

Santa Cruz Port District  
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PORT COMMISSIONERS:  
Toby Goddard  
Dennis Smith  
Reed Geisreiter  
Stephen Reed  
Darren Gertler

Special Closed and Regular Public Session of January 28, 2020

### **Santa Cruz Port Commission MINUTES**

#### *Commission Members Present:*

Stephen Reed	Chairman
Toby Goddard	Vice-chairman
Darren Gertler	Commissioner
Dennis Smith	Commissioner
Reed Geireiter	Commissioner

#### **SPECIAL PUBLIC SESSION – 5:00 PM**

Chairman Reed brought the special public session to order at 5:00 PM at the Santa Cruz Harbor Conference Room, 365 A Lake Avenue, Santa Cruz, CA 95062.

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

At 5:00 PM, Chairman Reed announced the Commission will meet in closed session to discuss agenda items 3, 4, and 5.

#### **SPECIAL CLOSED SESSION**

3. Conference with Real Property Negotiators  
Agency Designated Representative: M. Olin  
Negotiating Parties: 2218 East Cliff Drive (Crow's Nest Restaurant)  
Under Negotiation: Lease
4. Conference with Real Property Negotiators  
Agency Designated Representative: M. Olin  
Negotiating Parties: 790 Mariner Park Way, Suite A (Chardonnay Sailing Charters)
5. Conference with Real Property Negotiators  
Agency Designated Representative: M. Olin  
Property: 7<sup>th</sup> and Brommer

#### **SPECIAL PUBLIC SESSION**

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

Chairman Reed announced that the Commission took no reportable action in closed session on items 3, 4, and 5.

Chairman Reed adjourned the special open session following the closed meeting at 6:45 PM.

### **REGULAR PUBLIC SESSION – 7:00 PM**

Chairman Reed brought the regular public session to order at 7:00 PM at the Santa Cruz Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA 95062.

7. Pledge of Allegiance

8. Oral Communication

Chairman Reed stated that the Commission took no reportable action in closed session on agenda items 3, 4, and 5.

Port Director Olin announced that Interim Harbormaster Anderson has been promoted to Harbormaster effective February 1, 2020.

Port Director Olin announced that Supervising Harbor Dredge Worker, Chris Sengezer, will be retiring after 28 years of service on January 31, 2020. Port Director Olin stated that Harbor Dredge Worker, Rory Stipanovich, has been promoted to fill the Supervising Harbor Dredge Worker position.

Audience member Eileen Sundet, expressed support for reconfiguring the current vehicle barrier gate arm at the west jetty walkway to improve the flow of pedestrian traffic.

Audience member Dennis Navarra, presented the Port Commission with a commemorative photograph of former Commissioner Neli Cardoso.

Vice-chairman Goddard stated that he recently attended the California Marine Affairs and Navigation Conference's (CMANC) winter meeting in San Pedro. He stated that the conference was well attended and provided good preparation for the upcoming annual CMANC conference in Washington D.C.

### **CONSENT AGENDA**

9. Approval of Minutes

a) Special Public Session of December 17, 2020

10. Approval of Resolution 20-01 – Authorizing the Port Director to Execute Documents Accepting a Surrendered and Abandoned Vessel Exchange Grant from the State of California Division of Boating and Waterways

MOTION: Motion made by Commissioner Smith, seconded by Commissioner Geisreiter to approve the consent agenda.

– *Motion carried. Commissioner Geisreiter ABSTAINED.*

### **REGULAR AGENDA**

11. Presentation by Commercial Fisherman and Fishery Advocate John Koeppen on Fishery Management Issues

Commercial fisherman and member of the Pacific Fishery Management Council's salmon advisory committee, John Koeppen, presented information on fishery management issues and regulation affecting the local fishery. He discussed the Non-Trawl Rockfish Conservation Area and efforts being made to open some of the area.

12. Award of Contract for the Construction of *Pappy* Vessel Display Cradle (NTE \$57,741)

Discussion: Port Director Olin stated that a request for proposals (RFP) for the *Pappy* Vessel Display Cradle Project was readvertised on December 20, 2019. She stated that on January 14, 2020, six (6) bids were received for the project, and the lowest bidder to submit a complete and valid bid was Tyman Construction in the amount of \$50,241.

