



Special Public Session of January 21, 2025

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Toby Goddard	Chair
Reed Geisreiter	Vice-Chair
Stephen Reed	Commissioner
Bill Lee	Commissioner
Robert DeWitt	Commissioner

SPECIAL PUBLIC SESSION – 4:00 PM

Chair Goddard convened the special public session at 4:00 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA (hybrid meeting platform).

1. Oral Communication
2. Approval of Resolution 25-01 – Finding that an emergency exists that will not permit a delay resulting from a competitive solicitation for bids; and that emergency repair work is necessary to respond to the emergency; and waiving the competitive bidding process; and authorizing the Port Director to enter into a contract with Cushman Construction Corporation, in an amount not to exceed \$1,500,000 for emergency dock repair in the north harbor

Discussion: Port Director MacLaurie recommended approval of Resolution 25-01, waiving the competitive bidding process and authorizing a contract with Cushman Construction Corporation for emergency dock repairs in the north harbor, in an amount not-to-exceed \$1,500,000.

She stated that completing this emergency work is necessary to restore critical berthing and access in the north harbor, and if disaster recovery assistance is made available, this project may be eligible for 75% reimbursement by CalOES.

There was consensus among the Commission to utilize reserve funding for this project. Port Director MacLaurie noted that a subsequent resolution to appropriate the funds will be presented at an upcoming meeting.

Chair Goddard thanked staff and the Coast Guard Auxiliary for their hard work and dedication during the recovery efforts and emergency response.

MOTION: Motion made by Commissioner DeWitt, seconded by Vice-chair Geisreiter to approve Resolution 25-01, waiving the competitive bidding process for emergency dock repair work, and authorizing the Port Director to execute a contract with an established not-to-exceed amount of \$1,500,000.
- *Motion carried unanimously.*

Chair Goddard adjourned the regular public session at 4:33 PM.



Special Closed and Regular Public Session of January 28, 2025

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Toby Goddard Chair
Reed Geisreiter Vice-Chair
Bill Lee Commissioner
Robert DeWitt Commissioner

Commission Members Absent:

Stephen Reed Commissioner

SPECIAL PUBLIC SESSION – 4:30 PM

Chair Goddard convened the special public session at 4:30 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 4:30 PM, Chair Goddard announced that the Commission will meet in closed session to discuss agenda item 3.

SPECIAL CLOSED SESSION

3. Conference with Real Property Negotiators
Property: 790 Mariner Park Way
Agency Designated Representative: H. MacLaurie
Negotiating Parties: Chardonnay Sailing Charters
Under Negotiation: Lease

SPECIAL PUBLIC SESSION

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

Chair Goddard announced that the Commission took no reportable action in closed session on item 3.

Chair Goddard adjourned the special open session following the closed meeting at 5:05 PM.

REGULAR PUBLIC SESSION – 5:30 PM

Chair Goddard 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).

5. Pledge of Allegiance

6. Oral Communication

Chair Goddard announced that the Commission took no reportable action in closed session on item 3.

In response to a question posed by slip renter Joseph Altmann, Port Director MacLaurie stated that various inner harbor locations, such as the A, B, and C-Dock fairways, can be considered for inclusion in the 2025-26 dredge plan.

Audience member Greg Cotten thanked staff for their response during the December 23, 2024, storm surge event and emphasized the need to plan and adapt for future winter storms.

In response to a question posed by slip renter Robert Pollie, Harbormaster Anderson stated that a comprehensive relocation plan is in place for the rowing rack facilities located beneath the bridge, which are within the temporary construction easement area for the Murray Street Bridge Seismic Retrofit & Barrier Replacement Project.

CONSENT AGENDA

7. Approval of Minutes

- a) Special Closed and Special Public Meeting of December 10, 2024
- b) Special Public Meeting of December 20, 2024
- c) Emergency Meeting of December 23, 2024

8. Approval of Resolution 25-02 – Approving Salary Schedules and Authorizing Amendments to the Port Director’s Employment Agreement

MOTION: Motion made by Vice-chair Geisreiter, seconded by Commissioner DeWitt to approve consent agenda items 7 and 8.
- *Motion carried. Commissioner Reed ABSENT.*

REGULAR AGENDA

9. Storm Surge Recovery Efforts

Discussion: Port Director MacLaurie provided an update on the ongoing recovery efforts following the December 23, 2024, storm surge, which caused significant infrastructure damage within the harbor.

A discussion ensued regarding the potential availability of state disaster recovery assistance for this event. Port Director MacLaurie stated that the Port District’s formal request for disaster recovery assistance has been submitted to CalOES and a determination is pending. If disaster recovery assistance is made available, 75% of eligible debris removal and reconstruction costs become reimbursable by CalOES, with the remaining 25% covered by the Port District.

10. Review of Emergency Action for North Harbor Dock Repair Work

Discussion: Port Director MacLaurie stated that at its special public session on January 21, 2025, the Port Commission waived the competitive bid process and approved a contract with Cushman Construction in an amount not to exceed \$1,500,000 for emergency dock repair in the north harbor.

Port Director MacLaurie stated that the Public Contract Code requires the Port Commission to review the emergency contract action at its next regular meeting (and each subsequent regular meeting) after approving the contract and determine by 4/5ths vote whether the emergency contract should continue.

MOTION: Motion made by Commissioner DeWitt, seconded by Commissioner Lee to continue the emergency action for north harbor dock repair work.
- *Motion carried. Commissioner Reed ABSENT.*

11. Approval of Resolution 25-03 – Authorizing a One-Time Expenditure from the Reserve Fund in the Amount of \$1,500,000 for Emergency Dock Repair in the North Harbor

Discussion: Port Director MacLaurie stated that at its special public session on January 21, 2025, the Port Commission approved a contract with Cushman Construction in an amount not to exceed \$1,500,000 for emergency dock repair in the north harbor. She stated that as part of the approval process, the Commission elected to utilize reserve funding for this project.

Port Director MacLaurie stated that in accordance with the District's Reserve Fund Policy, a resolution approving the appropriation from the Reserve Fund to the Capital Improvement Program is required.

MOTION: Motion made by Commissioner Lee, seconded by Vice-chair Geisreiter to approve Resolution 25-03.
- *Motion carried. Commissioner Reed ABSENT.*

12. Authorization of \$2 Million Line of Credit with PNC Bank for Storm Surge Recovery Efforts

Discussion: Port Director MacLaurie recommended that the Port Commission authorize the execution of loan documents with PNC Bank for a \$2 million line of credit to assist with financing storm surge recovery efforts. She stated that establishing this line of credit will offer the Port District a flexible financing option, if needed, and can be repaid with potential CalOES disaster recovery assistance (if made available) or through alternative debt service planning in the FY26 budget.

Port Director MacLaurie stated that PNC is currently determining the legal fees associated with this agreement, which are anticipated to be minimal.

Vice-Chair Geisreiter expressed support for authorizing the line of credit and recommended that the process move forward only if the total associated fees do not exceed \$7,500.

MOTION: Motion made by Vice-chair Geisreiter, seconded by Commissioner DeWitt to authorize the Port Director to execute loan documents with PNC Bank for a \$2 million line of credit to assist with financing storm surge recovery efforts, contingent upon associated fees not exceeding \$7,500.
- *Motion carried. Commissioner Reed ABSENT.*

13. Port District Priorities 2025

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.

The Commission expressed support of the Port District priority list for 2025 and suggested the following revisions:

- Organization & Culture:
 - Include the word "and" in regard to "Maintain an organizational structure that best meets current and future business needs of the District."
- Navigation & Dredging:
 - Add Priority "Actively plan for inner harbor dredging needs, while balancing permitting and equipment constraints."

14. Approval of Cash/Payroll Disbursements – December 2024 (*There was no discussion on this agenda item*)

MOTION: Motion made by Vice-chair Geisreiter, seconded by Commissioner Lee to approve cash and payroll disbursements for December 2024, in the amount of \$1,135,012.26.
- *Motion carried. Commissioner Reed ABSENT.*

INFORMATION

15. Port Director's Report

Port Director MacLaurie stated that the annual CMANC conference in Washington DC will be held on February 11-12, 2025. There was consensus among the Commission to approve out-of-state travel for Port Director MacLaurie and Vice-chair Geisreiter to attend the conference.

16. Harbormaster's Report

Vice-Chair Geisreiter thanked Harbormaster Anderson for including the annual fisheries landing data.

Chair Goddard thanked Harbor Patrol for their role in saving 23 lives in 2024.

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

18. Committee Assignments 2025 (*There was no discussion on this agenda item*)

19. Lease Assignment – 2218 East Cliff Drive (Crow's Nest Restaurant) (*There was no discussion on this agenda item*)

20. Annual Review of Business Use of Slips (*There was no discussion on this agenda item*)

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

- a) Comparative Seasonal Revenue Graph
- b) Quarterly Comparative Budget Report
- c) Quarterly Employee Count
- d) Quarterly Fuel Sales Report
- e) Quarterly Boatyard Report
- f) Quarterly Concession Percentage Rent Report
- g) LAIF and CLASS Statements

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

23. Harbor Patrol Incident Response Report – January 2025 (*There was no discussion on this agenda item*)

24. Written Correspondence

- a) Letter from J. & D. Grigsby of Kayak Connection to the Port Commission

A discussion ensued regarding the impacts of the storm surge event on slip renters and landside concessionaires. The Commission directed staff to evaluate hardship requests on a case-by-case basis, ensuring an equitable and consistent process for making any adjustments

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

Chair Goddard adjourned the regular public session at 6:55 PM.

Santa Cruz Port District
Resolution 25-04
February 25, 2025

On the motion of _____

Duly seconded by _____

A resolution authorizing the Port Director to execute documents accepting a Replenish Grant from the California Department of Fish and Wildlife (CDFW) Office of Spill Prevention and Response (OSPR).

WHEREAS, the CDFW Office of Spill Prevention and Response (OSPR) funds a Replenish Program to help fund the replenishment of spill response equipment and supplies; and,

WHEREAS, the OSPR has approved an application by the Santa Cruz Port District to fund a \$5,000 Replenish Grant for replenishing oil spill response equipment and supplies; and,

WHEREAS, the Port District recently deployed spill response equipment and supplies following the significant storm surge event on December 23, 2024; and,

WHEREAS, this grant will help reduce overall costs to the Port District associated with maintaining and replenishing response equipment and supplies; and,

WHEREAS, the Port District is not required to match a contribution for participation in this grant program.

NOW, THEREFORE, BE IT RESOLVED that the Santa Cruz Port District Commission hereby authorizes the Port Director to execute contract documents for the CDFW Office of Spill Prevention and Response Replenish Grant; and,

BE IT FURTHER RESOLVED, that the Port Director is authorized to sign, on behalf of the Santa Cruz Port District, the funding agreement and any amendments thereto; and,

BE IT FURTHER RESOLVED, that any actions consistent with the intent of this resolution are hereby ratified and confirmed.

PASSED AND ADOPTED, by the Santa Cruz Port District Commission this 25th day of February 2025, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

Approved by:

Toby Goddard, Chair
Santa Cruz Port District Commission

Santa Cruz Port District
Resolution 25-05
February 25, 2025

A resolution authorizing the Port Director to execute documents accepting a State & Local Cybersecurity Grant Program (SLCGP) Subaward provided by the federal Department of Homeland Security and subgranted through the State of California.

WHEREAS, the federal Department of Homeland Security funds a State & Local Cybersecurity Grants for Local & Tribal Governments (SL) Program; and,

WHEREAS, the State of California, through the California Governor's Office of Emergency Services (Cal OES), administers this program; and,

WHEREAS, Cal OES has approved an application by the Santa Cruz Port District to fund a \$129,120 State and Local Cybersecurity Grant to address cybersecurity risks and improve the security of critical infrastructure and services provided to the public; and,

WHEREAS, this grant will help reduce overall costs to the Port District associated with managed IT and security services, data back up, and security awareness training; and,

WHEREAS, the terms of the contract expire on December 31, 2026; and,

WHEREAS, the Port District is not required to match a contribution for participation in this grant program.

NOW, THEREFORE, BE IT RESOLVED that the Santa Cruz Port District Commission hereby authorizes the Port Director to execute contract documents for the FY 2024 State and Local Cybersecurity Grant Program (SLCGP);and,

BE IT FURTHER RESOLVED, that the Port Director is authorized to sign, on behalf of the Santa Cruz Port District, the funding agreement and any amendments thereto; and

BE IT FURTHER RESOLVED, that any actions consistent with the intent of this resolution are hereby ratified and confirmed.

PASSED AND ADOPTED, by the Santa Cruz Port District Commission this 25th day of February 2025, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

Approved by:

Toby Goddard, Chair
Santa Cruz Port District Commission



TO: Port Commission

FROM: Renee Ghisletta, Administrative Services Officer

DATE: February 3, 2025

SUBJECT: Approval of Month-to-Month Rental Agreement for 497 Lake Avenue
(Tenant: O'Connor, DeFaria LLC)

Recommendation: Approve the month-to-month rental agreement.

BACKGROUND

Mr. Timothy O'Connor submitted an application for month-to-month rental for the single-tenant office space located at 497 Lake Avenue.

Mr. O'Connor, a slip renter since 1995, is the founder of the Calderia O'Connor DeFaria Foundation (CO'CDF), a nonprofit organization focused on addressing global inequities in the coffee industry, and proposes to utilize the premises as office space to support the foundation's operations.

The prospective tenant is prepared to take over the premises beginning March 1, 2025, with terms as outlined below.

ANALYSIS

Terms: Month-to-Month
Tenant: O'Connor, DeFaria LLC (Timothy O'Connor)
Space: 497 Lake Avenue (800 SF)
Rent: \$3,016 / mo. (\$3.77/SF) – Adjusted annually by CPI
Use: Office Space
Insurance: \$1 million with Santa Cruz Port District named as additional insured

IMPACT ON PORT DISTRICT RESOURCES

Approval of this lease will generate approximately \$36,192 per year in concession income.

ATTACHMENTS: A. Rental Agreement – 497 Lake Avenue

**SANTA CRUZ PORT DISTRICT
RENTAL AGREEMENT**

THIS AGREEMENT is made and entered into as of the Agreement date in Section 1, by and between the SANTA CRUZ PORT DISTRICT COMMISSION, a political subdivision, 135 5th Avenue, Santa Cruz, California, 95062, hereafter referred to as "Landlord," and Tenant indicated in Section 1, hereafter referred to as "Tenant."

RECITALS:

A. Landlord is the owner of that certain real property described in Section 1 and located in the City and County of Santa Cruz, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Property").

B. Landlord desires to rent to Tenant and Tenant wishes to rent from Landlord the land and improvements as indicated in Exhibit A and described in Section 1 (the "Premises").

NOW, THEREFORE, in furtherance of the foregoing, and in consideration of the mutual covenants contained herein, Landlord and Tenant hereby agree as follows:

1. Rental of Premises. Landlord hereby rents the Premises to Tenant, and Tenant rents the Premises from Landlord, for the term, at the rental, and upon the other terms and conditions summarized in this Section and more fully described in subsequent sections:

Agreement Date:	2/3/2025	Term:	Month to Month
Tenant:	O'Connor, Defaria LLC		
Property:	497 Lake Avenue		
Premises:	Office Space		

	<i>Fixed Minimum</i>	<i>Time Period</i>	<i>Percentage Rent</i>	<i>Based On</i>
Rent:	\$3,016.00	per month	N/A	N/A

Rent Payable:	Monthly	on:	the 1 st	starting:	March 1, 2025
Rent Adjusted:	annually	on:	April 1	based on:	SF Bay Area CPI
Deposit:	\$3,016.00	paid:			
Use:	Office Space				

Tenant Insurance Requirements:	<i>Casualty</i>	N/A	<i>Liability</i>	\$1 million
Notice of Rent Adjustment:	30 days	Notice of Termination:	30 days	

Notice Addresses:	<i>Landlord</i>	<i>Tenant</i>
	Santa Cruz Port District	O'Connor, Defaria LLC
	Attn: Port Director	Timothy O'Connor
	135 5 th Avenue	P.O. Box 2367
	Santa Cruz, CA 95062	Aptos, CA 95001

2. Term. The term of this agreement shall be month-to-month, commencing as of the date indicated in Section 1.

3. Notice of Termination. Landlord or Tenant may terminate this agreement with advance written notice to the other party. Such written notice must be given on the first day of the calendar month and shall be in advance of its effective date by the number of days indicated in Section 1.

4. Rent.

(a) Fixed Minimum Rent. As described in Section 1, Tenant shall pay to Landlord a fixed amount of rent ("Fixed Minimum Rent") which shall be subject to periodic adjustment as described in subparagraph 4(b).

(b) Adjustment of Fixed Minimum Rent. Landlord shall notify Tenant if rent is to be adjusted as indicated in Section 1. Any adjustment shall be effective as indicated in Section 1.

(c) Payment of Fixed Minimum Rent. Fixed Minimum Rent shall be payable as indicated in Section 1, in advance, without notice, offset, or abatement. All rent and other sums payable by Tenant hereunder shall be paid to Landlord in currency of the United States of America (or by personal check unless Landlord otherwise notifies Tenant) at Landlord's address set forth in Paragraph 23 hereof, or at such other place as Landlord may from time to time designate in writing.

(d) Deposit. Tenant shall also pay the amount indicated in Section 1, to be held as security deposit.

5. Use.

(a) Permitted Uses. Tenant shall use the Premises solely for the use indicated in Section 1 and for no other uses whatsoever. Tenant acknowledges that Landlord has made no warranties or representations to Tenant regarding the suitability of the Premises for Tenant's intended use, and Tenant waives all claims against Landlord regarding the suitability of the Premises for Tenant's intended uses. Landlord reserves the right to fix and determine rates charged (per Section 72 H&N).

(b) Roof. Tenant shall have no right to use any portion of the roof of the Building for any purpose.

(c) Continuous Use. Tenant shall continuously and uninterruptedly during the Agreement term, occupy and use the Premises for the purposes permitted under this Agreement.

(d) Hazardous Materials. No goods, merchandise, or materials shall be kept, stored, or sold in such a manner as to create any unusual hazard on the Premises; and no offensive or dangerous trade, business, or occupation shall be conducted thereon, and nothing shall be done on the Premises which will cause an increase in the rate of or cause a suspension or cancellation of the insurance upon the Premises or upon adjacent properties or improvements thereon.

No machinery or apparatus shall be used or operated on the Premises, which will in any way injure the Premises, or adjacent properties or improvements thereon.

Tenant shall indemnify Landlord from any damages suffered by Landlord, including, without limitation, cleanup costs, as a result of the generation, use, storage, transport, or release of hazardous materials by Tenant in, on, or about the Premises or the Property. For the purpose of this Agreement, the term "hazardous materials" shall mean (A) those substances listed in Title 22 section 66680 of the California Administrative Code, (B) substances within the criteria set forth in Title 22 sections 66693 through 66723 of the California Administrative Code, (C) substances which, at any time during the term hereof, are added to the list described in paragraph (A) above or which are within any future criteria described in subparagraph (B) above, (D) petroleum and all byproducts and distillates thereof, and (E) asbestos. Prior to bringing or allowing any hazardous materials to be brought onto the Premise or Property, Tenant shall notify Landlord as to the identity of said materials and the safeguards to be used in connection therewith. Landlord shall be entitled, in its sole discretion, to refuse to allow hazardous materials to be brought onto the Premises or Property. Landlord's consent to the introduction of any hazardous material onto the Property (i) shall not release Tenant from its duty to indemnify Landlord for any damages resulting from such materials, (ii) shall not be deemed to waive Landlord's right to disapprove of any subsequent introductions of hazardous materials onto the Property whether of the same or of a different nature than the material to which Landlord consented, and (iii) may be revoked at any time, in Landlord's sole discretion, whereupon Tenant shall remove such materials from the Property within five (5) days of receipt of Landlord's demand for removal. In all events, if any hazardous materials become located upon the Property for any reason other than as consented to by Landlord in accordance with the foregoing procedure; Tenant shall immediately notify Landlord as to the same.

(e) Effect on Navigable Waters. Under federal law, no construction, installation, dredging, filling, or other activity, which would have an effect on navigation, may be conducted in or adjoining navigable waters without a permit therefore first being issued by the Secretary of the Army. The Port Director determines whether any proposed facility of Tenant may be construed to have an effect on navigation. In the event the Port Director so determines, Tenant shall prepare at its expense a permit application for submittal by Landlord in Landlord's name to the Corps of Engineers, United States Army. The permit application shall be prepared in strict conformity with regulations published by the United States Army.

(f) Non-permitted Uses. Tenant shall not permit the Premises to be used for any purpose not described in Paragraph 5(a) or for any unlawful purpose; and Tenant shall not perform, permit, or suffer any act of omission or commission upon or about the Premises which would result in a nuisance or a violation of the laws and ordinances of the United States, State of California, or City of Santa Cruz, as the same may be now or hereafter in force and effect. Without limiting the generality of the foregoing, Tenant specifically agrees not to cause or permit generation of unreasonable levels of noise from other sources, which might disturb liveaboard slip licensees, or residential neighbors of the Port District from 9:00 pm until 6:00 am each day during the lease term. Tenant further specifically agrees to prevent emission from the Premises into the air of any smoke or other noxious substances, or any odors reasonably deemed offensive to personnel of Landlord, liveaboard slip licensees or residential neighbors of the Port District.

(g) Compliance with Laws. Tenant shall abide by all applicable rules, codes, regulations, resolutions, ordinances and statutes of Landlord, the City of Santa Cruz, County of Santa Cruz, California Coastal Commission, State of California, or other governmental body where applicable, respecting the use, operation, maintenance, repair or improvement of the Premises and equipment therein, and shall pay for any and all licenses or permits required in connection with the use, operation, maintenance, repair, or improvement of the Premises.

6. Ownership of Improvements. All structures, buildings, improvements, additions, and fixtures now existing or hereafter constructed, erected, or installed in or upon the Premises, and all alterations and additions thereto, shall be deemed a part of the Premises and title thereto shall be deemed vested in and remain in Landlord during the agreement term, and upon expiration or sooner termination of the agreement term shall remain upon and be surrendered with the Premises as part thereof.

7. Construction of Improvements.

(a) No Landlord Improvements. Landlord shall not be obligated to install or construct any improvements, additions, or alterations (collectively called "improvements") on the Premises during the agreement term.

(b) Tenant Improvements. Tenant may, at Tenant's expense, construct certain new additions and improvements to the Premises required in connection with the conduct of Tenant's business; provided, (a) that Tenant shall obtain, at Tenant's expense, all necessary plans and specifications for the construction of said additions and improvements, (2) that Tenant's plans and specifications shall be subject to review and prior written approval by Landlord, and (3) that Tenant shall be responsible for obtaining, at Tenant's expense, all necessary governmental permits and approvals for construction of any new additions or improvements to the Premises.

(c) Liens. Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant. Tenant shall indemnify and hold Landlord harmless against liability, loss, damage, cost, and all other expenses (including but without limitation, attorneys' fees) arising out of claims of lien for work performed or materials or supplies furnished at the request of Tenant or persons claiming under Tenant.

8. Taxes and Assessments.

(a) Payable by Tenant. Tenant shall pay directly to the taxing authority during each year or partial year during the term hereof, all real and personal property taxes, general and special assessments, use and possessory taxes, environmental protection charges, and other charges of every kind or description whatsoever, foreseen or unforeseen, levied on or assessed against the Premises, improvements or personal property therein, the leasehold estate or any personal property therein, the leasehold estate or any subleasehold estate permitted by Landlord. Tenant shall pay each installment of such taxes and assessments prior to the date such installment becomes delinquent. The taxes and assessments to be paid by Tenant hereunder shall be prorated at the end of the agreement term, in order that Tenant will pay only the proportionate part of said taxes and assessments attributable to the period of the agreement term, based on the ratio of the unit's square feet to the building's total square feet.

