



Special Closed and Regular Public Session of January 23, 2024

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Stephen Reed	Chair
Reed Geisreiter	Vice-chair
Toby Goddard	Commissioner
Dennis Smith	Commissioner
Daren Gertler	Commissioner

SPECIAL PUBLIC SESSION – 4:00 PM

Chair Reed convened the special public session at 4:00 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA.

1. Oral Communication
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) §54956.8

At 4:00 PM, Chair Reed announced that the Commission will meet in closed session to discuss agenda items 3 and 4.

SPECIAL CLOSED SESSION

3. Conference with Real Property Negotiators
Property: 616 Atlantic Avenue
Agency Designated Representative: H. MacLaurie
Under Negotiation: Lease
4. Conference with Real Property Negotiators
Property: 132 Fairview Place
Agency Designated Representative: H. MacLaurie
Negotiating Parties: U.S. Coast Guard
Under Negotiation: Real Property

SPECIAL PUBLIC SESSION

5. Action and Vote Disclosure after Closed Session Pursuant to Government Code (Ralph M. Brown Act) §54957.1

Chair Reed announced that the Commission took no reportable action in closed session on items 3 and 4. Chair Reed adjourned the special open session following the closed meeting at 5:25 PM.

REGULAR PUBLIC SESSION – 5:30 PM

Chair Reed convened the regular public session at 5:30 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz CA (hybrid meeting platform).

6. Pledge of Allegiance
7. Oral Communication

Chair Reed started the meeting with a moment of silence in remembrance of former Port Director Brian Foss.

Chair Reed announced that the Commission took no reportable action in closed session on items 3 and 4.

In response to a question posed by slip renter, Joseph Altmann, Port Director MacLaurie stated that various inner harbor locations, like the A-Dock fairway, can be considered for inclusion in the 2024-25 dredge plan.

CONSENT AGENDA

8. Approval of Minutes
 - a) Special Public Meeting of December 12, 2023

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Smith to approve consent agenda item 8.
- *Motion carried unanimously.*

REGULAR AGENDA

9. Review of Proposal to Purchase a Floating Barge

Discussion: Port Director MacLaurie stated that the Construction / Maintenance Committee met on November 15, 2023, and again on January 11, 2024, to discuss the feasibility of purchasing a spud barge to facilitate in-house pile replacement work. She stated that the Construction / Maintenance Committee was supportive of recommending the purchase proposal to the full Commission for review and deliberation.

The following items were discussed:

- Equipment needs
- Cost analysis
- Equipment storage
- Staffing
- Additional Benefits

There was consensus among the Commission to pursue the purchase of a floating barge (and ancillary equipment). The Commission directed staff to allocate a portion of funding in the District's upcoming FY25 budget toward the acquisition.

10. Review of General Liability and Wet Property Insurance Coverage

Discussion: Port Director MacLaurie reviewed the Port District's general liability and wet property insurance policies and requested the Commission provide direction on whether there is interest in modifying the District's marine general liability and/or wet property coverage for the upcoming year. The Commission discussed the following options for consideration:

- Decline wet property insurance for docks and piers and recognize a significant cost saving in the FY25 budget.
- Decline wet property insurance for docks and piers and apply the premium savings towards the purchase of additional marine general liability coverage (increase current coverage from \$10 million).

There was consensus among the Commission to direct staff to decline wet property insurance for docks and piers and apply the premium savings towards the purchase of additional marine general liability coverage (increase current coverage from \$10 million to \$16 million, if feasible considering costs).

11. Port District Priorities 2024

Discussion: Port Director MacLaurie stated that the Port District Priorities are reviewed by the Commission on an annual basis and are used to help guide the budget process, provide direction for staff, and assist in tracking accomplishments.

Commissioner Goddard stated that it is his opinion that the stated goals should include specific, measurable outcomes whenever possible.

There was a consensus among the Commission to confirm the 2024 Port District Priorities, with minor language modifications.

12. Approval of Cash / Payroll Disbursements – December 2023

Discussion: In response to questions posed by the Commission, staff provided additional information on the following warrant:

- Warrant # 59151 – Bay Building Janitorial, Inc.
Port Director MacLaurie stated that contract janitorial services have been expanded over the last year, resulting in additional costs. She stated that

a request for proposals for janitorial services will be issued in the coming months with the goal of reducing overall costs.

- Warrant # 59174 – Monterey Bay Marine Facilities Maintenance & Engineering Manager Wulf stated that the District’s workboat experienced a significant engine failure, resulting in unanticipated replacement expenses in the amount of \$8,913.19.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Geisreiter to approve cash and payroll disbursements for December 2023, in the amount of \$672,560.85.
- *Motion carried unanimously.*

INFORMATION

13. Port Director’s Report

Port Director MacLaurie stated that the U.S. Army Corps of Engineers (USACE) has granted the Port District permission to make temporary repairs to the storm-damaged portions of the West Jetty Walkway while they pursue a longer-term fix. Following a brief discussion, the Commission directed staff to explore viable repair options for the storm-damaged walkway for future discussion.

Port Director MacLaurie stated that due to competing priorities and air travel safety concerns, the Port Commission may elect to have staff attend the 2024 California Marine Affairs and Navigation Conference (CMANC) virtually this year. She stated that Congressman Panetta is scheduled for a site visit on February 23, 2024.

14. Harbormaster’s Report

Harbormaster Anderson stated that Congress has approved funding to be released to those impacted by the 2023 California Salmon Fishery Closure.

15. Facilities Maintenance & Engineering Manager’s Report (*There was no discussion on this agenda item*)

16. Review of CalPERS Actuarial Valuation Report

Commissioner Goddard expressed his appreciation for the CalPERS Actuarial Valuation Report and noted that it provides an in-depth review of the District’s Unfunded Accrued Liability (UAL).

17. Committee Assignments 2024 (*There was no discussion on this agenda item*)

18. 2022-2023 Vessel Use List Review (*There was no discussion on this agenda item*)

19. Financial Reports (*There was no discussion on this agenda item*)

- a) Comparative Seasonal Revenue Graph
 - b) Review of FY24 Budget Impacts – Salmon Season Closure
 - c) Quarterly Employee Count as of December 31, 2023
 - d) Quarterly Fuel Sales Report
 - e) Quarterly Boatyard Report
 - f) Quarterly Concession Percentage Rent Report
 - g) LAIF Statement & PMIA/LAIF Performance Report
 - h) CLASS Statement
20. Delinquent Account Reporting (*There was no discussion on this agenda item*)
21. Harbor Patrol Incident Response Report – December 2023 (*There was no discussion on this agenda item*)
22. Written Correspondence (*There was no discussion on this agenda item*)
- a) LAFCO Call for Nominations – Special District Regular and Alternate Member Seats
23. Port Commission Review Calendar / Follow-Up Items (*There was no discussion on this agenda item*)

Chair Reed adjourned the regular public session at 6:51 PM.



Stephen Reed, Chair