Port Director Olin outlined the project funding needs and recommended that the Commission authorize a transfer of \$48,428 from the Unallocated Capital Improvement Fund (CIP) to the *Pappy* Project Fund, to bring total available project funding to \$57,741, including a 15% contingency. Port Director Olin recommended that any funding remaining after project close-out be transferred back to the unallocated CIP fund.

A discussion ensued regarding the timeline for the project. Port Director Olin stated that staff will meet with representatives from Tyman Construction to develop a construction schedule.

Port Director Olin noted that the cost estimate does not include any plaque fabrication costs and reported that there will be a dedication event when the project is complete.

Chairman Reed asked Facilities Maintenance Engineering Manager (FME) Kerkes if Port District crews will remove the engine and fuel tank from the vessel prior to display. FME Kerkes confirmed that the items will be removed.

Commissioner Smith expressed support for moving forward with the project as proposed, but commented that in the future, when the public brings forth proposals to the Commission such as this, all project costs, and donor funding costs, should be carefully considered.

MOTION: Motion made by Commissioner Geisreiter, seconded by Commissioner Smith to authorize the Port Director to execute the contract with Tyman Construction for construction of a display cradle for the vessel *Pappy*; authorize a not-to-exceed amount for the construction budget including a contingency; authorize a \$48,428 transfer from the Unallocated Capital Improvement Fund (F099) to the *Pappy* Project Fund (F032) to fund total projected construction costs, including in-house labor; authorize transfer of any remaining funding after project close-out back to the Unallocated Capital Improvement Fund.  
– *Motion carried unanimously.*

13. Approval of Notice of Completion – Pile Repair and Replacement Project - Phase 2

Discussion: Port Director Olin recommended that the Commission accept the work of Bellingham Marine Industries, Inc., and authorize the Port Director to file the Notice of Completion.

Vice-chairman Goddard commented that because the project was scheduled to start late in the construction window, it was almost delayed, but the project was completed on time. He added that he is pleased to see the Port District continue to reinvest in its infrastructure. A brief discussion ensued regarding the timeline for a potential Phase 3 project.

MOTION: Motion made by Commissioner Smith, seconded by Vice-chairman Goddard to accept the Pile Repair and Replacement Project - Phase 2 and authorize the Port Director to file the Notice of Completion.  
– *Motion carried unanimously.*

#### 14. 2020 Port District Priorities

Discussion: Port Director Olin stated that the Port District Priorities are reviewed by the Commission on an annual basis and used to help guide the budget process. She reviewed and discussed the list of 2020 priorities.

A discussion ensued regarding the Port District's membership with the California Special Districts Association (CSDA). Port Director Olin noted that the annual membership dues are approximately \$7,800 and that the cost may outweigh the benefits that the District receives from the organization. She stated that if the Commission wishes to pursue the District of Distinction certification offered by CSDA, membership will need to continue. There was consensus among the Commission to continue efforts to achieve the District of Distinction certification.

In regard to harbor security, Vice-chairman Goddard commented that maintaining and monitoring gate closure systems is important for security.

Commissioner Geisreiter expressed support for allocating future funding for a complete assessment of the west side seawall.

MOTION: Motion made by Vice-chairman Goddard, seconded by Commissioner Smith to confirm the 2020 Port District Priorities.  
– *Motion carried unanimously.*

#### 15. Approval of Cash / Payroll Disbursements – December 2019

Discussion: Staff responded to questions about the warrants as follows:

- Warrant # 52836: Dock boxes are made available for resale.
- Warrant # 52808: The east side public pier inspection identified 9 piles to be repaired. 3 of the 9 are in critical condition and have been funded for repair in the FY21 Capital Improvement Program.
- Warrant # 52737: A damaged section of the *Twin Lakes* railing was replaced.