(b) Substitute Taxes. If at any time during the agreement, under the laws of the United States of America, the State of California, or any political subdivision thereof in which the Premises are located, a tax on rent or other charge by whatever name called, is levied, assessed, or imposed against Landlord, or against the rent payable hereunder to Landlord, as a substitute in whole or in part for any of the taxes described in Paragraph 8(a), Tenant, to the extent such substitute tax or other charge relieves Tenant from the payment of taxes provided for herein, shall pay such tax or other charge in the manner provided in this Paragraph 8.

9. Insurance.

(a) Casualty Insurance. If indicated in Section 1, Landlord shall, at Tenant's expense, procure and maintain in full force and effect at all times during the term of this agreement, fire, and extended coverage insurance satisfactory to Landlord covering the Premises and all improvements therein in an amount not less than ninety percent (90%) of the actual replacement cost thereof. The insurance provided for in this Paragraph 9(a) shall, in Landlord's sole discretion, provide protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk), including earthquake, and loss of rents covering Fixed Minimum Rent for a period of up to twelve (12) months, and shall contain an inflation endorsement. Insurance proceeds thereunder shall be payable to Landlord. Landlord shall have no obligation to insure against loss by Tenant to Tenant's leasehold improvements, fixtures, furniture, or other personal property in or about the Premises occurring from any cause whatsoever and Tenant shall have no interest in the proceeds of any insurance carried by Landlord. Landlord shall be entitled to carry any such insurance in the form of a blanket policy covering property in addition to the Premises. Tenant shall reimburse Landlord upon demand for its share of the cost to Landlord of any insurance policy or policies, which Landlord may carry on the Premises in accordance with this paragraph. Such costs shall include both premiums and deductibles. Tenant's share of the cost of such insurance shall be a prorated share based upon the portion of the building square footage contained within the Premises, or if in Landlord's reasonable judgment the foregoing square footage based apportionment does not fairly apportion the insurance costs related to the building, Landlord may adjust such insurance costs as appropriate to reflect any disparity in risk level or other factors which may affect the relative cost of insurance between and among all tenants of the building; as to any blanket policy of insurance covering properties other than the building, the portion of insurance costs allocable to the building shall be as equitably determined by Landlord. The premiums for such insurance of Landlord shall be prorated as of the expiration of the agreement term so that Tenant pays only for insurance coverage attributable to the agreement term.

(b) Liability Insurance. Tenant, at Tenant's sole expense, shall provide and keep in force at all times during the term of this agreement for the benefit of Landlord and Tenant general liability insurance policies with an insurance company reasonably satisfactory to Landlord, protecting Landlord and Tenant against any and all liability occasioned by any occurrence in, on, about, or related to the Premises in an amount not less than the amount indicated in Section 1, single combined limit for personal injury and property damage. Tenant shall cause Landlord to be named as an additional insured under such policy.

(c) Workers' Compensation Insurance. Tenant shall procure, at its own expense, and shall keep in force during the agreement term, adequate insurance against liability arising on account of injuries or death to workers or employees on the Premises. Such workers' compensation insurance shall be in amounts at least equal to the maximum liability of Tenant, its agents, and contractors under the Workers' Compensation Insurance and Safety Act of the State of California or other applicable laws.

(d) Other Insurance. Tenant shall procure, at its sole cost and expense, and shall keep in force, such other insurance in amounts from time to time reasonably required by Landlord against other insurable risks if at the time they are commonly insured against for business operations similar to that of Tenant.

(e) Written Notice of Cancellation or Reduction. Each policy of insurance, which Tenant is required to procure and maintain in effect, shall contain the following clause:

"It is agreed that this policy shall not be cancelled nor the coverage reduced until thirty (30) days after the Port Director of Santa Cruz Port District shall have received written notice of such cancellation or reduction. The notice shall be sent by certified or registered mail and shall be deemed effective the date delivered to said Port Director, as evidenced by properly validated return receipt."

(f) Waiver of Subrogation. Tenant and Landlord each hereby waives any and all rights of recovery against the other, and against the officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage to the extent of the insurance proceeds actually paid in connection therewith. Tenant and Landlord shall, upon obtaining any of the policies of insurance required or desired hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of rights of recovery is contained in this agreement, and shall each use their best efforts to cause the insurer for each such policy to waive in writing any rights of subrogation it may have against the other party.

(g) Submittal of Policies. Tenant agrees to deposit with Landlord, at or before the times at which the insurance policies necessary to satisfy the insurance provisions of this agreement are required to be in effect, a copy of each such policy or policies required hereunder and to keep such insurance in effect and the policy or policies therefore on deposit with Landlord during the entire term of this agreement.

(h) Review of Coverage. Landlord shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of Landlord, the insurance provisions in this agreement do not provide adequate protection for Landlord and for members of the public using the Premises, Landlord may require Tenant to obtain (or may obtain at Tenant's expense) insurance sufficient in coverage, form and amount to provide adequate protection. Landlord's requirements shall be reasonable but shall be designed to assure protection from and against the kind and extent of the risks, which exist at the time a change in insurance is required.

Landlord shall give Tenant written notice of changes in the insurance requirement and Tenant shall deposit copies of acceptable insurance policies with Landlord incorporating such changes within sixty (60) days following receipt of such notice.

The procuring of such required policy or policies of insurance shall not be construed to limit Tenant's liability hereunder nor to fulfill the indemnification provisions and requirements of this agreement. Notwithstanding said policy or policies or insurance, Tenant shall be obligated for the full and total amount of any damage, injury, or loss caused by Tenant's negligence or neglect connected with this agreement or with use or occupancy of the Premises.

(i) Landlord's Remedies. In case of failure on the part of Tenant to procure or to maintain in effect any insurance which Tenant is required to carry as provided in this Paragraph 9, Landlord may at its discretion, and in addition to any other remedies it may have upon failure of Tenant to procure or to maintain in effect any insurance which Tenant is required to carry as provided in this Paragraph 9, procure or renew such insurance and pay any and all premiums therefore and all monies so paid by Landlord shall be repaid by Tenant to Landlord upon demand.

10. Indemnification.

(a) Tenant's Hold Harmless. Tenant hereby indemnifies Landlord against and holds Landlord harmless from any and all claims, damage, cost, liability, or expense, including but not limited to attorneys' fees and costs of suit, resulting from or arising out of Tenant's use of the Premises, Tenant's default in the performance of any obligation of Tenant under this agreement, any act or failure to act of Tenant or any employees, agents, contractors, customers, or other invitees of Tenant occurring in or about the Premises, or construction of any improvements by Tenant in the Premises. Such indemnification specifically includes without limitation any damage to property or injury or death to any person arising from the use of the Premises by Tenant or from the failure of Tenant to keep the Premises in good condition, order, and repair. Tenant expressly agrees to exercise due care in the handling of fuel or any other flammable materials in, on, or around the Premises. Tenant shall maintain on the Premises adequate firefighting equipment, which shall remain under the use, control, maintenance, and repair of Tenant.

(b) Tenant's Waiver of Claims. Tenant hereby waives all claims against Landlord for damage to any property, goods, wares, or merchandise of Tenant stored in, upon, or about the Premises, and for injury to persons in, upon, or about the Premises from any cause whatsoever arising at any time, except as may be caused by the active negligence or willful misconduct of Landlord. Landlord shall not be liable to Tenant for any damage caused by any act or negligence of any person, other than Landlord's personnel, in, upon, or about the Premises, whether a customer of Tenant or otherwise. Tenant expressly waives any claims against Landlord for damage to Tenant's business on the Premises or loss of goodwill or any other damage to Tenant arising from complete or partial closure of the Santa Cruz Harbor at any time and from time to time, whether such closure shall result from inclement weather, excess deposits of sand in the harbor, or any other reason whatsoever. Landlord shall have no obligation or responsibility to dredge the entrance channel of the Santa Cruz Harbor.

11. Maintenance and Repairs.

(a) Tenant's Obligations. Subject to Paragraph 15 below relating to damage and destruction, and subject to Landlord's maintenance responsibilities set forth in Paragraph 11(c) below, through the term of this agreement Tenant shall, at Tenant's sole cost and expense, maintain the Premises and every part thereof, and all fixtures, machinery and equipment located in or on the Premises and utilized in the conduct of Tenant's business in first class condition, order and repair, and in accordance with all applicable laws, rules, ordinances, orders and regulations of (1) municipal, county, state, federal, and other governmental agencies and bodies having or claiming jurisdiction of the Premises and all their respective departments, bureaus, and officials; and (2) all insurance companies insuring all or any part of the Premises or improves or both. For purposes of this paragraph, the obligation to repair includes the obligation to replace as and when reasonably necessary. Tenant hereby waives such rights as it may have under California Civil Code Sections 1941 and 1942 and any similar or successor laws that permit a tenant to perform repairs and offset the cost thereof against rent.

(b) Outside Areas. Tenant acknowledges that the cleanliness and neat and attractive appearance of the interior and exterior of the Building and all other areas of the Premises are a material concern of Landlord. Accordingly, Tenant shall continuously exercise diligence throughout the agreement term in keeping the Premises and the Outside Area in a neat, clean, sanitary, and attractive condition. Tenant shall arrange for regular and prompt disposal of garbage generated by Tenant's operations on the Premises, and shall not permit garbage or refuse to accumulate in or around the Premises. Tenant shall not cause or permit offensive odors to emanate from the Premises.

(c) Landlord's Obligations. Notwithstanding anything to the contrary contained in this Paragraph 11, and subject to the provisions of Paragraph 15 below relating to damage and destruction, Landlord shall maintain in good condition, order and repair the parking area upon the Property, the heating, ventilation and air conditioning equipment, if any, servicing the Premises, and the structural portions of the Building, including the roof, walls and foundation of the Building, except to the extent any such maintenance is necessitated by damages due to the negligence or greater culpability of Tenant, its agents, employees or invitees. Landlord shall have no obligation to maintain or repair under this Paragraph 11(c) until a reasonable period of time after receipt by Landlord of notice from Tenant of the need therefore, specifying the nature of the maintenance or repair needed.

12. Utilities. Tenant shall pay promptly as the same become due and payable its pro rata share of all bills and costs for water, gas, electricity, refuse pickup, sewer service charges, and any other utilities or services supplied to the Premises as indicated in Section 1. Tenant shall pay its pro rata share of utilities within five (5) days of receiving notice from Landlord as to the amount thereof. The parties hereby agree that Tenant's pro rata share of said utility costs shall be reasonably calculated by Landlord and conveyed to Tenant. In no event shall Landlord be liable to Tenant for any interruption or failure of any utility services to the Premises.

13. Assignment and Subletting.

(a) Landlord's Consent Required. Tenant shall not assign, sublease, mortgage, pledge, hypothecate, encumber, or transfer the Premises or any part thereof, or this agreement or any rights or obligations hereunder without Landlord's written consent.

(b) Incorporation of Terms. Should Landlord consent to any Transfer such consent shall not constitute a waiver of any of the terms, covenants, or conditions of this agreement. Such terms, covenants, or conditions shall apply to each and every transfer hereunder and shall be severally binding upon each and every encumbrancer, assignee, transferee, subtenant, or other successor in interest of tenant. Any document to mortgage, pledge, hypothecate, encumber, transfer, sublet, or assign the Premises or any part thereof shall incorporate directly or by reference all the provisions of this agreement.

14. Damage or Destruction.

(a) Partial Damage-Insured. Subject to the provisions of Paragraphs 15(c) and 15(d), if the Premises or any improvements therein are damaged, such damage involves damage to the building to the extent of less than eighty percent (80%) of the then replacement value thereof (excluding excavations and foundations of the building), such damage was caused by an act or casualty covered under an insurance policy provided for in Paragraph 9, and the proceeds of such insurance received by Landlord are sufficient to repair the damage, Landlord shall at Landlord's expense repair such damage as soon as reasonably possible and this agreement shall continue in full force and effect.

(b) Partial Damage-Uninsured. Subject to the provisions of Paragraphs 15(c) and 15(d), if at any time during the term hereof the Premises or any improvements are damaged, such damage involves damage to the Building to the extent of less than eighty percent (80%) of the then replacement value thereof (excluding excavations and foundations of the building), and the insurance proceeds received by Landlord are not sufficient to repair such damage, or such damage was caused by an act or casualty not covered under an insurance policy, Landlord may at Landlord's option either (a) repair such damage as soon as reasonably possible at Landlord's expense, in which event this continue in full

force and effect, or (b) give written notice to Tenant within thirty (30) days after the date of the occurrence of such damage of Landlord's intention to cancel and terminate this agreement as of the date of the occurrence of such damage.

(c) Total Destruction. If at any time during the term hereof either the Premises or the improvements contained therein are damaged from any cause, whether or not covered by the insurance provided for in Paragraph 9, and such damage involves damage to the Building to the extent of eighty percent (80%) or more of the replacement value thereof (excluding excavations and foundations of the Building), including any total destruction required by any authorized public authority, this Lease shall at the option of Landlord terminate as of the date of such total destruction. Landlord shall exercise its right to terminate this agreement by delivery of notice to Tenant within thirty (30) days after the date that Tenant notifies Landlord of the occurrence of such damage. In the event Landlord does not elect to terminate this agreement, Landlord shall at Landlord's expense repair such damage as soon as reasonably possible, and this Lease shall continue in full force and effect.

(d) Damage Near End of Term. If the Premises or the improvements therein are destroyed or damaged in whole or part during the last six (6) months of the term of this agreement, Landlord may at Landlord's option cancel and terminate this agreement as of the date of occurrence of such damage by giving written notice to Tenant of Landlord's election to do so within thirty (30) days after the date of occurrence of such damage.

(e) Abatement of Rent. Notwithstanding anything to the contrary contained elsewhere in this Lease, if the Premises are partially damaged and Landlord repairs or restores them pursuant to the provisions of this agreement Paragraph 14, the Fixed Minimum Rent payable hereunder for the period commencing on the occurrence of such damage and ending upon completion of such repair or restoration shall be abated in proportion to the degree to which Tenant's use of the Premises is impaired during the period of repair; provided that, nothing herein shall be construed to preclude Landlord from being entitled to collect the full amount of any rental loss insurance proceeds if such rental loss insurance is then carried with respect to the Premises. Except for abatement of rent, if any, Tenant shall have no claim against Landlord for any damage suffered by reason of any such damage, destruction, repair, or restoration.

(f) Waiver. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4), and any similar or successor statutes relating to termination of agreement when the agreement term is substantially or entirely destroyed, and agrees that such event shall be governed by the terms of this agreement.

(g) Tenant's Property. Landlord's obligation to rebuild or restore shall not include restoration of Tenant's equipment, merchandise, or any improvements, alterations or additions made by Tenant to the Premises.

(h) Notice of Damage. Tenant shall notify Landlord within five (5) days after the occurrence thereof of any damage to all or any portion of the Premises. In no event shall Landlord have any obligation to repair or restore the Premises pursuant to this Paragraph 14 until a reasonable period of time after Landlord's receipt of notice from Tenant of the nature and scope of any damage to the Premises, and a reasonable period of time to collect insurance proceeds arising from such damage (unless such damage is clearly not covered by insurance then in effect covering the Premises).

(i) Replacement Cost. The determination in good faith by Landlord of the estimated cost of repair of any damage, or of the replacement cost, shall be conclusive for purposes of this Paragraph 14.

15. Eminent Domain.

(a) Termination. In the event the whole or any part of the Premises is condemned in the lawful exercise of the power of eminent domain by any public entity, then this agreement shall terminate as to the part condemned on the date possession of that part is taken.

(b) Partial Taking Renders Economically Unfeasible. If only a part of the Premises is condemned, but such taking makes it economically unfeasible for Tenant to use the remainder of the Premises for the purposes contemplated by this agreement, then Tenant may, at its option, terminate this agreement as of the date possession of the condemned part is taken by giving written notice to Landlord of its intention within thirty (30) days following the date said possession is taken.

(c) Partial Taking with Business Continued. If only part of the Premises is condemned and this agreement terminated as set forth above, then this Lease shall, as to the condemned portion of the Premises, terminate as of the date possession of such portion is taken. The Fixed Minimum Rent shall thereupon be reduced in the same proportion that the area of the Premises taken bears to the initial total area of the Premises. Fixed Minimum Rent, as so reduced, shall continue to be subject to adjustment in accordance with Paragraph 4 hereof.

(d) Repairs. Tenant shall, at its sole cost and expense and in a prompt and expeditious manner, make all necessary repairs or alterations to the remainder of the Premises so as to make them reasonably suitable for Tenant's continued occupancy for those uses and purposes contemplated by this agreement.

(e) Compensation. All compensation awarded or paid upon the total or partial taking of the fee title to the Premises or part of the Premises, or for the taking of all or any portion of the Premises, shall belong to Landlord. The Building and other improvements made by Landlord on the Premises at Landlord's expense shall belong to Landlord. Landlord shall not be entitled to any compensation paid to Tenant for costs incurred by Tenant in removing its furniture, equipment, and trade fixtures from the condemned Premises.

16. Tenant Default. Tenant shall be deemed in default under this agreement upon occurrence of any of the following:

(a) Tenant Default

(1) Tenant fails to pay a monetary sum when due under this Lease (provided that Tenant shall not be deemed in default if Tenant pays such sum within ten (10) days after notice from Landlord that such sum is overdue; and provided further that, Tenant shall not be entitled to any such ten (10) day grace period or notice and shall be deemed in default immediately upon failure to so pay when due if Landlord has already delivered two notices of overdue payments within the immediately preceding twelve (12) month period;

(2) Tenant fails to perform any of its other obligations under this agreement provided that, if such failure is of the nature that it may be cured, Tenant shall not be deemed in default if Tenant cures such failure within twenty (20) days after notice from Landlord of such failure;

(3) Tenant's interest in the Premises or the Lease, or any part thereof, is assigned or transferred, either voluntarily or by operation of law (except as expressly permitted by other provisions of this agreement), including, without limitation, the filing of an action by or against Tenant, or by any member of Tenant if Tenant is a partnership or joint venture, under any insolvency or bankruptcy laws, or if Tenant makes a general assignment for the benefit of its creditors, or;

(4) Tenant vacates, abandons, or surrenders the Premises during the agreement term. In the event of a default by Tenant under this agreement, Landlord may pursue such remedies as it may have for such default under law or in equity, including but not limited to the remedies set forth below.

(b) Repossession. Landlord may repossess the Premises and remove all persons and property therefrom. If Landlord repossesses the Premises because of a breach of this Lease, this agreement shall terminate and Landlord may recover from Tenant:

(1) the worth at the time of award of the unpaid rent, which had been earned at the time of termination including interest at ten percent (10%) per annum;

(2) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided including interest at ten percent (10%) per annum;

(3) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided, computed by discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%); and

(4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this agreement or which in the ordinary course of things would be likely to result therefrom.

(c) No repossession. If Landlord does not repossess the Premises, then this agreement shall continue in effect for so long as Landlord does not terminate Tenant's right to possession and Landlord may enforce all of its rights and remedies under this agreement, including the right to recover the rent and other sums due from Tenant hereunder. For the purposes of this Paragraph 16, the following do not constitute a termination of Tenant's right to possession:

(1) Acts of maintenance or preservation by Landlord or efforts by landlord to relent the Premises; or

(2) The appointment of a receiver by landlord to protect Landlord's interest under this agreement.

17. Attorneys' Fees. If any action at law or in equity shall be brought to recover any rent under this Lease, or for or on account of any breach of or to enforce or interpret any of the terms, covenants, agreements, or conditions of this agreement or for the recovery of the possession of the Premises, the prevailing party shall be entitled to recover from the other party, as a part of the

prevailing party's costs, reasonable attorneys' fees, the amount of which shall be fixed by the court and shall be made a part of any judgement rendered. "Prevailing party" within the meaning of this paragraph shall include, without limitation, a party who brings an action against the other party after the other party's breach or default, if such action is settled or dismissed upon the payment by the other party of the sums allegedly due or performance of the covenants allegedly breached or the plaintiff obtains substantially the relief sought by it in the action.

18. Removal of Property. Tenant hereby irrevocably appoints Landlord as agent and attorney in fact of Tenant to enter upon the Premises in the event of a default by Tenant in the payment of any rent herein reserved, or in the performance of any term, covenant, or condition herein contained to be kept or performed by Tenant, and to remove any and all furniture and personal property whatsoever situated upon the Premises, and to place such property in storage for the account of and at the expense of Tenant. In the event that Tenant shall not pay the cost of storing any such property after the property has been stored for a period of ninety (90) days or more, Landlord may sell any or all of such property, at public or private sale, in such manner and at such times and places as Landlord in its sole discretion may deem proper, without notice to Tenant or any demand upon Tenant for the payment of any part of such charge or the removal of any such property and shall apply the proceeds of such sale first to the costs and expenses of such sale, including reasonable attorneys' fees actually incurred; second, to the payment of the costs of any other sums of money which may then or thereafter be due to Landlord from Tenant under any of the terms hereof; and fourth, the balance, if any, to Tenant.

19. Subordination.

(a) Subordination of Lease. This agreement at Landlord's option shall be subordinate to any mortgage, deed of trust, or any other hypothecation for security now or hereafter placed upon all or any portion of the Premises and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding such subordination, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the rent, observe, and perform all of the provisions of this agreement unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee or trustee shall elect to have this agreement prior to the lien of its mortgage or deed of trust, and shall give written notice thereof to Tenant, this agreement shall be deemed prior to such mortgage or deed of trust, whether this agreement is dated prior or subsequent to the date of said mortgage or deed of trust or the date of recording thereof.

(b) Execution of Documents. Tenant agrees to execute any documents required to effectuate such subordination or to make this agreement prior to the lien of any mortgage or deed of trust, as the case may be, and failing to do so within ten (10) days after written demand, does hereby make, constitute and irrevocably appoint Landlord as Tenant's attorney in fact and in Tenant's name, place and stead, to do so.

20. Landlord's Right to Reenter.

(a) Peaceable Surrender. Tenant agrees to yield and peaceably deliver possession of the Premises to Landlord on the date of termination of this agreement regardless of the reason for such termination. Upon giving written notice of termination to Tenant, Landlord shall have the right to reenter and take possession of the Premises on the date such termination becomes effective without further notice of any kind and without institution of summary or regular legal proceedings. Termination of the agreement and reentry of any Premises by Landlord shall in no way alter or diminish any obligation of Tenant under the Lease terms and shall not constitute an acceptance or surrender.

(b) Waiver of Redemption and Stipulated Damages. Tenant waives any and all right of redemption under any existing or future law or statute in the event of eviction from or dispossession of the Premises for any reason or in the event, Landlord reenters and takes possession of the Premises in a lawful manner.

21. Notices. All notices, statements, demands, requests, approvals or consents given hereunder by either party to the other party shall be in writing and shall be sufficiently given and served upon the other party if served personally or if sent by first class mail of the United States Postal Service, certified, return receipt requested, postage prepaid, and addressed to the parties as indicated in Section 1, or to such other address as any party may have furnished to the others as a place for the service of notice. Notices sent by mail shall be deemed served on the date actually received, as indicated on the return receipt.

23. No Commission. Landlord and Tenant each agree that Landlord and Tenant, respectively, have not had any dealings with any realtor, broker, or agent in connection with the execution of this agreement. Tenant shall pay the commission or compensation payable to any agent or broker employed by Tenant in connection with the execution of this agreement.

24. Waiver. The waiver by Landlord or Tenant of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this agreement, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. Landlord's acceptance of partial payments of rent or any other sum due hereunder shall not be deemed a waiver of its right to recover the full amount of such payment and shall not be deemed an accord and satisfaction whether or not the amount due is disputed by the parties.

25. Holding Over. Any holding over after the expiration of the term with the consent of Landlord shall be construed to be a tenancy from month to month on the same terms and conditions specified herein so far as applicable.

26. Parking. Tenant acknowledges that all parking areas and all other common areas within the Santa Cruz Small Craft Harbor shall remain under the operation and control of Landlord. The manner in which such areas and facilities are operated and maintained shall be at the sole discretion of Landlord, and the use of such areas and facilities shall be subject to such rules and regulations as Landlord shall make from time to time. Landlord shall have the right to regulate access and parking and to install parking meters in such parking areas.

