance to reduce the potential impacts fireworks may have on the environment. These two documents imposed a broad range of requirements and mitigation measures on fireworks shows, including the Big Bay Boom.

In fall 2024, the Coastal Commission stated it would no longer allow exemptions for firework events, and that a Coastal Development Permit would be required. On February 6, 2025, the Coastal Commission unanimously approved a two-year Coastal

Development Permit (CDP 6-24-0806) for the Big Bay Boom fireworks shows for July 4, 2025 and July 4, 2026. In addition to the environmental mitigation measures required by the District, the CDP imposed additional environmental requirements, including:

- Sound monitoring of the California least terns at the San Diego International Airport
- Pre- and post-event water quality testing
- Firework debris surveys and clean-up at the bottom of San Diego Bay after the event.
- Cumulative reduction in annual fireworks pounds allowed in San Diego, yielding a 15% reduction in 2025 and a 20% reduction in 2026
- Preparation of a Drone Implementation Study that evaluates public safety, potential environmental impacts, and a timeframe to activate Port tidelands on Independence Day as an alternative to, or in addition to, a reduced scale fireworks show.

Last March 2025, the District staff was notified that the Armed Services YMCA (ASYMCA) would no longer be serving in the capacity of the event organizer. Due to importance of the Big Bay Boom event to the Port of San Diego and the region, District staff initiated steps to produce the July 4, 2025 Big Bay Boom last year. This included entering into agreements directly with several vendors.

For the July 4, 2026 Big Bay Boom event, staff intends to enter into agreements with three of the same vendors as last year, which includes: HP Purdon Company for production support services; Pyro Spectaculars, Inc. for fireworks production; and Pacific Maritime Group, Inc. for barges in support of the fireworks production. However, the District plans to enter into an agreement with San Diego Fleet Week Foundation for fundraising services this year, instead of the ASYMCA.

Similar to last year, these vendors require the contracting party to indemnify and hold them harmless against any losses associated with the Big Bay Boom event, as part of their agreements to produce the event. Board Policy No. 110 requires action by the Board to grant indemnity when the District enters into agreements with third parties. Therefore, staff is requesting authorization from the Board to grant indemnity to the vendors associated with the July 4, 2026 Big Bay Boom event.

As with prior events, the Parks & Recreation department has administered permitting for the Big Bay Boom, as well as sponsorship of the event in accordance with BPC Policy No. 771 – Tidelands Activation Programs (TAP). Several departments, however, are responsible for ensuring that the event complies with the District's Fireworks Display Ordinance and with the environmental mitigation measures identified in the certified FEIR, as well as the requirements identified in the CDP. Every year, staff work hard to ensure the Big Bay Boom complies with these environmental requirements, and that it is a fun and safe event. This includes staff from the following departments:

- Development Services
- Environmental Conservation
- Environmental Protection
- Harbor Police
- Homeland Security

- Field Operations
- Parks & Recreation
- Planning

Conclusion

As noted earlier, the most recent economic impact report estimated that in 2024, the Big Bay Boom drew 400,000 people to the waterfront and generated a total economic impact of \$100 million, representing a 34% increase above the 2022 event. The report estimated the District's 2024 sponsorship investment generated an estimated return on investment (ROI) of \$22.16. Put more simply, for every dollar the District provided in sponsorship, it returned approximately \$22 in tenant revenue.

Although the District's overall involvement has increased for the Big Bay Boom Fireworks show in 2025 and 2026, staff are confident that investment in this cherished San Diego tradition will continue to generate substantial levels of positive financial and promotional impact for the District, its tenants, and the San Diego region.

General Counsel's Comments:

The Office of the General Counsel has reviewed this staff report and the attachments as presented to it and approves them as to form and legality.

Environmental Review:

The proposed Board action, including without limitation a resolution authorizing the District to grant indemnity to the vendors associated with the July 4, 2026 Big Bay Boom Fireworks Show, was adequately analyzed in the Final Environmental Impact Report (FEIR) for the San Diego Bay and Imperial Beach Oceanfront Fireworks Display Events Project (UPD#EIR-2015-115; SCH #2015081013, Clerk Document No. 66738) prepared and certified by the District on May 25, 2017 (Resolution No. 2017-075). 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 § 15162 and § 15163, and based on the review of the entire record, including without limitation, the FEIR, the District finds and recommends that the proposed Board action does 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 previous FEIR 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 previous FEIR, (b) identifies significant impacts more severe than those analyzed in the previous FEIR, (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, or (d) shows mitigation measures or alternatives which are considerably different from those analyzed in the previous FEIR would substantially reduce one or more significant effects on the

environment. Because none of these factors have been triggered, pursuant to CEQA Guidelines § 15162(b), the District has determined no further analysis or environmental documentation is necessary. Accordingly, the proposed Board action is merely a step in the 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 Section 87 of the Port Act, which allows for the construction, reconstruction, repair, maintenance, and operation of public buildings, public assembly and meeting places, convention centers, parks, playgrounds, bathhouses and bathing facilities, recreation and fishing piers, public recreation facilities, including, but not limited to, public golf courses, and for all works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient for the promotion and accommodation of any of those uses. 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 project site is within the coastal development permitting jurisdiction of the California Coastal Commission (CCC). As such, on February 6, 2025, the CCC approved Coastal Development Permit (CDP) No. 6-24-0806 for development consisting of conducting a fourth of July fireworks show approximately 20-minutes in duration from four barges with eight support boats located in San Diego Bay. A Notice of Intent to Issue Permit was issued by California Coastal Commission on February 13, 2025, explaining that the CDP will become effective once the Applicants have fulfilled each of the “prior to issuance” Special Conditions. The proposed Board action is consistent with the CDP. No additional action under the California Coastal Act is required at this time.

Diversity, Equity, and Inclusion Program:

Not applicable.

PREPARED BY:

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Attachment(s):

Attachment A: Notice of Intent to Issue Coastal Development Permit

Endnotes

¹ 2024 San Diego Big Bay Boom Economic Impact Report. Prepared for Armed Services YMCA. Prepared by BW Research.

² Ordinance 2892 Establishing the “San Diego Unified Port District Fireworks Display Event Ordinance” as Article 14 of the San Diego Unified Port District Code to Govern Existing and Proposed Fireworks Displays. Passed and adopted May 25, 2017.

³ Port of San Diego Final Environmental Impact Report. San Diego Bay and Imperial Beach Oceanfront Fireworks Display Events Project. (May 2017). UPD #EIR-2015-115; SCH #2015081013.