- MOTION: Motion made by Vice-chairman Goddard, seconded by Commissioner Smith to approve cash/payroll disbursements for December 2019 in the amount of \$907,703.79.
- *Motion carried unanimously.*

## **INFORMATION**

### 16. Port Director's Report

#### Water Taxi

Port Director Olin stated that she and Commissioner Smith met with Congressman Panetta on January 2, to discuss the District's water taxi operation and received positive feedback from his office regarding their support, though Congressman Panetta commented that it is likely the USCG will simply fall back on their regulations. Port Director Olin reported that she, Harbormaster Anderson, and Congressman Panetta's aide Josh Sellers met with the Officer in Charge of Marine Inspections Lt. Amy Gayman on January 15. Port Director Olin reported that the USCG will make a determination on whether the water taxi operation is subject to the USCG's requirements for small passenger vessels, and if so, all regulatory elements will apply. She stated that Lt. Hayman was clear that there are no exemptions from specific requirements.

#### Draft Budget

Port Director Olin stated that a special public session to review the draft FY21 budget will be held on February 11, 2020. The final budget will be considered at the regular public meeting of February 25, 2020.

#### 2019-20 Dredge Season Update

Port Director Olin stated that the current dredge season has been productive and recent entrance sounding shows good depths. Administrative Services Manager MacLaurie confirmed that the current volume statistics show that production has nearly doubled from last season.

#### Aldo's Seawall Replacement Project

Port Director Olin stated that Aldo's Seawall Replacement Project was completed on time and is anticipated to come in underbudget. The Notice of Completion will be filed after the resolution of remaining punch list items.

### 17. Harbormaster's Report

Harbormaster Anderson stated that the Parking Access and Revenue Control System (PARCS) Project is almost complete.

Harbormaster Anderson announced that the California Department of Fish and Wildlife has scheduled a free Hunter Safety Class at the Harbor Public Meeting room on March 22, 2020.

A brief discussion ensued regarding commercial fishery landings reports. Harbormaster Anderson stated that he is working with the Department of Fish and Wildlife on whether it is feasible to obtain more precise data that includes catches/landings offloaded by outside fish-buyers.

### 18. Facilities Maintenance & Engineering Manager's (FME) Report *(There was no discussion on this agenda item)*

19. 2020 Committee Assignments *(There was no discussion on this agenda item)*

20. Review of Financial Reports

- a) Comparative Seasonal Revenue Graphs
- b) Quarterly Employee Count as of December 31, 2019
- c) Quarterly Budget Report as of December 31, 2019
- d) Quarterly Boatyard Report
- e) Quarterly Fuel Report
- f) Quarterly Concession Percentage Rent Report
- g) LAIF Statement

Port Director Olin summarized the quarterly budget report highlighting the following:

- Increased fuel expenses due to the purchase of fuel for resale (increased revenue is also recognized)
- Labor in the Dredging program will exceed budget, due in part to maintenance staff assisting with north harbor dredging. Expenses in other programs (buildings, grounds, etc. will be reduced).

21. Delinquent Account Reporting *(There was no discussion on this agenda item)*

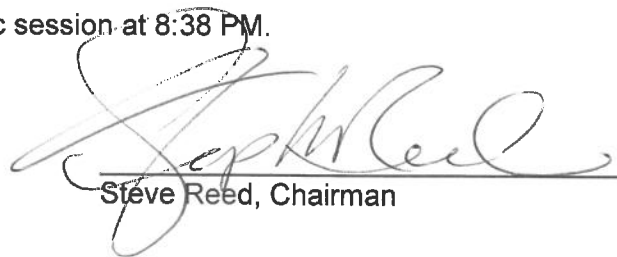
22. Harbor Patrol Incident Response Report – December 2019 *(There was no discussion on this agenda item)*

23. Written Correspondence *(There was no discussion on this agenda item)*

- a) LAFCO Referral Letter
- b) Letter from Congressman Panetta to Assistant Secretary James and Acting Director Vought
- c) Letter from Chairman Reed to Congressman Panetta

24. Port Commission Review Calendar / Follow-Up Items *(There was no discussion on this agenda item)*

Chairman Reed adjourned the regular public session at 8:38 PM.



Steve Reed, Chairman