27. Non-Discrimination. Tenant agrees in the conduct of Tenant's business not to discriminate against any person or class of persons by reason of sex, race, creed, national origin, age, or physical condition. Tenant shall make its accommodations and services available to all persons on equal and reasonable terms.

28. Entry by Landlord. Landlord and its agents shall be entitled to enter into and upon the Premises at all reasonable times, upon reasonable notice (except in the case of an emergency, in which event no notice shall be required), for purposes of inspecting or making repairs, alterations or additions to all or any portion thereof, or any other part of the Building, including the erection and

maintenance of such scaffolding, canopies, fences and props as may be required, or for the purpose of posting notices of non-responsibility for alterations, additions, or repairs, and during the one hundred eighty (180) day period prior to the expiration of this agreement to place upon the Premises any usual or ordinary "for rent" signs and exhibit the Premises to prospective tenants at reasonable hours, all without any abatement of rent and without liability to Tenant for any injury or inconvenience to or interference with Tenant's business, quiet enjoyment of the Premises, or any other loss occasioned thereby.

29. General.

(a) Entire Agreement. This agreement contains all of the terms, covenants, and conditions agreed to by Landlord and Tenant and it may not be modified orally or in any manner other than by an agreement in writing signed by all of the parties to this agreement or their respective successors in interest.

(b) Covenants and Conditions. Each term and each provision of this agreement performable by Tenant shall be construed to be both a covenant and a condition, all of which conditions shall be for the sole benefit of Landlord.

(c) Binding on Successors. The covenants and conditions hereof, subject to the provisions as to subletting and assignment, shall apply to and bind the heirs, successors, executors, administrators, sublessees, and assigns to the parties.

(d) Joint and Several Liability. All persons who have signed this agreement shall be jointly and severally liable hereunder.

(e) Gender. When the context of this agreement requires, the masculine gender includes the feminine, a corporation, or a partnership, and the singular number includes the plural.

(f) Captions. The captions of the numbered and lettered paragraphs of this agreement are for convenience only and are not a part of this agreement and do not in any way limit or amplify the terms and provisions of this agreement.

(g) Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of California.

(h) Time of Essence. Time is of the essence as to all of the provisions of this agreement.

(i) Partial Invalidity. If any term, covenant, condition, or provision of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the

provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

(j) Relationship. Tenant shall not be an agent of Landlord for any purpose, and nothing in this agreement shall be deemed to create a partnership relationship between Tenant and Landlord.

(k) No Recordation. Tenant shall not record either this Agreement or a short form memorandum of this agreement.

(l) Calendar Days. All references herein to "days" shall mean calendar days unless otherwise stated.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first above written.

"LANDLORD"

SANTA CRUZ PORT DISTRICT
COMMISSION,
a political subdivision

By _____
Holland MacLaurie
Port Director

"TENANT"

O'CONNOR, DEFARIA
a limited liability company


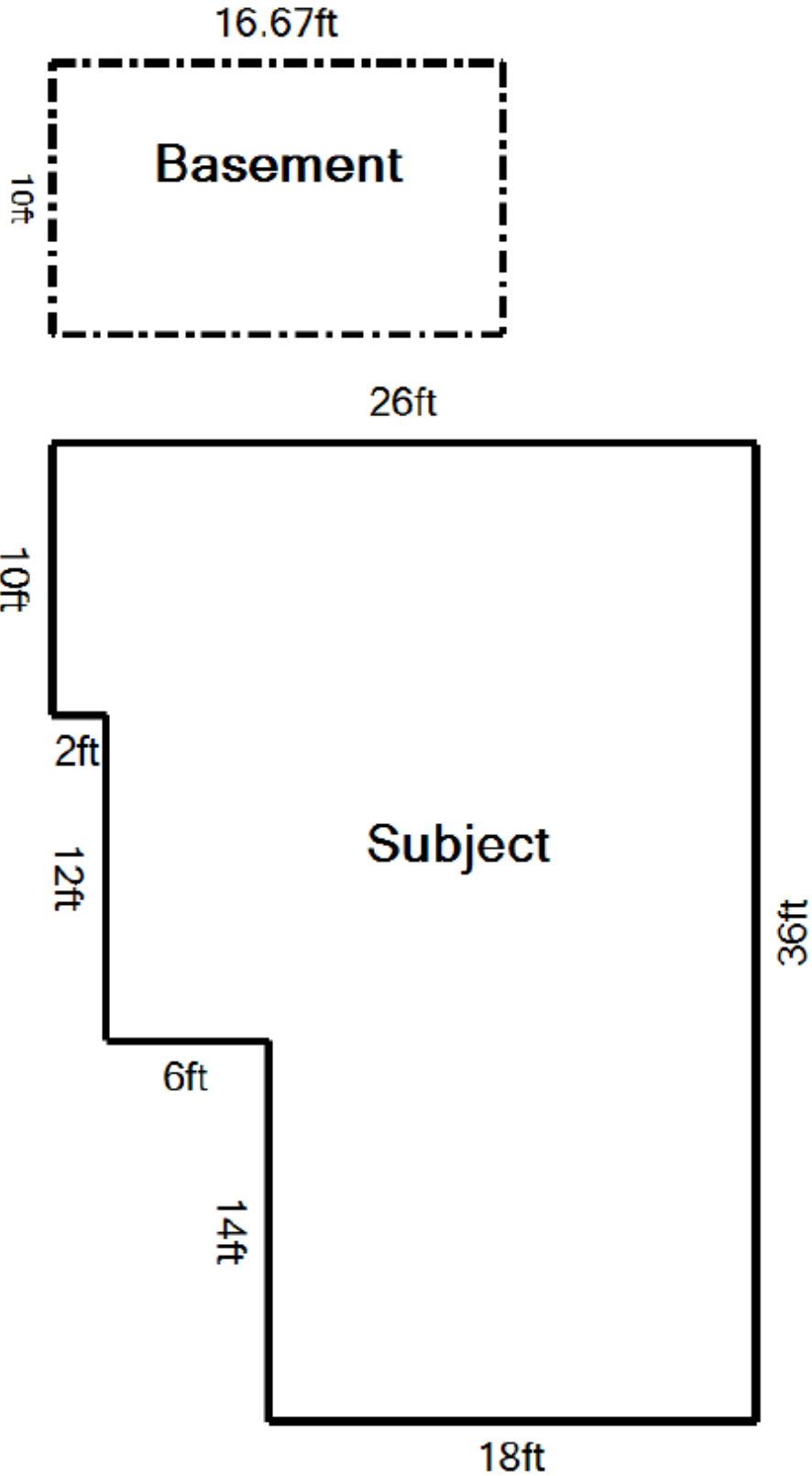
By  _____
Timothy O'Connor
Principal

EXHIBIT 'A'

PREMISE MAP
497 Lake Avenue

Interior 800 SF
Basement Area 167 SF

Includes exclusive use of the exterior rear patio and front porch areas





TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: February 18, 2025
SUBJECT: Approve the FY26 Budget and Capital Improvement Plan

Recommendation: *Approve the FY26 budget and capital improvement projects.*

BACKGROUND

The Port Commission reviewed the draft FY26 budget (including FY26 fee schedule) and proposed list of capital improvement projects (CIP) at a special public budget session on February 6, 2025.

Following review and discussion, the Port Commission directed staff to revise the draft FY26 budget to include the following:

- 5% increase to marina fees
- CIP: Allocate \$50,000 to Barge Purchase Fund
- Various adjustments to FY26 fee schedule

The budget worksheet, revenue summaries, Capital Improvement Plan summary table, fee schedule, and Projected Debt Service Ratio (DSR) have been revised accordingly.

ANALYSIS

The marina fee increase has improved the DSR from 1.63x in the draft FY26 budget, to 1.85x in the proposed final budget. The proposed budget maintains services, funds approved labor contracts and aligns with identified Port District priorities by funding priority capital improvement projects.

The revised draft FY26 budget is appended as Attachment A.

ATTACHMENTS: A. Final Proposed FY26 Budget
B. Historic Annual Slip Rent Increases



SANTA CRUZ PORT DISTRICT

FINAL DRAFT OPERATING BUDGET

FISCAL YEAR 2026

APRIL 1, 2025 - MARCH 31, 2026

TABLE OF CONTENTS

1.	PORT DIRECTOR’S BUDGET MESSAGE.....	2
2.	POLICY STATEMENTS.....	4
3.	BUDGET USER GUIDE.....	6
4.	FINANCIAL SUMMARIES	
	FY26 Budget Summary.....	7
	General Fund Revenue Budget.....	8
	General Fund Expenditure Budget.....	10
	Expenditures by Department and Program.....	12
	Debt Service.....	13
	Fund Balance Overview and Projections.....	15
5.	PERSONNEL PROFILE.....	16
6.	DEPARTMENTS AND PROGRAMS	
	Administrative Services Department.....	18
	Operations Department.....	21
	Facilities Maintenance and Engineering Department.....	25
7.	DREDGING EQUIPMENT.....	29
8.	CAPITAL OUTLAY.....	30
9.	CAPITAL IMPROVEMENT PROGRAM.....	31
Attachment A	Debt Service Detail and Debt Service Coverage Ratios	
Attachment B	Revenue, Expense, and Non-Operating Summary Sheets	
Attachment C	Financial Policies	
	Reserve Policy	
	Investment Policy	
	Unfunded Accrued Liability Policy (including CalPERS’ Employer Contribution Rates)	
Attachment D	FY26 Fee Schedule	

PORT DIRECTOR'S BUDGET MESSAGE

Honorable Chair and Members of the Port Commission:

I am pleased to transmit to you the proposed budget and 5-Year Capital Improvement Plan (CIP) for the Santa Cruz Port District for the fiscal year beginning April 1, 2025, and ending March 31, 2026. While the Port District does not have a specific written policy governing budget development or administration, the FY26 budget is presented as a balanced budget, where operating revenues are equal to or exceed operating expenditures.

The Port District's annual budget is a key planning tool that serves as a policy document, financial plan, and operating guide for the public and harbor constituents. It is intended to demonstrate the District's strategic direction, sources of funding, and planned expenditures for the upcoming fiscal year.

Prior Year Summary

FY25 was marked by two significant and unforeseen disaster events that necessitated emergency response efforts and had a substantial impact on operating expenditures:

- October Anchovy Die-Off: \$55,689 (response efforts have concluded)
- December Storm Surge Event: \$2,011,902 (response efforts remain ongoing)

As a result of the significant storm surge event on Monday, December 23, 2024, the Port District sustained considerable damage to its marine infrastructure, and recovery efforts within the harbor remain ongoing. Preliminary damage estimates are anticipated to be upwards of \$25 million.

The FY25 budget projected \$12,445,646 in revenues and \$11,374,128 in expenditures (including debt service and capital outlay). FY25 revenues are expected to meet budget projections, while operating costs are expected to exceed budget by approximately 17%, due primarily to unanticipated expenditures related to storm surge recovery efforts.

Planning efforts are currently underway to facilitate permanent repairs to storm surge-damaged infrastructure. Repair costs will be offset by disaster recovery assistance funding provided by the California Governor's Office of Emergency Services (CalOES), which will reimburse the Port District 75% of eligible debris removal and reconstruction costs. (This disaster event is not anticipated to receive any recovery assistance from the Federal Emergency Management Agency (FEMA)).

FY26 Budget Outlook / Highlights

The storm surge event has necessitated a realignment of planning efforts for the upcoming fiscal year. The proposed FY26 budget has been structured to balance planned capital improvements and technology upgrades while effectively managing disaster response and recovery efforts.

The FY26 proposed budget funds current operations within revenue projections that are approximately the same as FY25. While modest increases are projected for some user fees and RV Parking, revenue projections for some categories, including slip rent, tenant concession rent, parking, and boatyard services have been adjusted to account for potential impacts associated with the City of Santa Cruz's Murray Street

Bridge Seismic Retrofit and Barrier Replacement Project. Additionally, despite the potential for a limited recreational salmon season, the FY26 budget maintains conservative revenue projections for launch fees and fuel sales.

Additional highlights are presented below:

- 5% increase to marina fees.
- Operating revenues total \$12,808,575 (increase of 3% over prior year).
- Operating expenditures totals \$11,577,789 (increase of 2% over prior year).
- Capital Improvement Plan (CIP) contribution of \$1,740,984, consisting of the following:
 - \$1,000,000 contribution from the Operating Budget.
 - \$100,000 contribution from the Election Fund
 - Assignment of \$15,749 in Unallocated CIP Funds.
 - Reassignment of \$625,235 in previously allocated funds.

The Port District's Capital Improvement Plan aims to address critical infrastructure needs (including storm surge recovery efforts) and ensure that the harbor's facilities meet operational and sustainability demands. As a result, the CIP proposes \$7,443,984 million through FY30.

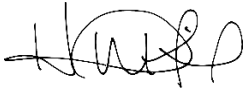
The FY26 CIP includes 17 projects, which advance the Port District's priorities by:

- Prioritizing planning and repair efforts for storm surge-damaged areas of the harbor.
- Continuing to invest in and upgrade harbor infrastructure, include public pier rehabilitation, fuel dock equipment repair, and ongoing building maintenance.
- Replacement of critical utility infrastructure, like the G-Dock sanitary sewer lift station.

At its regular public session of March 28, 2023, the Port Commission elected to review the annual fee schedule as part of the budget process. The proposed FY26 fee schedule is included as Attachment D. While proposed fee schedule revisions are limited this year, the associated impacts have been incorporated into FY26 revenue projections.

As we navigate the upcoming fiscal year, staff will work to maximize resources and contain spending. Recognition is given to all staff members and managers who have assisted in the development of this year's budget. Please be assured that extreme care and effort will be devoted to the effective administration of the FY26 budget to ensure sustained success well into the future.

Sincerely,



Holland MacLaurie
Port Director

POLICY STATEMENTS

RESERVE POLICY

The Port District's Reserve Policy, adopted in FY16 (included in Attachment C), states the Port Commission's intent to preserve capital to finance three months of operations, and to fund future capital improvements at a minimum level to ensure the sustainability of harbor infrastructure. The reserve funding goal was first achieved in the FY19 budget and since policy adoption, annual contributions have been budgeted at the level needed to meet the reserve funding goal. The only exception has been the FY21 budget when a programmed reserve fund contribution was suspended in response to anticipated revenue reductions due to the COVID-19 pandemic.

In FY23, the Port Commission approved resolution 22-28, authorizing a one-time expenditure from the Reserve Fund in the amount of \$825,000 for the 2222 East Cliff Drive Deck Replacement Project. To restore the reserve fund to the desired funding level, the Commission determined that concession income derived from 2222 East Cliff Drive, Suites 200, 204, 208, 212, 216, and 220 will reimburse the Reserve Fund in an amount not less than \$117,857 per annum for 7 years, beginning in Fiscal Year 24.

Additionally, in FY25, the Port commission approved resolution 25-03, authorizing a one-time expenditure from the Reserve Fund in the amount of \$1,500,00 for emergency dock repair in the north harbor, as a result of damage sustained from the December 23, 2024, storm surge event. In accordance with the provisions of the Reserve Policy, a plan and timeline for replenishing the fund will be provided prior to July 31, 2025.

INVESTMENT POLICY

In FY19, the Port Commission adopted an investment policy (included as Attachment C), which provides direction to the Port Director on the prudent and beneficial investment of District funds in accordance with laws governing the investment of local agency funds.

UNFUNDED ACCRUED LIABILITY PENSION MANAGEMENT POLICY

The Port District's Unfunded Accrued Liability Pension Management Policy, adopted in FY23 (included in Attachment C), is intended to strategically address the existing and any future unfunded accrued liability (UAL) associated with the Port District's California Public Employees' Retirement System (CalPERS) pension plans. In accordance with guidance set forth in the policy, the Port District will pre-pay the entire UAL payment in the amount of approximately \$544,198 by July 31, 2025, and include an additional discretionary payment in the amount of \$20,000.

POLICY STATEMENTS (CONT.)

The Port District's finances have historically been managed and reported in accordance with Generally Accepted Accounting Principles (GAAP), and with applicable statements published by the Government Accounting Standards Board (GASB). The Port District does not have specific written policies governing how the budget was to be created or administered. Budget administration and planning incorporates the following assumptions and practices first adopted in FY13:

1. **Balanced Budget**

The Port District operates with a balanced budget where operating revenues are equal to or exceed operating expenditures. Imbalances to the budget that result from increased expenses, decreased revenues, or a combination of the two, will require a budget revision.

2. **Fixed Assets**

Fixed (or capital) assets are tangible items individually valued at \$5,000 or more. Examples of fixed assets would be vehicles, equipment, boats, etc. For accounting purposes, fixed assets with an estimated useful life of at least two years after acquisitions are capitalized.

3. **Capital Improvements**

Capital improvements are physical assets, constructed or installed, with a useful life of ten years or longer and a cost of \$25,000 or more. Services that ultimately result in such physical assets are also budgeted as capital improvements (e.g., engineering design, architectural services, etc.).

4. **Depreciation**

Depreciation is reported annually as an operating expense (approximately \$2.1 million projected in FY26). The full amount of annual depreciation has not been included in the operating budget.

5. **Appropriations**

Appropriation balances may be transferred from one expenditure account to another within the operating budget without Port Commission approval. Capital improvement budgets are not considered to be part of any transferable appropriation balance. Any increase in total appropriations must be approved by the Port Commission.

6. **Reserves**

Reserve funds are not available for use to offset any expenditures that exceed total appropriations. Reserves may only be used as approved by the Port Commission.

7. **Use of Restricted/Unrestricted Net Assets**

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted net assets are applied first.

8. **Staffing Levels**

The total number of full-time equivalent (FTE) employees shall be approved by the Port Commission.

BUDGET USER GUIDE

General Fund (i.e., operating) revenues and expenses are presented in the Financial Summaries. FY24 Actual, FY25 Budget and Projected Actual, and FY26 Proposed Budget figures are presented for comparison. Terms used in the Financial Summaries and in the program budgets that follow are defined below.

Capital Outlay

Expenses associated with acquiring capital (or "fixed") asset items individually valued at \$5,000 or more. Examples of fixed assets would be vehicles, equipment, boats, etc.

Charges for Services

Revenues received as reimbursement to the Port District for the use of staff, equipment or other resources beyond the services included with other user fees or rents. Examples may include standby of marine rescue personnel for aquatics competitions, emergency response services and after-hours call back for fuel sales.

Debt Service

Principal and interest payments on loans.

Fines

Fines (or "bail amounts") for parking or other citations paid directly to the Port District.

Fuel Sales

Receipts at the fuel pump.

Intergovernmental Revenues

Funds received by the Port District from another government agency. Examples include dredging expenditure reimbursement received from the U.S. Army Corps of Engineers (USACE), contributions from the County of Santa Cruz for marine rescue services, and grants from state, federal or local government sources.

Other/Miscellaneous

Revenues shown as Other/Miscellaneous include sales of key fobs, merchandise, proceeds from lien sales or disposal of surplus items, etc.

Personnel Services

All costs associated with Port District staff compensation for regular and temporary employees, including payroll taxes, workers' compensation, unemployment insurance, pension, and employee benefits.

Rents

Rents encompass payments received by the Port District from its land-based tenants. Revenues are classified as either base rent, percentage rents or utility chargebacks as applicable.

Services and Supplies

Costs for all services provided to the Port District by contract or work order, utilities, insurance premiums, purchase of items not classified as fixed assets or "capital outlay," etc.

Transfers In/Out

Transfers between Port District funds (e.g. allocations to the Dredge Fund may involve a transfer from the General Fund, or any combination of those and other funds).

User Fees

Fees established by the Port Commission for various uses of Port District facilities including boat slips, dry storage, RV, and general parking.

FY26 BUDGET SUMMARY

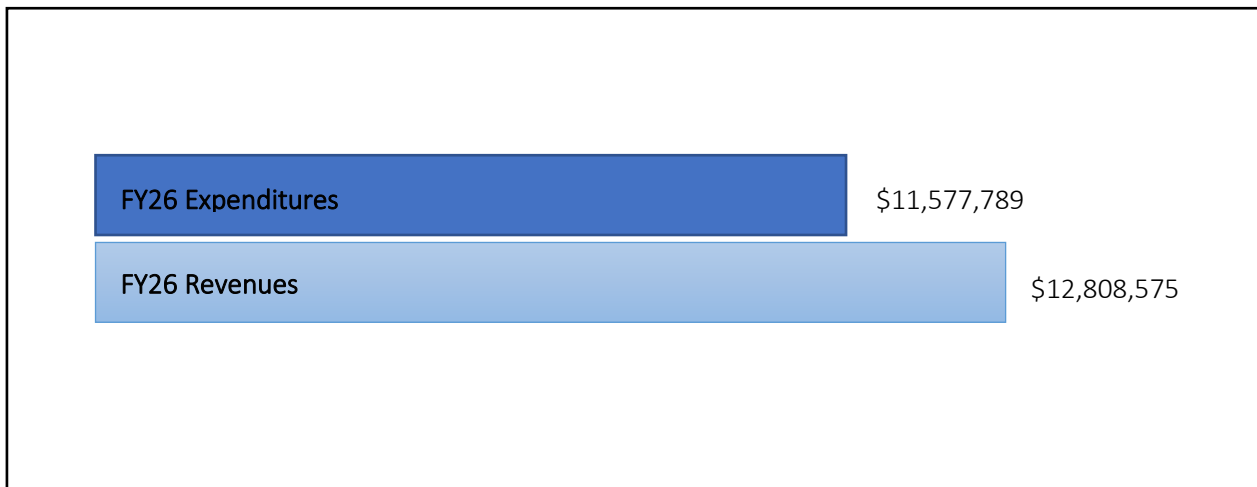
The FY26 budget is presented as a balanced budget with a 5% increase to marina fees. As a balanced budget, operating revenues are equal to or exceed operating expenditures. A summary of the FY26 General Fund budget is presented below:

FY26 REVENUES BY CATEGORY

USER FEES	\$7,976,325
RENTS	\$2,278,000
CHARGES FOR SERVICE	\$38,500
FINES	\$115,000
FUEL SALES	\$590,000
BOATYARD	\$332,250
INTERGOVERNMENTAL	\$575,000
GRANTS	\$88,500
OTHER / MISCELLANEOUS	\$815,000
TOTAL:	\$12,808,575

FY26 EXPENDITURES BY CATEGORY

PERSONNEL SERVICES	\$5,129,497
SERVICES & SUPPLIES	\$5,167,742
CAPITAL OUTLAY	\$7,000
DEBT SERVICE	\$1,273,550
OTHER LIABILITIES	\$0
TOTAL:	\$11,577,789



GENERAL FUND REVENUE BUDGET

The table below shows the distribution of estimated General Fund revenues for FY26, which total \$12,808,575. This represents an increase of approximately 3% over FY25 budgeted revenues.

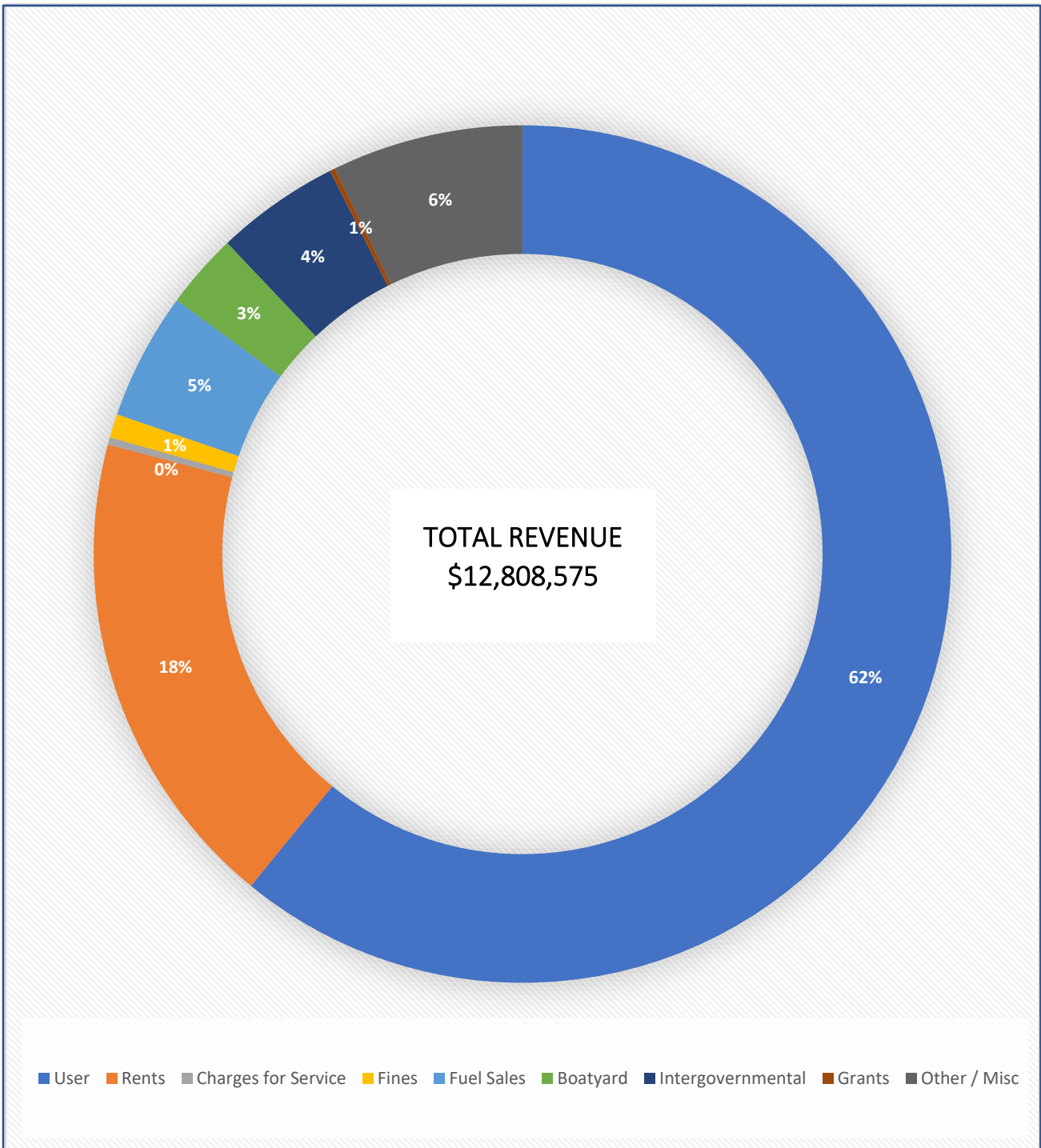
	FY25 BUDGET	FY25 PROJECTION	FY26 BUDGET
User Fees	\$7,641,396	\$7,714,135	\$7,976,325
Rents	2,237,000	2,294,057	\$2,278,000
Charges for Service	34,000	38,935	\$38,500
Fines	110,000	123,722	\$115,000
Fuel Sales	590,000	563,239	\$590,000
Boatyard	348,250	302,531	\$332,250
Intergovernmental	575,000	575,000	\$575,000
Grants	24,000	642,670	\$88,500
Other / Misc.	886,000	992,200	\$815,000
TOTAL:	\$12,445,646	\$13,246,489	\$12,808,575

FISCAL YEAR REVENUE HIGHLIGHTS

- Projected revenue for FY25 is anticipated to exceed budgeted figures by approximately 6.5% due to the following:
 - Increased interest earnings of approximately \$200,000.
 - Receipt of \$610,383 in FEMA reimbursement for the December 2023 Storm Events.
 - Parking revenue continues to outpace budget.
 - RV Park revenue continues to outpace budget.
 - Citation revenue continues to outpace budget.
- FY26 Budget includes \$525,000 in reimbursement from the U.S. Army Corps of Engineers.¹
- FY26 revenue projections for some categories, including slip rent, tenant concession rent, parking, and boatyard services have been adjusted to account for potential impacts associated with the City of Santa Cruz’s Murray Street Bridge Seismic Retrofit and Barrier Replacement Project.
- FY26 Budget includes \$248,750 in visitor berthing revenue, which represents actual reimbursement funds from the City of Santa Cruz (Murray Street Bridge Project).

¹ Uncertainty regarding the availability of funds does exist, however the potential for not receiving the annual reimbursement is anticipated to be minimal.

FY26 OPERATING REVENUES BY CATEGORY



GENERAL FUND EXPENDITURE BUDGET

The table below shows the distribution of estimated General Fund expenditures for FY26, which total \$11,577,789. This represents an increase of approximately 1.8% over FY25 budgeted expenditures.

	FY25 BUDGET	FY25 PROJECTION	FY26BUDGET
Personnel Services	\$4,840,885	\$4,562,004	\$5,129,497
Services & Supplies	5,085,187	7,347,318	5,167,742
Capital Outlay	35,000	33,873	7,000
Debt Service Payments	1,413,056	1,413,056	1,273,550
Other Liabilities	0	0	0
TOTAL:	\$11,374,128	\$13,356,251	\$11,577,789

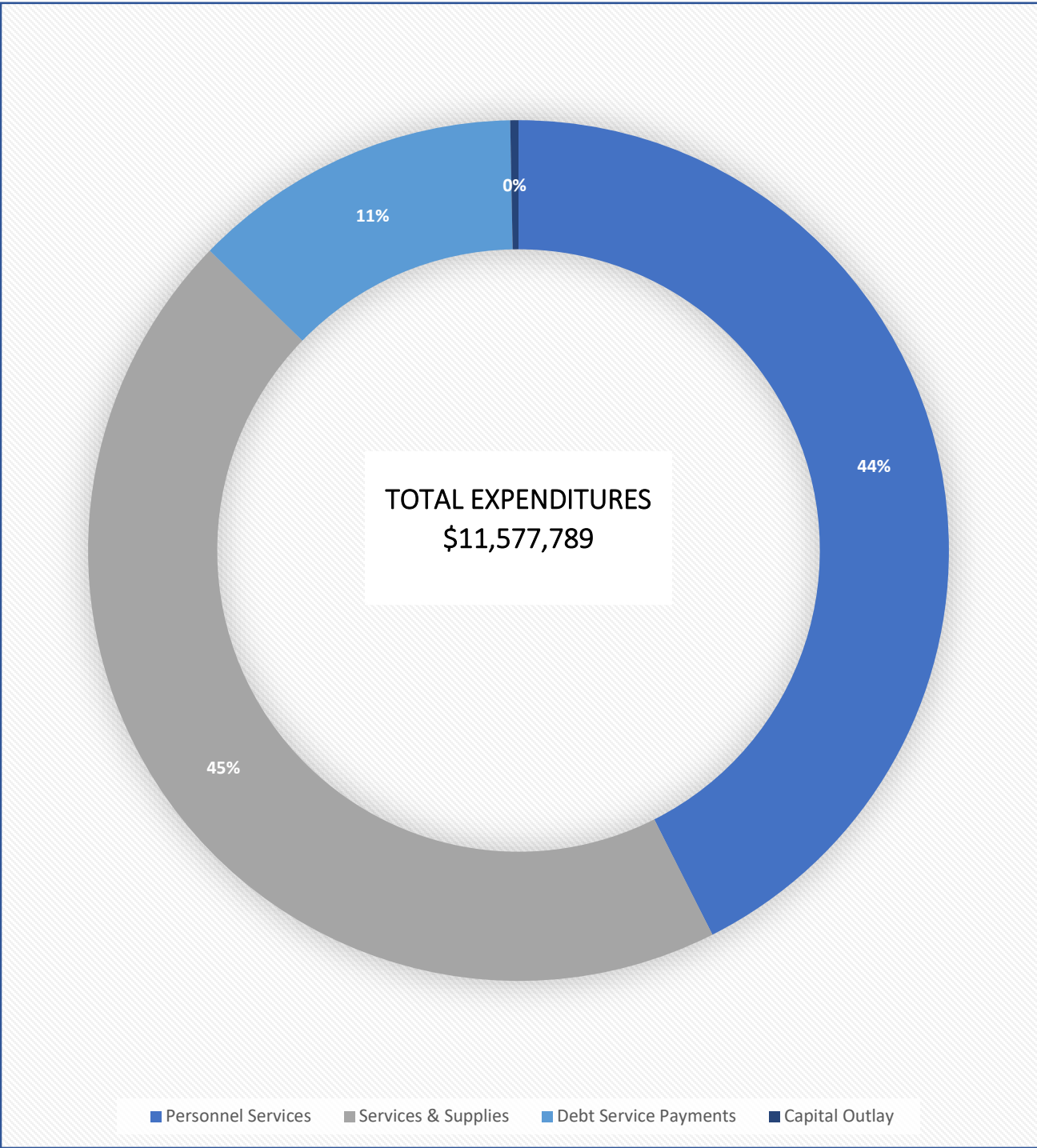
FISCAL YEAR REVENUE HIGHLIGHTS

- Projected salary and benefit costs (Personnel Services) for FY25 will be less than budget by approximately 6% due to vacancies in the Operations Department (1.5 Deputy Harbormasters).
- Projected Services and Supplies costs for FY25 will exceed budget by approximately 44%, due to unanticipated expenditures related to storm surge recovery efforts.
- Personnel Services costs are anticipated to increase in FY26 by approximately 6% due to negotiated contract increases and CalPERS-related pension costs.
- FY26 Budget converts one provisional Harbor Maintenance Worker to a full-time equivalent, increasing the employee count from 29 to 30.
- Projected employer pension expenses in FY26 will total approximately \$834,816, which represents 16% of the anticipated Personnel Services expenditures.
 - Of that pension expense total, \$20,000 is allocated for an additional discretionary payment to CalPERS to assist in proactively reducing the District’s unfunded accrued liability (UAL).
- FY26 Services and Supplies costs are proposed at a level that is approximately 1.6% higher than FY25. This increase is primarily related to escalating insurance premium costs².
- FY26 Capital Outlay costs include:
 - \$7,000 – New Media Vessel for Filtration System (Boatyard)
- In FY26, there are no identified expenditures noted as “Other Liabilities.”

The expenditure summary in FY26 (and previous budget years) does not include transfers to the Dredge Fund. Fund transfers are included in the budget as Non-Operating Expenditures. In FY26, the budgeted fund transfer to the Dredge Fund is \$145,000.

² Insurance premium costs for FY26 are estimated to increase to \$1,725,396. This represents an approximate 12% increase over actual FY25 costs.

FY26 OPERATING EXPENDITURES BY CATEGORY



EXPENDITURES BY DEPARTMENT AND PROGRAM

Department and Program	FY 24 Actual	FY 25 Budget	FY 25 Projected	FY 26 Budget
100 Administrative Services Department				
110 Administration	\$861,319	\$925,649	\$2,926,474	\$967,272
120 Finance & Purchasing	236,889	247,146	224,041	259,374
130 Property Management	951,436	994,396	1,074,348	1,070,096
140 Environmental & Permitting	144,352	189,885	89,022	180,654
190 Port Commission Support	79,674	76,149	61,295	80,231
Department Total	\$2,273,669	\$2,433,226	\$4,375,180	\$2,557,627
200 Operations Department				
210 Harbor Patrol	\$829,967	\$884,261	\$818,769	\$931,668
220 Marina Management	591,788	632,832	645,245	670,083
230 Rescue Services	132,091	153,813	129,057	158,775
240 Parking	391,668	408,710	409,661	416,209
250 Events	19,874	33,829	24,180	30,938
280 Fuel Services	476,215	522,860	491,206	511,340
500 Boatyard	366,652	431,225	385,640	445,777
Department Total	\$2,808,255	\$3,067,531	\$2,903,757	\$3,164,790
300 Facilities Maintenance & Engineering				
310 Docks, Piers & Marine Structures	\$739,233	\$856,979	\$866,106	\$934,069
320 Utilities Maintenance	97,409	110,463	111,968	106,004
330 Building Maintenance	482,824	495,429	487,153	513,206
340 Grounds Maintenance	908,044	873,575	1,054,614	887,693
350 Aeration Program	54,938	60,599	110,959	82,732
360 Fishery Support	8,855	17,496	9,447	16,665
390 Capital Projects	348,782	313,229	306,925	267,248
400 Dredging Operations	1,710,055	1,697,545	1,683,213	1,767,206
Department Total	\$4,350,141	\$4,425,315	\$4,630,384	\$4,574,822
Total Operating Budget	\$ 9,432,065	\$ 9,926,072	\$ 11,909,321	\$ 10,297,239

Note: Interest expense for debt service is included in Program 390-Capital Projects above.

DEBT SERVICE

The tables below detail the repayment of revenue bond issues and other long-term financing utilized by the Port District. FY26 debt service payments (including principal and interest) total \$1,533,921, which is \$184,576 less than FY25. A higher portion of the annual payment is being applied to the principal balance in FY26.

LONG TERM DEBT BALANCES						
	Maturity Date	Interest Rate	Balance 3/31/24	Principal Reductions	Balance 3/31/2025	Current Portion
2013A Bonds	2/1/2030	3.090%	\$ 6,007,483	\$ 924,782	\$ 5,082,701	\$ 953,580
2013B Bonds (Taxable)	11/1/2026	4.740%	360,966	261,310	99,656	84,894
2018A Rev. Obligation	8/1/2033	3.500%	1,205,441	109,003	1,096,438	112,851
2018B Rev. Obligation	8/1/2033	3.500%	1,102,115	99,659	1,002,456	103,177
497 Lake Avenue	12/1/2041	4.000%	911,396	18,303	893,093	19,048
PNC Line of Credit	3/31/2027	SOFR + 2%	-	-	-	-
Total Long-Term Debt			\$ 9,587,401	\$ 1,413,056	\$ 8,174,345	\$ 1,273,550

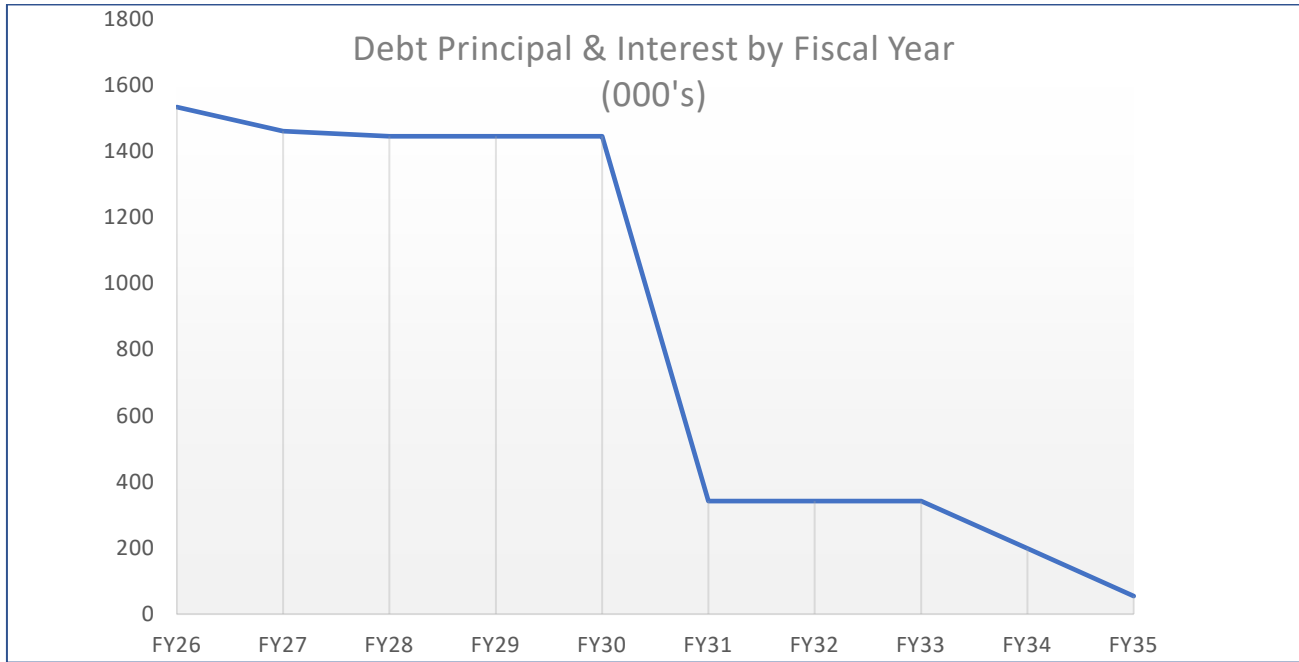
PROJECTED DEBT SERVICE PAYMENTS FOR THE 5 YEARS FY25-FY29 (PRINCIPAL & INTEREST)					
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2013A Bonds	\$ 1,103,269	\$ 1,103,269	\$ 1,103,269	\$ 1,103,269	\$ 1,103,269
2013B Bonds (Taxable)	88,611	15,288	-	-	0
2018A Rev. Obligation	150,247	150,247	150,248	150,247	150,248
2018B Rev. Obligation	137,368	137,369	137,369	137,369	137,370
497 Lake Avenue	54,425	54,425	54,425	54,425	54,425
PNC Line of Credit	-	-	-	-	-
Total Annual Debt Service	\$ 1,533,921	\$ 1,460,599	\$ 1,445,311	\$ 1,445,311	\$ 1,445,312

PURPOSE OF EXISTING DEBT:

- 2013A Bonds:** Structured to finance (i) the Refunding of Prior Tax-Exempt Obligations, (ii) the cost of a new dredge, (iii) a surety bond for a debt service reserve fund (the “Reserve Fund”), and (iv) all related costs of issuance.
- 2013B Bonds:** Structured to finance (i) the Refunding of the Prior Taxable Obligations, (ii) the outstanding balance of the District’s OE3 pension obligation, and (iii) all related costs of issuance.
- 2018A Rev. Obligation:** Structured to finance (i) the Santa Cruz Harbor Pile Replacement Project
- 2018B Rev. Obligation:** Structured to finance (i) the Santa Cruz Harbor Seawall Replacement Project
- 497 Lake Avenue** Structured to finance (i) the purchase of a commercial property carrying a professional administrative zoning status located at 497 Lake Avenue, Santa Cruz, CA.
- PNC Line of Credit** Structured to finance (i) short-term storm surge recovery efforts on an as needed basis. *Final execution of loan documents pending.*

DEBT SERVICE (CONT.)

The table below illustrates the District’s principal and interest payments for the period FY25 to FY35. The Port District will achieve significant cost savings in FY31, assuming no additional borrowing occurs³.



The Port District is required to maintain adequate coverage for debt service for the life of its Series 2013 and Series 2018 loans. Debt Service Ratio (DSR) covenants required the District to prescribe and collect fees and charges for services at least equal to 125% of its debt service after operating and maintenance expenses for the fiscal year. Debt Service Coverage Ratios (DSRs) for FY23 and FY24 (audited), FY25 (budgeted), FY25 (projected) and FY26 (budget) are presented below and provided in more detail in Attachment A⁴:

DEBT SERVICE COVERAGE PROJECTION

	FY23 <i>(Audited)</i>	FY24 <i>(Audited)</i>	FY25 <i>(Budget)</i>	FY25 <i>(Projected)</i>	FY26 <i>(Budget)</i>
Debt Service Coverage Ratio	3.1X	2.39	1.55X	1.96X	1.85X
Required Ratio	1.25X	1.25X	1.25X	1.25X	1.25X

³ Additional borrowing may occur in FY26 to fund long-term storm surge recovery efforts.

⁴ The DSR calculation for FY25 (Projected) and FY26 (Budgeted) excludes any estimated interest and principal amounts associated with utilization of the Port District’s pending PNC Line of Credit.

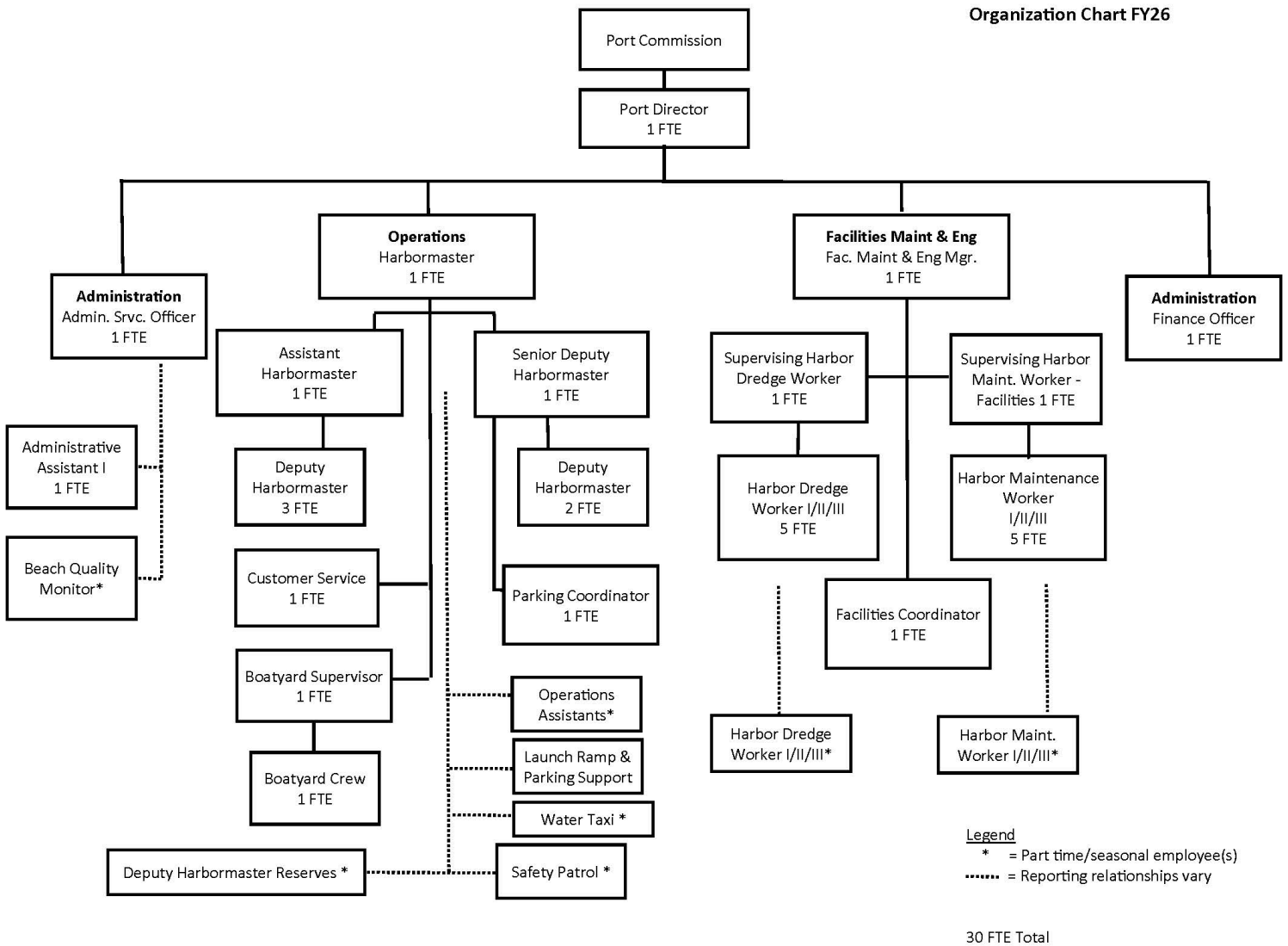
FUND BALANCE PROJECTIONS

Listed below are descriptions of the Port District's major funds and projected balances as of March 31, 2025.

General Fund	The General Fund is the primary operating fund of the Port District. This fund is used to account for all financial transactions and resources, except those required or requested in another fund. The projected General Fund balance as of March 31, 2025, is estimated to total \$26,788,101.
Dredge Fund	The Dredge Fund is the primary funding source for identified priorities and equipment replacement / repair needs for the dredge operation. The projected Dredge Fund balance as of March 31, 2025, is estimated to total \$138,205.
Reserve Fund	The Reserve Fund accounts for resources restricted to expenditures for specified purposes (i.e., unforeseen emergencies or extraordinary circumstances). The Port District strives to hold in reserve an amount equal to 25% of the District's annual operating expenses. The projected Reserve Fund balance as of March 31, 2025, is estimated to total \$336,776 (\$825,000 draw on reserves was utilized in FY23 for emergency deck repairs at 2222 East Cliff Drive and \$1,500,000 draw on reserves was utilized in FY25 for emergency storm surge recovery efforts).
Capital Improvement Fund	The Capital Improvement Fund accounts for all financial resources used for the acquisition or construction of major capital improvement projects. The projected Capital Improvement Fund balance as of March 31, 2025, is estimated to total \$8,801,792.
Election Fund	The Election Fund is the primary funding source for biennial Port Commission election expenses. The projected Election Fund balance as of March 31, 2025, is estimated to total \$138,449. Due to significant election expense savings associated with the transition from at-large to district-based elections, a lower balance of \$38,449 is proposed in FY26, with \$100,000 being transferred to the Capital Improvement Program to help fund storm surge recovery efforts.
PNC Reserve Fund	The PNC Reserve Fund accounts for restricted funds held as a condition of the District's debt refunding efforts completed in FY14. The projected PNC Reserve Fund balance as of March 31, 2025, is estimated to total 1,077,060.

PERSONNEL PROFILE

The Port District’s organization chart for FY26 is presented below. Positions shown with an associated FTE (full-time equivalent) number are regular, permanent positions assigned to each department. Positions shown with an asterisk and no FTE number are part-time temporary and/or seasonal workers.



FTE EMPLOYEE COUNTY BY FISCAL YEAR

FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26 ⁵
27	29	29	29	28	29	29	30

⁵ FY26 Budget converts one provisional Harbor Maintenance Worker to a full-time equivalent, increasing the employee count from 29 to 30.

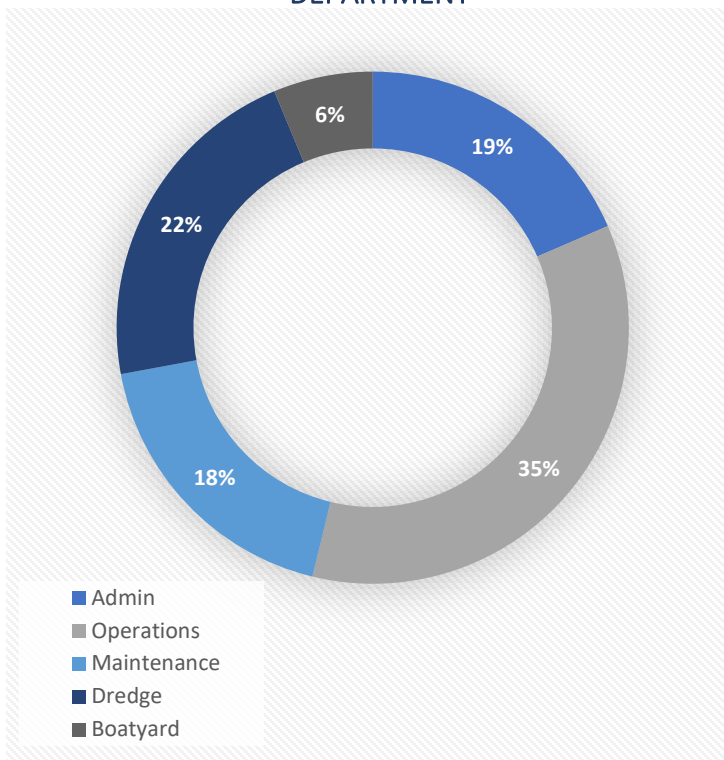
PERSONNEL PROFILE (CONT.)

The table below shows year-over-year salary and benefit cost comparisons for all employees (regular FTE and temporary/seasonal). Overall, Personnel Services costs in FY26 are approximately 6% higher than FY25. This increase is primarily due to negotiated contract increases and CalPERS-related pension costs.

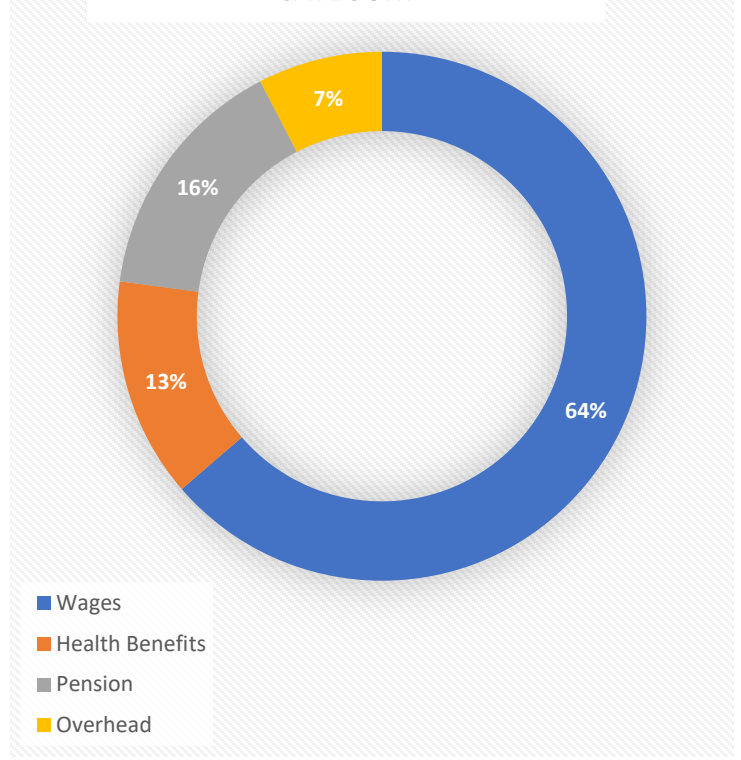
SALARIES & BENEFITS BUDGET

	FY25 BUDGET	FY25 PROJECTION	FY26 BUDGET
Administrative Services	\$895,806	\$749,477	\$951,588
Operations ⁶	1,707,837	1,572,583	1,805,389
Boatyard ⁷	304,043	254,804	320,294
Facilities Maint. & Eng.	886,367	954,390	938,636
Dredging ⁸	1,046,832	1,030,749	1,113,590
TOTAL:	\$4,840,885	\$4,562,003	\$5,129,497

FY26 SALARIES & BENEFITS BY DEPARTMENT



FY26 PERSONNEL COST BY CATEGORY



⁶ The Customer Services Representative position is budgeted in Administration, but labor has been allocated to the Operations Department (Marina Management).

⁷ The Boatyard is shown separately for additional clarity, but is overseen by the Operations Department.

⁸ The Dredging Operation is shown separately for additional clarity, but is overseen by Facilities Maintenance and Engineering.

DEPARTMENTS AND PROGRAMS

ADMINISTRATIVE SERVICES DEPARTMENT

The Administrative Services Department is comprised of the following programs:

- Administration
- Finance and Purchasing
- Property Management
- Environmental and Permitting
- Port Commission Support

The table below summarizes the distribution of expenditures by category and program for the Administrative Services Department. Individual program details are also provided.

EXPENDITURE SUMMARY

Expenditure by Category	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$724,932	\$895,806	\$749,477	\$951,588	6.2%
Services & Supplies	1,548,737	1,537,421	3,625,703	1,606,039	4.5%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$2,273,669	\$2,433,226	\$4,375,180	\$2,557,627	5.1%

Expenditure by Program	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Administration	\$861,319	\$925,649	\$2,926,474	\$967,272	4.5%
Finance & Purchasing	236,889	247,146	224,041	259,374	4.9%
Property Mgmt.	951,436	994,396	1,074,348	1,070,096	7.6%
Enviro & Permitting	144,352	189,885	89,022	180,654	-4.9%
Port Comm. Support	79,674	76,149	61,295	80,231	5.4%
Total Expenditures	\$2,273,669	\$2,433,226	\$4,375,180	\$2,557,627	5.1%

PROGRAM HIGHLIGHTS:

Projected Services and Supplies costs for FY25 will exceed budget by approximately \$2,088,282 or 136% due to unanticipated storm surge recovery costs, all of which were expensed in the Administration Program.

FY26 Services and Supplies within the Administrative Services Department are anticipated to increase 4.5% over the prior fiscal year. This increase is due to escalating insurance premium costs, of which approximately 35% of the total estimated premium is paid from the Property Management program.

ADMINISTRATION

Administration encompasses the daily oversight of all Port District operations and programs, long-term planning, budget preparation, human resources and benefits management, website maintenance, customer service, public outreach and promotional activities, coordination with local and regional governments and organizations, and various activities undertaken by the Port Director and Administrative Services staff.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$443,455	\$523,008	\$446,402	\$562,253	7.5%
Services & Supplies	417,864	\$402,641	2,480,073	405,020	0.6%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$861,319	\$925,649	\$2,926,474	\$967,272	4.5%

FINANCE & PURCHASING

Finance and purchasing activities include accounting for all Port District assets, revenues, and expenses, administering payroll using an outside payroll processing contractor, preparing budget monitoring and quarterly reports, contracting for services, preparing for, and participating in annual outside audits of Port District financial statements, performing tenant-related audits, and tracking grant-related expenditures and reimbursements. Finance and purchasing staff perform ongoing work to develop and refine purchasing procedures and financial reporting for transparency purposes.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$156,765	\$191,746	\$168,635	\$203,974	6.4%
Services & Supplies	80,124	\$55,400	\$55,406	\$55,400	0.0%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$236,889	\$247,146	\$224,041	\$259,374	4.9%

PROPERTY MANAGEMENT

Property management activities include serving as the primary contact for landside tenants, negotiating new and revised leases and easements, advertising space available for rent, monitoring rental payments and applying rent adjustments. Utilities, garbage service and sanitary district charges for the District's rental properties are included as expenses in this program. Revenues for utility, garbage and sanitary district charges paid by tenants through the Port District are included in Rents. Utility charges paid directly by the tenant to the service provider are not included in the operating budget.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$14,565	\$32,867	\$16,078	\$35,577	8.2%
Services & Supplies	936,870	\$961,530	1,058,270	1,034,519	7.6%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$951,436	\$994,396	\$1,074,348	\$1,070,096	7.6%

ENVIRONMENTAL & PERMITTING

The environmental and permitting work includes managing the beach quality monitoring and hydrogen sulfide protocol during dredging activities, negotiating new permits and amendments with the Army Corps of Engineers, US Environmental Protection Agency, California Coastal Commission, Regional Water Quality Control Board, Monterey Bay National Marine Sanctuary, Monterey Bay Unified Air Pollution Control District and other agencies for dredging and disposal operations and permitting for other construction activities, stormwater management and environmental programs. Environmental and permitting oversees the harbor's Clean Marina Program.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$55,231	\$78,935	\$60,467	\$75,204	-4.7%
Services & Supplies	89,120	\$110,950	28,555	105,450	-5.0%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$144,352	\$189,885	\$89,022	\$180,654	-4.9%

PORT COMMISSION SUPPORT

Activities that provide staff support for the Port Commission include developing meeting agendas, staff reports and minutes; coordinating with the County Elections Department and ensuring compliance with the Brown Act; intergovernmental relations and adopted Port Commission policies and procedures.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$54,916	\$69,249	\$57,895	\$74,581	7.7%
Services & Supplies	24,758	\$6,900	3,400	5,650	-18.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$79,674	\$76,149	\$61,295	\$80,231	5.4%

DEPARTMENTS AND PROGRAMS

OPERATIONS DEPARTMENT

The Operations Department is comprised of the following programs:

- Harbor Patrol
- Marina Management
- Rescue Services
- Parking Services
- Events
- Fuel Services
- Boatyard

The table below summarizes the distribution of expenditures by category and program for the Operations Department. Individual program details are also provided.

EXPENDITURE SUMMARY

Expenditure by Category	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$1,799,447	\$2,011,881	\$1,827,387	\$2,125,683	5.7%
Services & Supplies	1,007,919	\$1,055,651	1,076,370	1,039,107	-1.6%
Capital Outlay	24,315	0	0	0	-
Total Expenditures	\$2,808,255	\$3,067,531	\$2,903,757	\$3,164,790	3.2%

Expenditure by Program	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Harbor Patrol	\$ 829,967	\$884,261	\$818,769	\$931,668	5.4%
Marina Management	591,788	632,832	645,245	670,083	5.9%
Rescue Services	132,091	153,813	129,057	158,775	3.2%
Parking Services	391,668	408,710	409,661	416,209	1.8%
Events	19,874	33,829	24,180	30,938	-8.5%
Fuel Services	476,215	522,860	491,206	511,340	-2.2%
Boatyard	366,652	431,225	385,640	445,777	3.4%
Total Expenditures	\$2,808,255	\$3,067,531	\$2,903,757	\$3,164,790	3.2%

PROGRAM HIGHLIGHTS:

FY26 Services and Supplies within the Operations Department are anticipated to decrease by 1.6% over the prior fiscal year. Despite escalating insurance premium costs, which are spread across the Harbor Patrol, Marina Management, Rescue Services, Fuel Services, and Boatyard Programs, the 1.6% reduction is attributed to a decrease in diesel fuel purchases.

HARBOR PATROL

Harbor Patrol, with limited assistance from contract operators, currently provides security and enforcement of Port District ordinances, California Harbors and Navigation Code, and Vehicle Code. Deputy Harbormasters provide site security and traffic control, prepare incident reports, and perform vessel search and rescue services, and a wide range of program management and customer services.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$685,176	\$740,969	\$656,735	\$791,537	6.8%
Services & Supplies	144,791	\$143,292	162,034	140,131	-2.2%
Capital Outlay	24,315	0	\$0	0	-
Total Expenditures	\$829,967	\$884,261	\$818,769	\$931,668	5.4%

MARINA MANAGEMENT

Deputy Harbormaster and Operations staff manage and assigns berths and dry storage space, monitor docks and dry storage areas for safety, staff the front counter 362 days per year, administer invoicing and payment processes, monitor vessel use and confirm current registration, perform vessel serviceability checks and electrolysis checks on an as needed basis, manage the waiting list, develop delinquency reports, conduct lien sales, and provide customer service.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$547,182	\$575,976	\$564,648	\$609,775	5.9%
Services & Supplies	44,606	\$56,856	80,597	60,308	6.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$591,788	\$632,832	\$645,245	\$670,083	5.9%

RESCUE SERVICES

Rescue services are provided by Harbor Patrol using one of two patrol vessels (Zodiac patrol vessel *Scout* and the 36' Moose patrol vessel, *PB Kinnamon*). Rescues are typically conducted under the Coastal Incident Response Plan (CIRP) in coordination with City, County and State resources.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$63,071	\$77,257	\$58,695	\$80,517	4.2%
Services & Supplies	69,021	\$76,556	70,362	78,258	2.2%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$132,091	\$153,813	\$129,057	\$158,775	3.2%

PARKING SERVICES

Parking services encompass oversight and daily maintenance of the automated concession parking lot equipment serving 2222 East Cliff Drive, the Crow's Nest and its Beach Market, Café El Palomar, the SUP Shack, and Harbor Beach; beach parking permit sales, slip licensee and employee parking permits, launch ramp parking, and permits, shuttle van and water taxi services, and parking ordinance enforcement. The Parking Coordinator and Harbor Patrol provide parking services with assistance from part-time/temporary staff.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$204,808	\$236,610	\$230,435	\$244,309	3.3%
Services & Supplies	186,860	\$172,100	179,226	171,900	-0.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$391,668	\$408,710	\$409,661	\$416,209	1.8%

EVENTS

This program is jointly managed by Operations and Administrative Services, and comprises permitting, transportation and security for special events hosted by the Port District, the Crow's Nest Thursday night beach barbecues, beach volleyball tournaments, regattas, and other special events.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$14,736	\$26,829	\$22,030	\$27,938	4.1%
Services & Supplies	5,138	\$7,000	2,150	3,000	-57.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$19,874	\$33,829	\$24,180	\$30,938	-8.5%

FUEL SERVICES

The Port District took over operation and maintenance of the harbor's fuel dock in July 2010. The program is managed by Deputy Harbormaster staff. Recurring program costs include staff, fuel purchases, taxes, storage tank fees and maintenance, inspections, insurance, credit card fees, regulatory compliance and spill prevention equipment and supplies.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$36,925	\$50,196	\$40,039	\$51,313	2.2%
Services & Supplies	439,290	\$472,664	451,167	460,027	-2.7%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$476,215	\$522,860	\$491,206	\$511,340	-2.2%

BOATYARD

The Port District took over staffing, operation, and maintenance of the boatyard in 2014. Recurring program costs include personnel, spill prevention equipment, supplies, stormwater filtration costs, and equipment maintenance.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$247,549	\$304,043	\$254,804	\$320,294	5.3%
Services & Supplies	119,102	\$127,181	130,835	125,483	-1.3%
Capital Outlay	0	0	0	7,000	-
Total Expenditures	\$366,652	\$431,225	\$385,640	\$445,777	3.4%

DEPARTMENTS AND PROGRAMS

FACILITIES MAINTENANCE & ENGINEERING DEPARTMENT

The Facilities Maintenance and Engineering Department is comprised of the following programs:

- Docks, Pier, and Marine Structures (DP&M)
- Utilities Maintenance
- Building Maintenance
- Grounds Maintenance
- Aeration Program
- Fishery Support
- Capital Projects
- Dredge Operations

The table below summarizes the distribution of expenditures by category and program for the Facilities Maintenance and Engineering Department. Individual program details are also provided.

EXPENDITURE SUMMARY

Expenditure by Category	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$1,842,009	\$1,933,199	\$1,985,140	\$2,052,226	6.2%
Services & Supplies	2,504,658	\$2,492,116	2,645,245	2,522,596	1.2%
Capital Outlay	143,000	152,000	171,992	145,000	-22.9%
Total Expenditures	\$4,350,141	\$4,425,315	\$4,630,384	\$4,574,822	3.4%

Expenditure by Program	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
DP&M	\$739,233	\$856,979	\$866,106	\$934,069	9.0%
Utilities Maint.	97,409	110,463	111,968	106,004	-4.0%
Building Maint.	482,824	495,429	487,153	513,206	3.6%
Grounds Maint.	908,044	873,575	1,054,614	887,693	1.6%
Aeration Program	54,938	60,599	110,959	82,732	36.5%
Fishery Support	8,855	17,496	9,447	16,665	-4.8%
Capital Projects	348,782	313,229	306,925	267,248	-14.7%
Dredge Operations	1,710,055	1,697,545	1,683,213	1,767,206	4.1%
Total Expenditures	\$4,350,141	\$4,425,315	\$4,630,384	\$4,574,822	3.4%

PROGRAM HIGHLIGHTS:

FY25 Services and Supplies within the Facilities Maintenance and Engineering Department are anticipated to increase 7.4% over the prior fiscal year. This increase is due to escalating insurance premium costs, of which approximately 39% of the total estimated premium is paid from the Docks, Piers, and Marine Structures program (this allocation may change in subsequent budget years).

DOCKS, PIERS, AND MARINE STRUCTURES

Activities in this program include maintenance and repairs of existing docks and piers; routine maintenance of piles and appurtenant equipment; maintenance of floats, seawalls, cranes, jetties, gates, brow piers and gangways.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$148,663	\$170,823	\$141,802	\$182,907	7.1%
Services & Supplies	590,570	\$686,157	724,304	751,162	9.5% ⁹
Capital Outlay	0	35,000	33,873	0	-
Total Expenditures	\$739,233	\$856,979	\$866,106	\$934,069	9.0%

UTILITIES MAINTENANCE

Utility maintenance includes repairs to landside and dock electrical and plumbing facilities; operation and maintenance of seven sanitary sewer lift stations; maintenance of parking lot, dock, and storage area lighting; and storm drain inspections and cleaning.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$71,980	\$79,713	\$82,421	\$83,504	4.8%
Services & Supplies	25,429	\$30,750	29,547	22,500	-26.8%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$97,409	\$110,463	\$111,968	\$106,004	-4.0%

BUILDING MAINTENANCE

There are 26 buildings housing over 40 tenants, harbor administration, operations and maintenance functions, restrooms and miscellaneous storage facilities throughout the harbor. Activities include the full spectrum of repairs, paint, carpet, roofing, HVAC, elevator service, alarm maintenance and cleaning/custodial services.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$140,074	\$146,574	\$125,089	\$154,859	5.7%
Services & Supplies	342,750	\$348,855	362,064	358,347	2.7%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$482,824	\$495,429	\$487,153	\$513,206	3.6%

⁹ Significant increase is attributed to escalating insurance premium costs.

GROUNDS MAINTENANCE

Harbor property encompasses approximately nine landside acres that attract thousands of visitors each year. Activities include maintenance of landscaped areas, parking lots and meters, signs, fences, walkways, and commemorative plazas; litter collection, control, and transport; recycling services; pressure washing of docks, street sweeping, and fish table cleaning and maintenance.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$431,991	\$440,575	\$533,931	\$464,943	5.5%
Services & Supplies	476,053	\$433,000	520,683	422,750	-2.4%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$908,044	\$873,575	\$1,054,614	\$887,693	1.6%

AERATION PROGRAM

This program involves the annual installation of 24 electric powered aerators mounted in strategic locations throughout the harbor to respond to high fish count and low dissolved oxygen events. The harbor had experienced devastating fish kills, primarily schools of anchovies, in years past, requiring costly cleanup and repair operations. The current aeration program is a joint effort between the Facilities Maintenance and Engineering Department and the Harbor Patrol to monitor fish populations and dissolved oxygen levels, and be prepared to respond quickly to ameliorate poor conditions and prevent another kill.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$19,155	\$29,599	\$61,125	\$31,732	7.2%
Services & Supplies	35,783	\$31,000	49,834	51,000	64.5% ¹⁰
Capital Outlay	0	0	0	0	-
Total Expenditures	\$54,938	\$60,599	\$110,959	\$82,732	36.5%

FISHERY SUPPORT

The commercial fishing fleet, resident fish buyer and the facilities that support their activities are supported by the Port District. The FY25 budget includes funding for maintenance of the hoists, working with commercial fishermen on landings administration, and for updating policies associated with the fishery.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$8,855	\$13,996	\$8,447	\$15,165	8.3%
Services & Supplies	0	\$3,500	\$1,000	\$1,500	-57.1%
Capital Outlay	0	0	0	0	-
Total Expenditures	\$8,855	\$17,496	\$9,447	\$16,665	-4.8%

¹⁰ Significant increase is a result of providing funding for Aeration System Upgrades into the operating budget (previously allocated in Capital Improvement Program).

CAPITAL PROJECTS

This program provides staffing to develop and manage the Port District's Capital Improvement Program. Work in this section may involve preliminary engineering, such as site inspections or concept development, grant applications, and other work in support of capital projects. Capital projects recommended for FY26 are detailed in the Capital Improvement Program later in this report.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$386	\$5,088	\$1,575	\$5,527	8.6%
Services & Supplies	348,396	\$308,141	305,350	261,721	-15.1% ¹¹
Capital Outlay	0	0	0	0	-
Total Expenditures	\$348,782	\$313,229	\$306,925	\$267,248	-14.7%

DREDGING OPERATIONS

Activities involve annual dredging of the federal entrance channel and selected areas of the inner-harbor, primarily the north harbor where sedimentation from Arana Gulch most impacts depths. Also included are maintenance and repairs to the dredges *Twin Lakes* and *Squirt* and other equipment required to perform dredging (e.g., crane, submersible pump, dozer, forklift, pipe welder, and anchors). The U.S. Army Corps of Engineers provides support for the dredging by reimbursing 35% of the average operations and maintenance costs. The Port District is currently being reimbursed \$525,000/year.

Expenditure	FY24 Actual	FY25 Budget	FY25 Projection	FY26 Budget	% Change
Personnel Services	\$1,024,132	\$1,046,832	\$1,030,749	\$1,113,590	5.6%
Services & Supplies	685,923	\$650,713	652,463	653,616	5.2%
Capital Outlay	177,557	143,000	138,119	152,000	-
Transfers Out	-177,557	-143,000	-138,119	-152,000	-
Total Expenditures	\$1,710,055	\$1,697,545	\$1,683,213	\$1,767,206	5.5%

¹¹ Decrease is attributed to a reduction in interest expense in the amount of approximately \$45,000.

DREDGE FUND

The table below details identified priorities and equipment replacement / repair needs for the dredge operation in FY26. A total contribution to the Dredge Fund in the amount of \$145,000 is proposed for FY26.

ASSET	ITEM	IDENTIFIED NEED
TWIN LAKES	Spare Parts Replacement	25,000
	Standby Generator Replacement (<i>partial set aside</i>)	10,000
	Skagit Winch Rebuild (<i>partial set aside</i>)	15,000
		\$50,000
MISCELLANEOUS	Steel Dredge Pipeline (Floating Pipe)	25,000
	Discharge Pipe Replacement	10,000
	Dredge Mooring Gangway Replacement	10,000
	Unspecified Allowance	50,000
		\$95,000
Total FY26 Dredge Fund Contribution:		\$145,000

At the conclusion of FY25, the remaining Dredge Fund balance is anticipated to total approximately \$138,205, and is allocated as follows:

- Snorkel Elbow Replacement (*Twin Lakes*): \$23,550
- Christmas Tree Upper End Replacement (*Twin Lakes*): \$30,000
- Transmission Replacement #2 (*Dauntless*): \$25,000¹²
- Skagit Winch Rebuild Set Aside (*Miscellaneous*): \$45,000
- Unspecified Allowance (*Miscellaneous*): \$14,655¹³

Historical Dredge Fund Contributions

FY20	FY21	FY22	FY23	FY24	FY25	FY26
\$145,956	\$416,091	\$272,762	\$191,151	\$143,000	\$152,000	\$145,000

¹² Includes reallocation of Cab Roof Replacement (*Dauntless*) and Electrical System Rewiring (*Dauntless*).

¹³ Small balances that remain after a project has been completed / closed out are absorbed into the Unspecified Allowance.

CAPITAL OUTLAY

The following capital outlay items are included in the FY26 budget:

DEPARTMENT	REQUEST	IDENTIFIED NEED
Boatyard	New Media Vessel for Filtration System	\$7,000
	Total:	\$7,000

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program and fund balance propose \$1,000,000 in new funding for capital improvement projects in FY26, an assignment of \$100,000 from the Election Fund, and reassignment of \$640,984 in existing CIP Funds in support of identified projects, which includes storm surge recovery efforts.

The proposed 5-Year Capital Improvement Program follows.



SANTA CRUZ PORT DISTRICT

FIVE-YEAR

CAPITAL IMPROVEMENT PLAN

FISCAL YEAR 2026 - FISCAL YEAR 2030

INTRODUCTION

This 5-year Capital Improvement Plan (CIP) presents the Santa Cruz Port District's plan for development, maintenance, improvement, and acquisition of infrastructure assets to benefit Santa Cruz Harbor's users, businesses, and visitors. It is intended to serve as a guidance document for planning, scheduling, and implementing capital improvements and planning projects over the next 5 years.

The 5-year CIP serves as a tool for prioritizing and selecting future projects, and provides an overview of works in progress. The CIP highlights the District's investments in infrastructure development and maintenance (i.e., capital improvements) and other significant capital expenditures. Studies of less than \$5,000, and capital expenditures for equipment, vehicles and vessels are typically not included in the CIP, though there are exceptions.

CAPITAL IMPROVEMENT PLAN DEVELOPMENT

Annual updating of the 5-year CIP is an integral part of the budget process. The CIP is presented with the budget to provide time for review by the public and the Port Commission prior to consideration and incorporation into the final budget.

Prior to FY13, many capital improvements were budgeted and completed within line items in the operating budget, such as Pavement Repairs (F006), Building Restoration (F011), Restroom Building Rehabilitation (F012) and Dock Upgrades(F008). Those items are now presented as separate projects within the 5-year CIP with recommended funding amounts for ongoing rehabilitation and repair.

Each year, the Commission will adopt an updated 5-year CIP that will include prioritized short and long-term projects. The prioritized list will be used by staff in the development of the annual operating budget. The 5-year CIP will be published in advance of and discussed during a public meeting prior to adoption of the annual budget.

FUNDING THE CAPITAL IMPROVEMENT PLAN

Each year, funding is allocated to various large and small projects within the CIP. Non-specific CIP funding is contained in the Unallocated CIP Funds (F099), which is also referred to as the CIP Reserve Fund.

In FY16, the Port Commission adopted a Reserve Policy, which established funding goals for reserves and for the 5-year CIP. The Commission initially elected to contribute \$500,000 to the CIP fund each year, whenever practicable. The CIP fund would be allowed to grow over time so that large-scale projects could be planned and accomplished without impacting either the Reserve Fund or operations. In February 2020, the Commission increased the CIP funding goal to \$750,000 annually, whenever practicable, while recognizing that a higher annual contribution will likely be required to keep pace with future infrastructure needs.

In FY26, the increased funding goal of \$750,000 is attainable. As a result, a \$1,000,000 contribution is proposed in conjunction with utilizing \$100,000 from the Election Fund, assigning \$15,749 of unallocated CIP funds, and reassigning \$625,235 of previously allocated CIP funds to establish funding in the amount of \$1,740,984 for identified project needs, including priority storm surge recovery efforts.

PROJECT DEVELOPMENT AND SELECTION PROCESS

The projects proposed in the FY26 CIP were derived from a variety of sources, including recommendations from Port District staff, Commission and public input, and projects identified in the Port District Priorities for 2025.

Although not typically included as capital improvements, planning studies may be included in the CIP as part of the planning effort. Studies of less than \$5,000 or capital expenditures for vehicles, equipment and vessels are typically funded in the operating budget.

A summary of proposed FY26 projects is included below:

- Ten (10) previously identified projects are proposed for funding in FY26.
- One (1) new project is proposed for funding in FY26 to address priority storm surge recovery efforts (F049 – Storm Surge Recovery)
- Seven (7) projects are proposed for closeout (i.e., removal from the list) and include:
 - North Harbor Transformer – Project completion in FY25
 - CF Marine Services Center – Allocated funding has remained unused since FY13.
 - Sidewalk Plaza & Restoration – Allocated funding has remained unused since FY13.
 - Storm Drain System – Allocated funding has remained unused since FY13¹⁴.
 - Water & Sewer Systems – Allocated funding has remained unused since FY13¹⁴.
 - Aeration System Upgrades – Allocated funding has remained unused since FY15¹⁴.
 - Ice Machine – Allocated funding has remained unused since FY16¹⁴.

A CIP Summary sheet outlining projects and funding levels is included as Appendix A.

PROPOSED PROJECTS

Several of the proposed projects in this CIP address ongoing infrastructure or facility maintenance needs and are typically programmed on an annual basis. Examples include Pavement Repairs (F006) and Building Restoration (F011).

The following attachments provide additional detail regarding future funding needs and project descriptions:

- Appendix B: Capital Improvement Plan Detail – 5-year funding projections
- Appendix C: Capital Improvement Plan Detail – Project Descriptions (funded and unfunded)

ENVIRONMENTAL REVIEW

The development of this 5-year plan is not a project, as defined in the California Environmental Quality Act (CEQA), and an environmental review is not required for its adoption. Individual projects listed herein may be subject to CEQA and environmental reviews will be conducted during project implementation.

¹⁴ Funding for routine maintenance and repairs is provided for in the operating budget.

CAPITAL IMPROVEMENT PLAN DETAIL
APPENDIX A – CIP SUMMARY

The table below summarizes FY25 CIP funding contributions, including mid-year transfers to individual funds.

CIP FUNDING SUMMARY	
Beginning Balance as of April 1, 2025	\$7,393,213
Transfer In – North Harbor Transformer (PC Approval 5/28/24)	\$564,562
Transfer In – Unanticipated Revenue – CalOES/FEMA (PC Approval 6/25/24)	\$630,670
Transfer In – City of Santa Cruz Easement Funds	\$2,490,377
Total:	\$11,078,822
Anticipated FY25 Expenditures through March 31, 2025	(\$2,277,030)
	\$8,801,792

CAPITAL IMPROVEMENT PLAN DETAIL
APPENDIX A – CIP SUMMARY (CONT.)

The table below summarizes the FY26 CIP funding contributions (and reallocations) and details projected balances for individual funds as of April 1, 2025.

Project Name	No.	Beginning Balance April 1, 2024	FY25 Projected Expenditures	FY25 Mid-Year Changes	FY26 Proposed Reallocation	FY26 Funding Contribution	Projected Balance April 1, 2025
CF Marine Services Center	F003	10,000			(10,000)		Closeout
Harbor Security Upgrades	HO01	12,000	(11,133)			12,000	\$12,867
Sanitary Sewer Lift Stations	F004	359,538				5,000	\$364,538
Piling Replacement	F005	50,000		(50,000)			-
Pavement Repairs	F006	300,532	(290,391)			70,000	\$80,141
Dock Upgrades	F008	17,097		(15,000)	(2,097)		-
Pier Rehabilitation	F009	14,821	(410)	(10,000)		250,000	\$254,411
Building Restoration	F011	253,211	(160,789)	(25,000)	5,097	196,000	\$268,519
Restroom Building Rehabilitation	F012	316,424					\$316,424
Sidewalk & Plaza Restoration	F013	18,000			(18,000)		Closeout
Storm Drain System	F014	30,000		(20,000)	(10,000)		Closeout
Water & Sewer System	F015	19,139		(15,000)	(4,139)		Closeout
Parking Pay Station	F018	-				15,000	\$15,000
Aeration System Upgrades	F019	31,304			(31,304)		Closeout
Ice Machine	F020	19,222		(15,000)	(4,222)		Closeout
West Jetty Walkway	J001	20,799	(5,050)	(15,749)			-
7th and Brommer Recon	F021	106,747	(15,678)		(25,000)		\$66,069
SH Revetment & Seawall	F022	98,697	(30,197)			5,000	\$73,500
Murray Street Bridge	F024	4,560,024	(263,922)	2,490,377			\$6,786,479
Unallocated CIP Funds	F099	3,089		12,660	(15,749)		-
Aldo's Seawall Replacement	F027	37,463	(36,375)		10,000	132,000	\$143,088
Parking Upgrades	F028	-					-
Harborwide Refuse Study	F039	5,000					\$5,000
Embankment Assessment	F042	57,765	(18,209)				\$39,556
Fuel System Upgrades	F043	113,539	(108,896)			28,000	\$32,643
NH Transformer	F045	618,329	(1,335,980)	717,651			Closeout
Twin Lakes Haul	F047	320,473		600,000	(520,473)		\$400,000
Floating Barge Purchase	F048	-		30,670		50,000	\$80,670
Storm Surge Recovery	F049	-			625,887	337,000	\$962,887
TOTAL:		\$7,393,213	(\$2,277,030)	\$3,685,609	\$0	\$1,100,000	\$9,901,792

CAPITAL IMPROVEMENT PLAN DETAIL

APPENDIX B – 5-YEAR FUNDING PROJECTIONS

Projects within the Capital Improvement Program are categorized into one of the six following categories:

- Docks, Piers & Marine Structures
- Buildings
- Landside Infrastructure
- Utility Systems
- Planning Projects & Studies
- Miscellaneous Projects

The tables below summarize anticipated funding needs for each identified project / project category for the period FY26 to FY30. The proposed FY26 CIP contribution totals \$1,740,984 and is comprised of the following:

- \$1,000,000 from the Operating Budget
- \$100,000 from the Election Fund
- \$15,749 from Unallocated CIP Funds
- \$625,235 from Previously Allocated CIP Funds

DOCKS, PIERS & MARINE STRUCTURES

NOTABLE FY26 DOCKS, PIERS & MARINE STRUCTURE PROJECTS
<ul style="list-style-type: none">• Redecking of East Side Public Pier

BUILDINGS

NOTABLE FY26 BUILDING PROJECTS
<ul style="list-style-type: none">• Building Repairs at 493 Lake Avenue (Skylights and Staircase)• Building Repairs at 333 Lake Avenue (Restroom Renovation and Roof Coating)• D-Dock Roof Replacement

LANDSIDE INFRASTRUCTURE

NOTABLE FY26 LANDSIDE INFRASTRUCTURE PROJECTS
<ul style="list-style-type: none">• Parking Pay Station Screen Upgrades

UTILITY SYSTEMS

NOTABLE FY26 LANDSIDE INFRASTRUCTURE PROJECTS
<ul style="list-style-type: none">• Fuel System Upgrades (Electrical Panel Replacement)• Replacement of G-Dock Sanitary Sewer Lift Station.

PLANNING PROJECTS & STUDIES

NOTABLE FY26 PLANNING PROJECTS AND STUDIES
<ul style="list-style-type: none">• Continued Planning and Permitting for New Restaurant at 616 Atlantic Avenue• Continued Planning for Repair and Replacement of West Side Seawall• Continued Planning for Barge Purchase

MISCELLANEOUS PROJECTS

NOTABLE FY26 PLANNING PROJECTS AND STUDIES
<ul style="list-style-type: none">• Installation of Additional Security Cameras.• Storm Surge Recovery Efforts (Dive Inspection, Construction Drawings for G-Dock & X-Dock Replacements)

TOTAL 5-YEAR CIP FUNDING NEEDS¹⁵

	FY26	FY27	FY28	FY29	FY30	Total
Docks, Piers & Structures	\$250,000	\$650,000	\$675,000	\$500,000	\$200,000	\$2,275,000
Buildings	\$203,097	\$405,000	\$475,000	\$410,000	\$350,000	\$1,843,097
Landside Infrastructure	\$90,000	\$290,000	\$80,000	\$305,000	\$80,000	\$845,000
Utility Systems	\$32,000	\$50,000	\$55,000	\$100,000	\$300,000	\$537,000
Planning Project/Studies	\$195,000	\$85,000	\$135,000	\$5,000	\$5,000	\$425,000
Miscellaneous Projects	\$970,887	\$212,000	\$312,000	\$12,000	\$12,000	\$1,518,887
	\$1,740,984	\$1,692,000	\$1,732,000	\$1,332,000	\$947,000	\$7,443,984

¹⁵ Excludes funding/financing needs for long-term storm surge recovery efforts.

CAPITAL IMPROVEMENT PLAN DETAIL
APPENDIX C – PROJECT DESCRIPTIONS
FUNDED PROJECTS

FUND	PROJECT NAME	PURPOSE
HO01	Harbor Security Upgrades	<p>Improve security systems throughout the harbor to reduce unauthorized use. Security cameras with remote monitoring capabilities have been installed at key locations.</p> <p>FY26: Funding recommended for installation of additional cameras.</p>
F004	Sanitary Sewer Lift Stations	<p>Repair and phased replacement of Port District lift stations, including control panel. A comprehensive assessment of the nine existing sanitary sewer lift stations was performed in FY22, and the G-Dock lift station was prioritized for repair (placed out to bid in FY24, but all bids received exceeded the Engineer’s Estimate for the project). The project is planned to be rebid in FY26.</p> <p>FY26: Funding recommended to revise bid documents in preparation for placing the project back out to bid.</p>
F005	Piling Replacement	<p>Ongoing repair and maintenance of approximately 700 piles throughout the harbor. Over the last 7 years, approximately 300 piles have been repaired and/or replaced.</p> <p>FY26: No funding recommended, as large-scale piling repairs will be planned/coordinated as part of ongoing storm surge recovery efforts.</p>
F006	Pavement Repairs	<p>Ongoing repair and maintenance of harbor parking lots and roads. No large projects are scheduled in FY26, but repaving and restriping the launch ramp parking lot is planned for FY27.</p> <p>FY26: Funding recommended for minor / unanticipated paving projects.</p>
F008	Dock Upgrades	<p>Ongoing repair and maintenance of approximately 30 docks, which providing berthing for over 800 vessels. Funding provides for small projects involving repairs or upgrades to existing docks and appurtenant structures.</p> <p>FY26: No funding recommended, as large-scale dock repairs will be planned/coordinated as part of ongoing storm surge recovery efforts.</p>

FUND	PROJECT NAME	PURPOSE
F009	Pier Rehabilitation	<p>Ongoing repair, maintenance, and inspection of the harbor’s three public pier.</p> <p>FY26: Funding recommended for redecking the entirety of the East Side Public Pier.</p>
F011	Building Restoration	<p>Repair and improvements that extend the useful life of systems and equipment in District-owned buildings that are leased to concessionaires.</p> <p>FY26: Funding recommended for minor repairs at 493 Lake Avenue (skylights and staircase) and 333 Lake Avenue (roof coating and restroom rehabilitation), and reroofing the D-Dock restroom facility.</p>
F012	Restroom Building Rehabilitation	<p>Repair and improvements that extend the useful life of the District’s 11 restroom buildings. Phased replacement of the 4 north harbor restrooms that sustained flood damage as a result of the January 2022 tsunami has previously been prioritized. City and Coastal Commission permits have been secured for the demolition and replacement of the I-Dock restroom facility, however this project has been reprioritized as a result of the December 23, 2024, storm surge event.</p> <p>FY26: No funding recommended.</p>
F018	Parking Pay Station Upgrades	<p>Replacement of aging parking meters with pay stations throughout the harbor. Future projects anticipate pay station replacement and rehabilitation.</p> <p>FY26: Funding recommended for parking pay station screen upgrades.</p>
J001	West Jetty Walkway	<p>Repair and maintenance of Port District installed amenities along the West Jetty Walkway. The Army Corps of Engineers anticipates performing structural repairs to the southern portion of the jetty in FY26, utilizing federal funds.</p> <p>FY26: No funding recommended.</p>
F021	7 th & Brommer Reconnaissance	<p>Site assessment and engineering work for future development of the Port District’s property in the area of 7th and Brommer, and coordination and interface with other opportunities in the area to ensure Port District and community interests are served.</p> <p>FY26: No funding recommended.</p>

FUND	PROJECT NAME	PURPOSE
F022	South Harbor Revetment & Seawall	<p>Engineering assessment and recommendations involving the seawall along the harbor’s west side. FY23 funding initiated a comprehensive engineering assessment of the seawall, including a diving inspection, and a final report pends (nearing completion).</p> <p>FY26: Funding recommended for ongoing engineering work.</p>
F024	Murray Street Bridge	<p>Coordination with the City of Santa Cruz on the Murray Street Bridge Seismic Retrofit and Barrier Replacement Project. The City of Santa Cruz has provided reimbursement in the amount of approximately \$7.3M to cover the Port District’s costs associated with this project.</p> <p>FY26: No funding recommended.</p>
F027	Aldo’s Seawall Replacement Project	<p>Initially implemented to cover costs for construction of a new seawall at 616 Atlantic Avenue (seawall construction was completed in FY20), the fund now provides funding for future District costs associated with accessway improvements and design/engineering of a new restaurant building at the site.</p> <p>FY26: Funding recommended for engineering and design of waterside infrastructure for new restaurant building.</p>
F028	Parking Upgrades	<p>Review and assessment of Port District parking capacity and capabilities.</p> <p>FY26: No funding recommended.</p>
F039	Harborwide Refuse / Recycling Study	<p>A harborwide refuse and recycling study was completed in FY23. Allocated funding is intended to address recommended improvements, like new/improved receptacles along the beach plaza.</p> <p>FY26: No funding recommended.</p>
F042	Embankment Assessment	<p>Assessment and repair of the embankment area at the site of the crane pad on the east access road adjacent to <i>Twin Lakes’</i> off-season mooring. Adequate repair/replacement options are being considered as the crane pad is currently compromised and cannot be used at full capacity.</p> <p>FY26: No funding recommended.</p>
F043	Fuel System Upgrades	<p>Repair and maintenance of fuel system equipment.</p> <p>FY26: Funding recommended for electrical panel upgrades.</p>

FUND	PROJECT NAME	PURPOSE
F046	Twin Lakes Haul	<p>The District’s dredge, <i>Twin Lakes</i>, has been in service for approximately 8 years. Bi-annual inspections are routinely performed by a contracted third party knowledgeable in dredge operations and equipment. A recommendation has been made to haul the dredge (for comprehensive inspection and maintenance) within the next 1-2 years. A significant reallocation of funding from this program is recommended to aid in storm surge recovery efforts.</p> <p>FY26: No funding recommended.</p>
F048	Floating Barge Purchase	<p>Partial set-aside funding to aid in the purchase of a floating barge to facilitate in-house pile replacement work.</p> <p>FY26: Funding recommended. (set aside).</p>
F049	Storm Surge Recovery	<p>Repair and replacement of damaged marine infrastructure following the significant storm surge event on December 23, 2024.</p> <p>FY26: Funding recommended (in conjunction with a reassignment of previously allocated funds) to facilitate inspection and design work for storm damage repairs.</p>

PROJECTS PROPOSED FOR CLOSEOUT

- Seven (7) projects are proposed for closeout (i.e., removal from the list) and include:
 - North Harbor Transformer – Project completion in FY25
 - CF Marine Services Center – Allocated funding has remained unused since FY13.
 - Sidewalk Plaza & Restoration – Allocated funding has remained unused since FY13.
 - Storm Drain System – Allocated funding has remained unused since FY13¹⁶.
 - Water & Sewer Systems – Allocated funding has remained unused since FY13¹⁶.
 - Aeration System Upgrades – Allocated funding has remained unused since FY15¹⁶.
 - Ice Machine – Allocated funding has remained unused since FY16¹⁶.

¹⁶ Funding for routine maintenance and repairs is provided for in the operating budget.

UNFUNDED PROJECTS

WIFI SYSTEM

This project involves design and installation of a Wi-Fi system available to harbor customers and tenants. Installation costs are presumed to be borne by a Wi-Fi vendor to be selected through a public bidding process, though there are numerous other options researched by Port District staff which may impact the type of service provided, installation costs, ongoing monthly costs, vendor-provided support, maintenance and customer service, fee-based upgrade options, etc.

A feasibility study by an outside consultant is recommended to identify and assess available options. Any Wi-Fi system should include comprehensive vendor-provided support as a top priority. Should the Commission direct staff to pursue the project following completion of a feasibility study, subsequent development of an RFP for installation of a Wi-Fi system by a qualified consultant is recommended.

ARANA GULCH GRADE CONTROL STRUCTURE FEASIBILITY STUDY

This project would involve developing a grant proposal to fund engineering design and construction of several sediment-reduction measures in Arana Gulch, upstream of the north harbor. Work on this project commenced in FY 11 with a preliminary application submitted on the Port District's behalf. The application process was suspended because the Port District is not eligible to serve as lead agency for the grant and cooperative agreements had not been executed with the City of Santa Cruz and the County of Santa Cruz for extraterritorial work sponsored by the Port District.

WEST SIDE MASTER PLAN

Master Plan study to follow reconstruction of a new restaurant at 616 Atlantic Avenue for the purposes of completing accessible public improvements along the walkway and jetty area between AA Dock and Walton Lighthouse, as envisioned in the 2008 West Jetty Walkway project. The West Side Master Plan needs to seamlessly tie in access to any future replacement of the SH Revetment and Seawall (F022).

ELECTRIC VEHICLE CHARGING STATION

Identification of location(s) for placement of electric vehicle charging station(s) throughout the harbor, including assessment of power requirements and ongoing utility costs and maintenance.

ATTACHMENT A – DEBT SERVICE DETAIL & COVERAGE RATIOS

Santa Cruz Port District
Historical Revenues and Expenses
Debt Service Coverage Projection

	2023 <i>Audited</i>	2024 <i>Audited</i>	2025 <i>Projected</i>	2026 <i>Budgeted</i>
Operating Revenues				
Charges for berthing and services	\$ 9,060,943	\$ 8,947,391	\$ 8,935,285	\$ 9,198,575
Rent and concessions	\$ 2,550,380	\$ 2,510,999	\$ 2,096,009	\$ 2,123,000
Total Operating Revenues	\$ 11,611,323	\$ 11,458,390	\$ 11,031,294	\$ 11,321,575
Operating Expenses				
Depreciation and Amortization	\$ 2,184,840	\$ 2,111,480		
CalPERS Unfunded Liability (Non-cash)	\$ (1,010,262)	\$ 214,231		
OPEB Liability (Non-cash)	\$ 95,254	\$ 73,822		
Dredging Operations	\$ 1,503,071	\$ 1,710,055	\$ 1,683,213	\$ 1,767,698
Administrative Services	\$ 902,926	\$ 838,406	\$ 2,926,474	\$ 967,888
Grounds	\$ 909,106	\$ 908,044	\$ 1,054,614	\$ 887,693
Fuel Services	\$ 805,610	\$ 476,215	\$ 491,206	\$ 511,402
Harbor Patrol	\$ 806,715	\$ 829,967	\$ 818,769	\$ 931,852
Property Management	\$ 686,549	\$ 951,436	\$ 1,074,348	\$ 1,074,590
Marina Management	\$ 542,949	\$ 591,788	\$ 645,245	\$ 670,329
Buildings	\$ 387,540	\$ 482,824	\$ 487,153	\$ 513,883
Parking Services	\$ 388,936	\$ 391,668	\$ 409,661	\$ 416,209
Docks, Piers, Marine Structures	\$ 502,201	\$ 739,233	\$ 899,978	\$ 939,117
Finance & Purchasing	\$ 184,083	\$ 236,889	\$ 224,041	\$ 259,374
Environmental & Permitting	\$ 145,693	\$ 144,352	\$ 89,022	\$ 180,654
Utilities	\$ 103,385	\$ 97,409	\$ 111,968	\$ 106,004
Aeration	\$ 37,456	\$ 54,938	\$ 110,959	\$ 62,732
Rescue Services	\$ 107,898	\$ 132,091	\$ 129,057	\$ 159,021
Boatyard Operations	\$ 364,793	\$ 366,652	\$ 392,640	\$ 446,023
Port Commission Support	\$ 55,713	\$ 79,674	\$ 61,295	\$ 80,231
Capital Projects	\$ 36	\$ 386	\$ 1,925	\$ 6,877
Events	\$ 22,570	\$ 19,874	\$ 24,180	\$ 30,938
Fishery Support	\$ 12,014	\$ 8,855	\$ 9,447	\$ 17,665
Tsunami Expense	\$ 10,486	\$ 22,913		
Total Expenses	\$ 9,749,562	\$ 11,483,202	\$ 11,645,194	\$ 10,030,179
Non-Operating Revenue (Expenses)				
County revenues for public services	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Grants and Other Income	\$ 919,756	\$ 38,322	\$ 642,670	\$ 88,500
Dredging Reimbursement USACE	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000
Interest Income	\$ 228,918	\$ 801,899	\$ 920,547	\$ 715,000
Interest Expense	\$ (394,410)	\$ (348,396)	\$ (305,000)	\$ (260,371)
Local Capital Contribution		\$ 78,745		
Other Income (Expenses)	\$ 605,227	\$ 424,745	\$ 76,978	\$ 108,500
Total Non-Operating Income (Expenses)	\$ 1,934,491	\$ 1,570,315	\$ 1,910,195	\$ 1,226,629
Extraordinary Items				
Budget Contribution from internal cash reserves			\$ 1,500,000	
Total Extraordinary Items	\$ -	\$ -	\$ 1,500,000	\$ -
Debt Service Coverage Calculation				
(+) Gross Revenues	\$ 11,611,323	\$ 11,458,390	\$ 11,031,294	\$ 11,321,575
(-) Maintenance and operating expenses	\$ (9,749,562)	\$ (11,483,202)	\$ (11,645,194)	\$ (10,030,179)
(+) Depreciation and Amortization	\$ 2,184,840	\$ 2,111,480	\$ -	\$ -
(+) CalPERS Unfunded Liability (Non-cash)	\$ (1,010,262)	\$ 214,231	\$ -	\$ -
(+) OPEB Liability (Non-cash)	\$ 95,254	\$ 73,822	\$ -	\$ -
(=) Net Operating Income	\$ 3,131,593	\$ 2,374,721	\$ (613,900)	\$ 1,291,396
(+) Interest Income	\$ 228,918	\$ 801,899	\$ 920,547	\$ 715,000
(+) Non-operating Income	\$ 605,227	\$ 424,745	\$ 76,978	\$ 108,500
(+) Grants	\$ 969,756	\$ 88,322	\$ 692,670	\$ 138,500
(+) Dredging Reimbursement USACE	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000
(=) Net Revenues Available for Debt Service	\$ 5,460,494	\$ 4,214,687	\$ 3,101,295	\$ 2,778,396
(+) Current Portion Long Term Debt	\$ 1,366,974	\$ 1,413,057	\$ 1,273,550	\$ 1,241,518
(+) Interest Expense	\$ 394,410	\$ 348,396	\$ 305,000	\$ 260,371
(=) Total Debt Service	\$ 1,761,384	\$ 1,761,453	\$ 1,578,550	\$ 1,501,890
Debt Service Coverage Ratio (w/ Extraordinary Item)	3.1x	2.39x	1.01x	1.85x
Debt Service Coverage Ratio (w/out Extraordinary Item)	3.1x	2.39x	1.96x	1.85x
Required DSCR	1.25x	1.25x	1.25x	1.25x

ATTACHMENT B – REVENUE, EXPENSE, & NON-OP SUMMARY SHEET

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
OPERATING INCOME				
000-000-000-0000-4000	Slip Rent Permanent	\$5,181,621	\$5,147,355	\$5,392,800
000-000-000-0000-4002	Slip Rent Visitors	\$215,000	\$179,591	\$248,750
000-000-000-0000-4003	Annual Slip Rent Discount	(\$1,225)	(\$1,225)	(\$1,225)
000-000-000-0000-4006	Tenant Concession Rent	\$2,097,000	\$2,096,009	\$2,123,000
000-000-000-0000-4008	Misc. Tenant Rent (Sewer)	\$140,000	\$198,048	\$155,000
000-000-000-0000-4010	Launch Fees	\$155,000	\$164,009	\$155,000
000-000-000-0000-4012	Liveaboard	\$92,500	\$107,555	\$102,000
000-000-000-0000-4014	Catamaran Storage	\$26,000	\$29,227	\$26,500
000-000-000-0000-4016	North Harbor Dry Storage	\$200,000	\$205,553	\$206,000
000-000-000-0000-4018	7th Ave Dry Storage	\$125,000	\$124,034	\$130,000
000-000-000-0000-4020	Waiting List	\$135,000	\$143,200	\$138,000
000-000-000-0000-4024	Slip Leave Option	\$3,000	\$4,200	\$4,000
000-000-000-0000-4026	Partnership Fees	\$30,000	\$38,788	\$34,000
000-000-000-0000-4028	Sublease Fees	\$35,000	\$35,310	\$35,000
000-000-000-0000-4030	Variable/Utility Fees	\$235,000	\$248,986	\$242,000
000-000-000-0000-4032	Late Fees	\$50,000	\$50,710	\$50,000
000-000-000-0000-4036	Citations	\$110,000	\$123,722	\$115,000
000-000-000-0000-4040	Credit Card Convenience Charges	\$24,000	\$33,610	\$30,000
000-000-000-0000-4100	Parking - Concession Lot	\$910,000	\$939,692	\$925,000
000-000-000-0000-4102	Parking - Launch Area			
000-000-000-0000-4104	Parking - Southwest			
000-000-000-0000-4106	Parking - North			
000-000-000-0000-4108	Parking - Southeast			
000-000-000-0000-4118	Meter Permits			
000-000-000-0000-4120	Slip Renter Parking Permits	\$28,000	\$39,640	\$32,000
000-000-000-0000-4122	RV Parking	\$215,000	\$250,568	\$250,000
000-000-000-0000-4200	Fuel Sales Gasoline	\$285,000	\$265,721	\$285,000
000-000-000-0000-4202	Fuel Sales Diesel	\$305,000	\$297,518	\$305,000
000-000-000-0000-4210	Wash Rack	\$6,500	\$6,942	\$6,500
000-000-000-0000-4220	Boatyard Retail	\$16,500	\$23,744	\$16,500
000-000-000-0000-4225	Boatyard Labor	\$750	\$1,940	\$750
000-000-000-0000-4230	Boatyard Rental	\$3,000	\$2,205	\$2,000
000-000-000-0000-4235	Boatyard Misc.	\$32,000	\$31,931	\$30,000
000-000-000-0000-4240	Lay Days/Storage	\$130,000	\$88,264	\$125,000
000-000-000-0000-4245	Vessel Haulout	\$132,000	\$131,160	\$128,000
000-000-000-0000-4250	Vessel Berthing	\$34,000	\$23,287	\$30,000
000-000-000-0000-4299	Unallocated Revenue			
OPERATING INCOME		\$10,950,646	\$11,031,294	\$11,321,575

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
EXPENSE SUMMARY BY PROGRAM				
	Administrative Services (110)	\$925,649	\$2,926,474	\$967,272
	Finance & Purchasing (120)	\$247,146	\$224,041	\$259,374
	Property Management (130)	\$994,396	\$1,074,348	\$1,070,096
	Environmental & Permitting (140)	\$189,885	\$89,022	\$180,654
	Port Commission Support (190)	\$76,149	\$61,295	\$80,231
	Harbor Patrol (210)	\$884,261	\$818,769	\$931,668
	Marina Management (220)	\$632,832	\$645,245	\$670,083
	Rescue Services (230)	\$153,813	\$129,057	\$158,775
	Parking Services (240)	\$408,710	\$409,661	\$416,209
	Events (250)	\$33,829	\$24,180	\$30,938
	Fuel Services (280)	\$522,860	\$491,206	\$511,340
	Docks, Piers, Marine Structures (310)	\$856,979	\$866,106	\$934,069
	Utilities (320)	\$110,463	\$111,968	\$106,004
	Buildings (330)	\$495,429	\$487,153	\$513,206
	Grounds (340)	\$873,575	\$1,054,614	\$887,693
	Aeration (350)	\$60,599	\$110,959	\$82,732
	Fishery Support (360)	\$17,496	\$9,447	\$16,665
	Capital Projects (390)	\$313,229	\$306,925	\$267,248
	Dredging Operations (400)	\$1,697,545	\$1,683,213	\$1,767,206
	Boatyard Operations (500)	\$431,225	\$385,640	\$445,777
	OPERATING EXPENSES	\$9,926,072	\$11,909,321	\$10,297,239
	OPERATING PROFIT	\$1,024,574	(\$878,027)	\$1,024,336
	NON OPERATING INCOME/(EXPENSE)			
000-000-000-0000-4300	Harbor Services Charge	\$10,000	\$5,325	\$8,500
000-000-000-0000-4308	Interest Income	\$710,000	\$920,547	\$715,000
000-000-000-0000-4310	Other Income	\$176,000	\$68,659	\$100,000
000-000-000-0000-4375	USACE Reimbursement	\$525,000	\$525,000	\$525,000
000-000-000-0000-4400	Grants - State		\$20,287	\$64,500
000-000-000-0000-4402	Grants - Federal		\$610,383	
000-000-000-0000-4405	Grants - DBAW	\$12,000		\$12,000
000-000-000-0000-4406	County Rescue Contribution	\$50,000	\$50,000	\$50,000
000-000-000-0000-4408	Waste Oil Grant	\$12,000	\$12,000	\$12,000
000-000-000-0000-4500	Gain/(Loss) on Asset Disposal		\$3,050	
000-000-000-0000-4600	Cash Over/Under		(\$56)	
	Election Expense		(\$11,248)	
	Principal Debt Payments	(\$1,413,056)	(\$1,413,056)	(\$1,273,550)
	Capital Improvement Program	(\$750,000)	(\$1,244,592)	(\$1,000,000)
	Capitalized Expenses & DIF	(\$187,000)		(\$152,000)
	Depreciation		(\$2,100,000)	
	NET INCOME/(LOSS)	\$169,517	(\$3,431,728)	\$85,786
	FY25 INCOME PROJECTION NET OF DEPRECIATION / CAP			
	Reserve Fund Expenditure		\$1,500,000	
	Capital Improvement Program		\$1,244,592	
	Capitalized Expenses / Dredge Intermediate F			
	Depreciation		\$2,100,000	
	PROJECTED NET INCOME FY25		\$1,412,864	
	FY26 Projected Reserve Fund Contribution			(\$275,000)
	FY26 Projected Election Fund Contribution			N/A

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
ADMINISTRATIVE SERVICES (110)				
100-100-110-0000-5000	Salaries - Regular	\$320,767	\$251,659	\$349,442
100-100-110-0000-5005	Salaries - Overtime	\$500	\$1,000	\$500
100-100-110-0000-5010	Wages - Part Time/Temporary	\$3,000		\$500
100-100-110-0000-5020	Salaries - Vacation Pay	\$6,000	\$6,000	\$6,000
100-100-110-0000-5025	Salaries - Holiday Pay			
100-100-110-0000-5055	Unemployment Insurance (SUI)	\$2,186	\$1,200	\$2,018
100-100-110-0000-5060	FICA Medicare/Social Security	\$20,486	\$19,367	\$20,486
100-100-110-0000-5075	Auto Allowance	\$2,400	\$3,400	\$4,800
100-100-110-0000-5105	Workers' Compensation	\$10,620	\$10,808	\$10,620
100-100-110-0000-5110	CalPERS Employer Share	\$37,250	\$31,501	\$38,749
100-100-110-0000-5112	CalPERS Unfunded Liability	\$61,182	\$61,014	\$72,281
100-100-110-0000-5115	Health Insurance	\$54,310	\$55,864	\$52,549
100-100-110-0000-5120	Dental Insurance	\$3,351	\$3,124	\$3,351
100-100-110-0000-5125	Long Term Disability/Life/AD&D	\$956	\$1,464	\$956
100-100-110-0000-5200	Printing & Newsletter	\$14,000	\$11,640	\$12,000
100-100-110-0000-5202	Legal Notices	\$1,000	\$500	\$1,000
100-100-110-0000-5204	Advertising	\$3,000	\$2,800	\$3,000
100-100-110-0000-5206	Postage	\$10,500	\$7,815	\$10,000
100-100-110-0000-5208	Promotional Expense	\$1,500	\$7,105	\$1,500
100-100-110-0000-5214	Office Supplies	\$14,000	\$11,306	\$13,000
100-100-110-0000-5217	Supplies	\$1,000	\$250	\$500
100-100-110-0000-5240	Miscellaneous Employee Training	\$2,000	\$250	\$1,000
100-100-110-0000-5242	Pre-Employment Physicals	\$1,000	\$145	\$1,000
100-100-110-0000-5256	Equipment Rental	\$500		
100-100-110-0000-5262	Insurance Premiums	\$77,641	\$82,427	\$86,270
100-100-110-0000-5264	Insurance Claims	\$5,000	\$35,432	\$5,000
100-100-110-0000-5266	Memberships, Dues, Subscriptions	\$14,000	\$12,514	\$13,500
100-100-110-0000-5268	Meetings & Training	\$5,000	\$5,586	\$5,000
100-100-110-0000-5282	Bank Service Charges	\$15,000	\$12,185	\$15,000
100-100-110-0000-5284	Credit Card Fees	\$43,000	\$50,513	\$48,000
100-100-110-0000-5288	Employee Recognition	\$3,000	\$3,500	\$3,000
100-100-110-0000-5290	Miscellaneous Expenses	\$1,000	\$1,000	\$1,000
100-100-110-0000-5310	Telephone & Alarms	\$12,000	\$8,304	\$12,000
100-100-110-0000-5415	Miscellaneous Professional Services	\$12,000	\$9,600	\$12,000
100-100-110-0000-5416	Legal Consultation	\$35,500	\$41,052	\$35,500
100-100-110-0000-5420	Technical Services	\$30,000	\$47,739	\$28,000
100-100-110-0000-5425	Contract Services	\$22,000	\$57,847	\$22,000
100-100-110-0000-5450	Other Services	\$12,000	\$3,609	\$12,000
100-100-110-0000-5465	Software License & Application	\$31,000	\$20,718	\$28,000
100-100-110-0000-5470	LAFCO Assessment	\$14,000	\$11,365	\$14,000
100-100-110-0000-5500	Mileage Reimbursement	\$1,000	\$250	\$750
100-100-110-0000-5510	Meetings & Seminars	\$3,000	\$500	\$3,000
100-100-110-0000-5694	Office Equipment R&M	\$10,000	\$11,414	\$10,000
100-100-110-0000-5698	Equipment/Equipment R&M	\$8,000	\$10,803	\$8,000
100-100-110-SO24-6300	2024 Winter Storm		\$1,965,000	
100-100-110-SO23-5000	2024 Winter Storm Labor		\$46,902	
TOTAL ADMINISTRATIVE SERVICES		\$925,649	\$2,926,474	\$967,272

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
FINANCE & PURCHASING (120)				
100-100-120-0000-5000	Salaries - Regular	\$126,016	\$109,590	\$137,281
100-100-120-0000-5005	Salaries - Overtime	\$500		
100-100-120-0000-5010	Wages - Part Time/Temporary	\$1,000		
100-100-120-0000-5055	Unemployment Insurance (SUI)	\$924	\$250	\$853
100-100-120-0000-5060	FICA Medicare/Social Security	\$8,924	\$7,995	\$8,924
100-100-120-0000-5105	Workers' Compensation	\$4,488	\$4,465	\$4,488
100-100-120-0000-5110	CalPERS Employer Share	\$9,691	\$8,239	\$10,081
100-100-120-0000-5112	CalPERS Unfunded Liability	\$15,916	\$15,873	\$18,804
100-100-120-0000-5115	Health Insurance	\$22,468	\$20,522	\$21,724
100-100-120-0000-5120	Dental Insurance	\$1,416	\$1,320	\$1,416
100-100-120-0000-5125	Long Term Disability/Life/AD&D	\$404	\$381	\$404
100-100-120-0000-5214	Office Supplies	\$750	\$750	\$750
100-100-120-0000-5266	Memberships, Dues, Subscriptions	\$500	\$500	\$500
100-100-120-0000-5268	Meetings & Training	\$1,000	\$750	\$1,000
100-100-120-0000-5272	Software	\$500	\$500	\$500
100-100-120-0000-5290	Miscellaneous Expenses	\$1,000	\$750	\$1,000
100-100-120-0000-5420	Technical Services	\$2,000	\$1,200	\$2,000
100-100-120-0000-5460	Accounting & Auditing	\$48,000	\$50,000	\$48,000
100-100-120-0000-5465	Software License & Application	\$500	\$500	\$500
100-100-120-0000-5500	Mileage Reimbursement	\$150	\$206	\$150
100-100-120-0000-5698	Equipment/Equipment R&M	\$1,000	\$250	\$1,000
	TOTAL FINANCE & PURCHASING	\$247,146	\$224,041	\$259,374
PROPERTY MANAGEMENT (130)				
100-100-130-0000-5000	Salaries - Regular	\$20,457	\$5,842	\$22,286
100-100-130-0000-5055	Unemployment Insurance (SUI)	\$96	\$25	\$89
100-100-130-0000-5060	FICA Medicare/Social Security	\$1,837	\$280	\$1,837
100-100-130-0000-5105	Workers' Compensation	\$468	\$466	\$468
100-100-130-0000-5110	CalPERS Employer Share	\$2,857	\$2,075	\$2,972
100-100-130-0000-5112	CalPERS Unfunded Liability	\$4,692	\$4,679	\$5,543
100-100-130-0000-5115	Health Insurance	\$2,270	\$2,462	\$2,192
100-100-130-0000-5120	Dental Insurance	\$148	\$138	\$148
100-100-130-0000-5125	Long Term Disability/Life/AD&D	\$42	\$112	\$42
100-100-130-0000-5204	Advertising	\$1,500	\$150	\$1,500
100-100-130-0000-5262	Insurance Premiums	\$566,780	\$612,405	\$629,769
100-100-130-0000-5268	Meetings & Training	\$250	\$25	\$250
100-100-130-0000-5290	Miscellaneous Expenses	\$2,000	\$2,000	\$1,000
100-100-130-0000-5300	Gas & Electricity	\$85,000	\$120,212	\$95,000
100-100-130-0000-5305	Water, Sewer & Garbage	\$182,000	\$184,845	\$184,000
100-100-130-0000-5310	Telephone & Alarms	\$3,000	\$1,632	\$2,000
100-100-130-0000-5315	Sanitary Dist Charges	\$110,000	\$125,000	\$110,000
100-100-130-0000-5416	Legal Consultation	\$11,000	\$12,000	\$11,000
	TOTAL PROPERTY MANAGEMENT	\$994,396	\$1,074,348	\$1,070,096

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
ENVIRONMENTAL & PERMITTING (140)				
100-100-140-0000-5000	Salaries - Regular	\$12,820	\$4,037	\$13,966
100-100-140-0000-5005	Salaries - Overtime	\$3,000	\$2,590	\$3,000
100-100-140-0000-5010	Wages - Part Time/Temporary	\$40,000	\$31,693	\$34,000
100-100-140-0000-5055	Unemployment Insurance (SUI)	\$284	\$198	\$262
100-100-140-0000-5060	FICA Medicare/Social Security	\$3,467	\$2,557	\$3,467
100-100-140-0000-5105	Workers' Compensation	\$1,380	\$1,373	\$1,380
100-100-140-0000-5110	CalPERS Employer Share	\$4,061	\$3,544	\$4,225
100-100-140-0000-5112	CalPERS Unfunded Liability	\$6,670	\$6,652	\$7,880
100-100-140-0000-5115	Health Insurance	\$6,693	\$7,259	\$6,465
100-100-140-0000-5120	Dental Insurance	\$435	\$406	\$435
100-100-140-0000-5125	Long Term Disability/Life/AD&D	\$124	\$160	\$124
100-100-140-0000-5217	Supplies	\$1,000	\$1,000	\$1,000
100-100-140-0000-5235	Vehicle & Equipment Fuel	\$500	\$750	\$500
100-100-140-0000-5268	Meetings & Training	\$250		\$250
100-100-140-0000-5276	Permit Fees	\$8,500	\$11,772	\$8,500
100-100-140-0000-5292	Uniform Cleaning/Laundry	\$250		\$250
100-100-140-0000-5420	Technical Services	\$90,000	\$6,246	\$85,000
100-100-140-0000-5500	Mileage Reimbursement	\$250		\$250
100-100-140-0000-5625	Signage	\$200	\$500	\$200
100-100-140-0000-5665	Vehicle Maintenance	\$2,000	\$1,874	\$2,000
100-100-140-0000-5696	Permits & Inspections	\$1,500	\$500	\$1,000
100-100-140-0000-5698	Equipment/Equipment R&M	\$6,500	\$5,913	\$6,500
TOTAL ENVIRONMENTAL & PERMITTING		\$189,885	\$89,022	\$180,654
PORT COMMISSION SUPPORT (190)				
100-100-190-0000-5000	Salaries - Regular	\$46,097	\$34,830	\$50,217
100-100-190-0000-5005	Salaries - Overtime		\$845	
100-100-190-0000-5010	Wages - Part Time/Temporary			
100-100-190-0000-5055	Unemployment Insurance (SUI)	\$291	\$250	\$269
100-100-190-0000-5060	FICA Medicare/Social Security	\$2,532	\$2,262	\$2,532
100-100-190-0000-5105	Workers' Compensation	\$1,416	\$1,409	\$1,416
100-100-190-0000-5110	CalPERS Employer Share	\$4,341	\$3,153	\$4,516
100-100-190-0000-5112	CalPERS Unfunded Liability	\$7,130	\$7,111	\$8,424
100-100-190-0000-5115	Health Insurance	\$6,868	\$7,449	\$6,633
100-100-190-0000-5120	Dental Insurance	\$447	\$417	\$447
100-100-190-0000-5125	Long Term Disability/Life/AD&D	\$127	\$171	\$127
100-100-190-0000-5214	Office Supplies	\$200	\$100	\$200
100-100-190-0000-5217	Supplies	\$100		\$100
100-100-190-0000-5268	Meetings & Training	\$6,000	\$3,000	\$5,000
100-100-190-0000-5270	Books	\$100	\$50	\$100
100-100-190-0000-5294	Commission Expenses	\$500	\$250	\$250
TOTAL PORT COMMISSION SUPPORT		\$76,149	\$61,295	\$80,231

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
HARBOR PATROL (210)				
100-200-210-0000-5000	Salaries - Regular	\$407,778	\$352,888	\$444,231
100-200-210-0000-5005	Salaries - Overtime	\$10,000	\$10,885	\$10,000
100-200-210-0000-5010	Wages - Part Time/Temporary	\$500		
100-200-210-0000-5015	Salaries - Comp. Time	\$4,000	\$1,163	\$3,000
100-200-210-0000-5020	Salaries - Vacation Pay	\$5,000	\$2,500	\$4,000
100-200-210-0000-5025	Salaries - Holiday Pay		\$1,950	
100-200-210-0000-5040	Salaries - Call Back	\$1,500	\$1,200	\$1,500
100-200-210-0000-5045	Salaries - Call Ready	\$5,000	\$7,003	\$6,000
100-200-210-0000-5050	Salaries - Night Differential	\$4,000	\$4,851	\$5,000
100-200-210-0000-5055	Unemployment Insurance (SUI)	\$3,705	\$1,000	\$3,420
100-200-210-0000-5060	FICA Medicare/Social Security	\$35,052	\$28,512	\$35,052
100-200-210-0000-5100	Uniform Allowance	\$6,500	\$6,500	\$6,500
100-200-210-0000-5105	Workers' Compensation	\$18,000	\$17,906	\$18,000
100-200-210-0000-5110	CalPERS Employer Share	\$52,878	\$38,409	\$55,006
100-200-210-0000-5112	CalPERS Unfunded Liability	\$86,850	\$86,613	\$102,607
100-200-210-0000-5115	Health Insurance	\$92,905	\$87,982	\$89,920
100-200-210-0000-5120	Dental Insurance	\$5,680	\$5,295	\$5,680
100-200-210-0000-5125	Long Term Disability/Life/AD&D	\$1,620	\$2,078	\$1,620
100-200-210-0000-5217	Supplies	\$2,500	\$1,250	\$2,000
100-200-210-0000-5218	Tools	\$500	\$250	\$500
100-200-210-0000-5220	Harbor Patrol Supplies	\$3,000	\$3,000	\$3,000
100-200-210-0000-5224	Almar Maintenance	\$2,500	\$2,500	\$2,500
100-200-210-0000-5235	Vehicle & Equipment Fuel	\$8,000	\$6,300	\$6,500
100-200-210-0000-5236	Harbor Patrol Training	\$12,000	\$6,500	\$12,000
100-200-210-0000-5238	Harbor Patrol Misc. Expense	\$12,000	\$12,958	\$12,000
100-200-210-0000-5244	Background Investigations	\$3,000	\$2,500	\$2,000
100-200-210-0000-5262	Insurance Premiums	\$23,292	\$25,167	\$25,881
100-200-210-0000-5278	Booking Fees	\$2,000		\$250
100-200-210-0000-5415	Miscellaneous Professional Services	\$2,500	\$2,989	\$1,500
100-200-210-0000-5450	Other Services	\$65,000	\$87,970	\$65,000
100-200-210-0000-5500	Mileage Reimbursement	\$500	\$150	\$500
100-200-210-0000-5510	Meetings & Seminars	\$500	\$250	\$500
100-200-210-0000-5665	Vehicle Maintenance	\$4,000	\$10,000	\$4,000
100-200-210-0000-5692	Communications Maintenance	\$2,000	\$250	\$2,000
100-200-210-0000-6100	Capital Outlay			
TOTAL HARBOR PATROL		\$884,261	\$818,769	\$931,668

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
MARINA MANAGEMENT (220)				
100-200-220-0000-5000	Salaries - Regular	\$343,134	\$348,194	\$373,808
100-200-220-0000-5005	Salaries - Overtime	\$500	\$500	\$500
100-200-220-0000-5010	Wages - Part Time/Temporary	\$14,000	\$1,500	\$2,000
100-200-220-0000-5020	Salaries - Vacation Pay	\$2,500	\$3,552	\$2,500
100-200-220-0000-5025	Salaries - Holiday Pay		\$250	
100-200-220-0000-5055	Unemployment Insurance (SUI)	\$2,043	\$1,306	\$1,886
100-200-220-0000-5060	FICA Medicare/Social Security	\$19,463	\$26,573	\$19,463
100-200-220-0000-5105	Workers' Compensation	\$9,924	\$9,872	\$9,924
100-200-220-0000-5110	CalPERS Employer Share	\$50,050	\$36,354	\$52,064
100-200-220-0000-5112	CalPERS Unfunded Liability	\$82,204	\$81,980	\$97,118
100-200-220-0000-5115	Health Insurance	\$48,134	\$49,682	\$46,489
100-200-220-0000-5120	Dental Insurance	\$3,131	\$2,919	\$3,131
100-200-220-0000-5125	Long Term Disability/Life/AD&D	\$893	\$1,967	\$893
100-200-220-0000-5217	Supplies	\$5,000	\$4,500	\$5,000
100-200-220-0000-5222	Scout Maintenance	\$2,500	\$1,800	\$2,500
100-200-220-0000-5224	P/B Kinnamon Maintenance	\$5,000	\$10,000	\$5,000
100-200-220-0000-5262	Insurance Premiums	\$31,056	\$33,557	\$34,508
100-200-220-0000-5279	Bad Debt Expense	\$10,000	\$10,000	\$10,000
100-200-220-0000-5280	Lien Sale Expenses	\$2,500	\$20,340	\$2,500
100-200-220-0000-5465	Software License & Application	\$500	\$250	\$500
100-200-220-0000-5500	Mileage Reimbursement	\$300	\$150	\$300
	TOTAL MARINA MANAGEMENT	\$632,832	\$645,245	\$670,083
RESCUE SERVICES (230)				
100-200-230-0000-5000	Salaries - Regular	\$31,913	\$16,790	\$34,766
100-200-230-0000-5005	Salaries - Overtime	\$1,000	\$500	\$750
100-200-230-0000-5010	Wages - Part Time/Temporary	\$500		\$500
100-200-230-0000-5040	Salaries - Call Back	\$1,500	\$1,500	\$1,500
100-200-230-0000-5045	Salaries - Call Ready	\$16,500	\$16,922	\$16,500
100-200-230-0000-5055	Unemployment Insurance (SUI)	\$425	\$140	\$392
100-200-230-0000-5060	FICA Medicare/Social Security	\$4,440	\$2,632	\$4,440
100-200-230-0000-5105	Workers' Compensation	\$2,064	\$2,053	\$2,064
100-200-230-0000-5110	CalPERS Employer Share	\$3,053	\$2,217	\$3,176
100-200-230-0000-5112	CalPERS Unfunded Liability	\$5,014	\$5,000	\$5,924
100-200-230-0000-5115	Health Insurance	\$10,011	\$10,213	\$9,669
100-200-230-0000-5120	Dental Insurance	\$651	\$607	\$651
100-200-230-0000-5125	Long Term Disability/Life/AD&D	\$186	\$120	\$186
100-200-230-0000-5212	Safety Supplies	\$2,000	\$1,200	\$1,750
100-200-230-0000-5217	Supplies	\$500	\$500	\$500
100-200-230-0000-5222	Scout Maintenance	\$2,500	\$2,500	\$2,500
100-200-230-0000-5224	P/B Kinnamon Maintenance	\$4,500	\$5,905	\$4,500
100-200-230-0000-5226	Boat Fuel - Patrol Boats	\$8,000	\$5,000	\$7,000
100-200-230-0000-5236	Harbor Patrol Training	\$5,000	\$1,200	\$5,000
100-200-230-0000-5238	Harbor Patrol Miscellaneous Expense	\$1,000	\$500	\$500
100-200-230-0000-5262	Insurance Premiums	\$31,056	\$33,557	\$34,508
100-200-230-0000-5425	Contract Services	\$22,000	\$20,000	\$22,000
	TOTAL RESCUE SERVICES	\$153,813	\$129,057	\$158,775

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
PARKING SERVICES (240)				
100-200-240-0000-5000	Salaries - Regular	\$100,922	\$100,646	\$109,943
100-200-240-0000-5005	Salaries - Overtime	\$500	\$2,040	\$500
100-200-240-0000-5010	Wages - Part Time/Temporary	\$92,500	\$83,999	\$89,500
100-200-240-0000-5025	Salaries - Holiday Pay		\$137	
100-200-240-0000-5030	Salaries - Sick Pay	\$1,000	\$250	\$1,000
100-200-240-0000-5055	Unemployment Insurance (SUI)	\$430	\$1,189	\$397
100-200-240-0000-5060	FICA Medicare/Social Security	\$11,437	\$14,084	\$11,437
100-200-240-0000-5105	Workers' Compensation	\$2,088	\$2,077	\$2,088
100-200-240-0000-5110	CalPERS Employer Share	\$6,078	\$5,915	\$6,322
100-200-240-0000-5112	CalPERS Unfunded Liability	\$9,982	\$9,955	\$11,793
100-200-240-0000-5115	Health Insurance	\$10,827	\$9,291	\$10,481
100-200-240-0000-5120	Dental Insurance	\$659	\$614	\$659
100-200-240-0000-5125	Long Term Disability/Life/AD&D	\$188	\$239	\$188
100-200-240-0000-5212	Safety Supplies	\$500	\$250	\$50
100-200-240-0000-5217	Supplies	\$10,000	\$10,200	\$10,000
100-200-240-0000-5218	Tools	\$100	\$100	\$100
100-200-240-0000-5231	Boat Fuel - Free Ride	\$700	\$554	\$700
100-200-240-0000-5235	Vehicle & Equipment Fuel	\$3,000	\$1,979	\$3,000
100-200-240-0000-5240	Miscellaneous Employee Training	\$500		\$500
100-200-240-0000-5254	Rent & Leases	\$8,000		\$5,000
100-200-240-0000-5284	Credit Card Fees	\$50,000	\$68,825	\$53,000
100-200-240-0000-5292	Uniform Cleaning/Laundry	\$1,000	\$1,750	\$1,000
100-200-240-0000-5425	Contract Services	\$46,000	\$48,500	\$50,000
100-200-240-0000-5450	Other Services	\$35,000	\$34,000	\$35,000
100-200-240-0000-5465	Software License & Application	\$500	\$250	\$250
100-200-240-0000-5500	Mileage Reimbursement			
100-200-240-0000-5610	Water Taxi Maintenance	\$5,000	\$3,017	\$5,000
100-200-240-0000-5625	Signage	\$1,000	\$1,000	\$1,000
100-200-240-0000-5635	Parking Meters R&M	\$1,800	\$1,300	\$1,800
100-200-240-0000-5665	Vehicle Maintenance	\$3,000	\$5,000	\$2,500
100-200-240-0000-5698	Equipment/Equipment R&M	\$6,000	\$2,500	\$3,000
	TOTAL PARKING SERVICES	\$408,710	\$409,661	\$416,209
EVENTS (250)				
100-200-250-0000-5000	Salaries - Regular	\$10,365	\$6,954	\$11,291
100-200-250-0000-5005	Salaries - Overtime	\$500		\$500
100-200-250-0000-5010	Wages - Part Time/Temporary	\$500		\$500
100-200-250-0000-5055	Unemployment Insurance (SUI)	\$341	\$150	\$315
100-200-250-0000-5060	FICA Medicare/Social Security	\$990	\$567	\$990
100-200-250-0000-5105	Workers' Compensation	\$1,656	\$1,647	\$1,656
100-200-250-0000-5110	CalPERS Employer Share	\$1,428	\$1,037	\$1,486
100-200-250-0000-5112	CalPERS Unfunded Liability	\$2,346	\$2,340	\$2,772
100-200-250-0000-5115	Health Insurance	\$8,032	\$8,711	\$7,757
100-200-250-0000-5120	Dental Insurance	\$523	\$487	\$523
100-200-250-0000-5125	Long Term Disability/Life/AD&D	\$149	\$137	\$149
100-200-250-0000-5217	Supplies	\$3,000	\$500	\$1,000
100-200-250-0000-5256	Equipment Rental	\$1,000	\$1,000	\$1,000
100-200-250-0000-5290	Misc. Expenses	\$2,500	\$500	\$500
100-200-250-0000-5625	Signage	\$500	\$150	\$500
	TOTAL EVENTS	\$33,829	\$24,180	\$30,938

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
FUEL SERVICES (280)				
100-200-280-0000-5000	Salaries - Regular	\$10,365	\$4,598	\$11,291
100-200-280-0000-5010	Wages - Part Time/Temporary	\$24,000	\$20,663	\$24,000
100-200-280-0000-5030	Salaries - Sick Pay	\$300	\$134	\$300
100-200-280-0000-5055	Unemployment Insurance (SUI)	\$299	\$97	\$276
100-200-280-0000-5060	FICA Medicare/Social Security	\$2,596	\$1,933	\$2,596
100-200-280-0000-5105	Workers' Compensation	\$1,452	\$1,444	\$1,452
100-200-280-0000-5110	CalPERS Employer Share	\$1,344	\$977	\$1,398
100-200-280-0000-5112	CalPERS Unfunded Liability	\$2,208	\$2,202	\$2,609
100-200-280-0000-5115	Health Insurance	\$7,043	\$7,511	\$6,802
100-200-280-0000-5120	Dental Insurance	\$458	\$427	\$458
100-200-280-0000-5125	Long Term Disability/Life/AD&D	\$131	\$53	\$131
100-200-280-0000-5217	Supplies	\$500	\$250	\$500
100-200-280-0000-5218	Tools	\$100	\$100	\$100
100-200-280-0000-5245	Fuel Dock Gasoline	\$205,000	\$203,000	\$205,000
100-200-280-0000-5246	Fuel Dock Diesel	\$235,000	\$212,000	\$220,000
100-200-280-0000-5250	Fuel Dock Equipment & Supplies	\$1,000	\$400	\$1,000
100-200-280-0000-5252	Underground Storage Tank Maintenance	\$8,500	\$9,300	\$8,500
100-200-280-0000-5262	Insurance Premiums	\$7,764	\$8,389	\$8,627
100-200-280-0000-5276	Permit Fees	\$4,300	\$5,205	\$4,300
100-200-280-0000-5284	Credit Card Fees	\$8,000	\$11,023	\$9,500
100-200-280-0000-5607	Fueling Equipment R&M	\$2,500	\$1,500	\$2,500
	TOTAL FUEL SERVICES	\$522,860	\$491,206	\$511,340

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
DOCKS, PIERS, MARINE STRUCTURES (310)				
100-300-310-0000-5000	Salaries - Regular	\$111,832	\$93,421	\$121,829
100-300-310-0000-5005	Salaries - Overtime	\$500		\$500
100-300-310-0000-5010	Wages - Part Time/Temporary	\$1,000		
100-300-310-0000-5055	Unemployment Insurance (SUI)	\$635	\$220	\$586
100-300-310-0000-5060	FICA Medicare/Social Security	\$8,370	\$6,607	\$8,370
100-300-310-0000-5105	Workers' Compensation	\$3,084	\$3,068	\$3,084
100-300-310-0000-5110	CalPERS Employer Share	\$10,783	\$7,832	\$11,217
100-300-310-0000-5112	CalPERS Unfunded Liability	\$17,710	\$17,662	\$20,924
100-300-310-0000-5115	Health Insurance	\$15,658	\$11,661	\$15,147
100-300-310-0000-5120	Dental Insurance	\$973	\$907	\$973
100-300-310-0000-5125	Long Term Disability/Life/AD&D	\$278	\$424	\$278
100-300-310-0000-5212	Safety Supplies	\$1,000	\$1,200	\$1,000
100-300-310-0000-5214	Office Supplies	\$250	\$100	\$250
100-300-310-0000-5217	Supplies	\$1,000	\$500	\$1,000
100-300-310-0000-5218	Tools	\$2,500	\$1,500	\$2,000
100-300-310-0000-5230	Boat Fuel - Big Red	\$500	\$440	\$500
100-300-310-0000-5235	Vehicle & Equipment Fuel	\$2,500	\$1,456	\$2,000
100-300-310-0000-5240	Miscellaneous Employee Training	\$4,000	\$250	\$2,000
100-300-310-0000-5256	Equipment Rental	\$2,000	\$965	\$2,000
100-300-310-0000-5262	Insurance Premiums	\$636,657	\$687,907	\$707,412
100-300-310-0000-5268	Meetings & Training	\$500	\$100	\$250
100-300-310-0000-5290	Miscellaneous Expenses	\$750	\$781	\$750
100-300-310-0000-5292	Uniform Cleaning/Laundry	\$500	\$100	\$500
100-300-310-0000-5430	Engineering Services	\$3,000		\$1,000
100-300-310-0000-5500	Mileage Reimbursement	\$500	\$250	\$500
100-300-310-0000-5605	Piers & Marine Structures R&M	\$15,000	\$17,505	\$15,000
100-300-310-0000-5615	Maintenance Work Boat R&M	\$1,000	\$1,000	\$1,000
100-300-310-0000-5620	Paint & Supplies	\$2,500	\$1,250	\$2,500
100-300-310-0000-5625	Signage	\$1,500	\$1,000	\$1,500
100-300-310-0000-5665	Vehicle Maintenance	\$3,000	\$1,500	\$3,000
100-300-310-0000-5698	Equipment/Equipment R&M	\$5,000	\$5,000	\$5,000
100-300-310-0000-5725	Welding Supplies	\$2,500	\$1,500	\$2,000
100-300-310-0000-6300	Capital Outlay	\$35,000	\$33,873	-
TOTAL DOCKS, PIERS, MARINE STRUCTURES (310)		\$856,979	\$866,106	\$934,069

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
UTILITIES (320)				
100-300-320-0000-5000	Salaries - Regular	\$34,641	\$39,305	\$37,737
100-300-320-0000-5005	Salaries - Overtime	\$500	\$100	\$500
100-300-320-0000-5010	Wages - Part Time/Temporary	\$1,000		
100-300-320-0000-5055	Unemployment Insurance (SUI)	\$731	\$450	\$675
100-300-320-0000-5060	FICA Medicare/Social Security	\$2,340	\$3,242	\$2,340
100-300-320-0000-5105	Workers' Compensation	\$3,552	\$3,534	\$3,552
100-300-320-0000-5110	CalPERS Employer Share	\$6,918	\$5,993	\$7,196
100-300-320-0000-5112	CalPERS Unfunded Liability	\$11,362	\$11,331	\$13,424
100-300-320-0000-5115	Health Insurance	\$17,228	\$17,149	\$16,639
100-300-320-0000-5120	Dental Insurance	\$1,121	\$1,045	\$1,121
100-300-320-0000-5125	Long Term Disability/Life/AD&D	\$320	\$272	\$320
100-300-320-0000-5212	Safety Supplies	\$3,000	\$2,500	\$3,000
100-300-320-0000-5217	Supplies	\$1,000	\$500	\$500
100-300-320-0000-5240	Miscellaneous Employee Training	\$1,000	\$150	\$250
100-300-320-0000-5290	Miscellaneous Expenses	\$250	\$250	\$250
100-300-320-0000-5650	Storm Drain Maintenance	\$5,500	\$8,147	\$3,000
100-300-320-0000-5665	Vehicle Maintenance	\$3,000	\$750	\$1,500
100-300-320-0000-5670	Utility Maintenance	\$12,000	\$16,000	\$12,000
100-300-320-0000-5698	Equipment/Equipment R&M	\$5,000	\$1,250	\$2,000
TOTAL UTILITIES		\$110,463	\$111,968	\$106,004

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
BUILDINGS (330)				
100-300-330-0000-5000	Salaries - Regular	\$80,737	\$66,656	\$87,955
100-300-330-0000-5005	Salaries - Overtime	\$1,000	\$500	\$500
100-300-330-0000-5010	Wages - Part Time/Temporary	\$1,000		
100-300-330-0000-5015	Salaries - Comp. Time	\$1,000		\$500
100-300-330-0000-5020	Salaries - Vacation Pay	\$1,000	\$4,636	\$1,000
100-300-330-0000-5025	Salaries - Holiday Pay		\$411	
100-300-330-0000-5040	Salaries - Call Back	\$500	\$500	\$500
100-300-330-0000-5045	Salaries - Call Ready	\$5,000	\$4,959	\$5,000
100-300-330-0000-5055	Unemployment Insurance (SUI)	\$731	\$220	\$675
100-300-330-0000-5060	FICA Medicare/Social Security	\$6,350	\$6,069	\$6,350
100-300-330-0000-5105	Workers' Compensation	\$3,552	\$3,534	\$3,552
100-300-330-0000-5110	CalPERS Employer Share	\$8,906	\$7,541	\$9,265
100-300-330-0000-5112	CalPERS Unfunded Liability	\$14,628	\$14,588	\$17,282
100-300-330-0000-5115	Health Insurance	\$20,728	\$14,080	\$20,839
100-300-330-0000-5120	Dental Insurance	\$1,121	\$1,045	\$1,121
100-300-330-0000-5125	Long Term Disability/Life/AD&D	\$320	\$350	\$320
100-300-330-0000-5212	Safety Supplies	\$2,000	\$1,274	\$2,000
100-300-330-0000-5216	Janitorial Supplies	\$34,000	\$46,245	\$35,000
100-300-330-0000-5217	Supplies	\$4,000	\$2,125	\$4,000
100-300-330-0000-5218	Tools	\$2,500	\$4,500	\$2,500
100-300-330-0000-5235	Vehicle & Equipment Fuel	\$3,000	\$4,020	\$3,000
100-300-330-0000-5240	Miscellaneous Employee Training	\$2,500	\$500	\$2,000
100-300-330-0000-5256	Equipment Rental	\$500	\$100	\$500
100-300-330-0000-5262	Insurance Premiums	\$85,405	\$93,401	\$94,897
100-300-330-0000-5266	Memberships, Dues, Subscriptions	\$250	\$100	\$250
100-300-330-0000-5268	Meetings & Training	\$1,000	\$100	\$500
100-300-330-0000-5290	Miscellaneous Expenses	\$1,000	\$500	\$1,000
100-300-330-0000-5292	Uniform Cleaning/Laundry	\$3,200	\$2,624	\$3,200
100-300-330-0000-5305	Water, Sewer & Garbage	\$64,000	\$58,436	\$64,000
100-300-330-0000-5308	Hazmat Disposal	\$1,500	\$500	\$1,500
100-300-330-0000-5412	Custodial Contract	\$75,000	\$91,181	\$80,000
100-300-330-0000-5430	Engineering Services	\$3,000	\$250	\$1,000
100-300-330-0000-5450	Other Services	\$1,500	\$1,035	\$1,000
100-300-330-0000-5500	Mileage Reimbursement			
100-300-330-0000-5600	Building Repairs & Maintenance	\$42,000	\$40,162	\$42,000
100-300-330-0000-5620	Paint & Supplies	\$3,000	\$2,500	\$3,000
100-300-330-0000-5625	Signage	\$1,000	\$750	\$1,000
100-300-330-0000-5645	Street Maintenance	\$4,000	\$250	\$2,000
100-300-330-0000-5660	Street Light Maintenance	\$2,500	\$250	\$2,000
100-300-330-0000-5665	Vehicle Maintenance	\$3,500	\$3,261	\$3,500
100-300-330-0000-5698	Equipment/Equipment R&M	\$7,000	\$6,500	\$7,000
100-300-330-0000-5725	Welding Supplies	\$1,500	\$1,500	\$1,500
100-300-330-0000-6100	Capital Outlay			
	TOTAL BUILDINGS	\$495,429	\$487,153	\$513,206

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
GROUNDS (340)				
100-300-340-0000-5000	Salaries - Regular	\$243,576	\$291,961	\$265,350
100-300-340-0000-5005	Salaries - Overtime	\$4,500	\$2,383	\$3,500
100-300-340-0000-5010	Wages - Part Time/Temporary	\$2,000	\$44,279	
100-300-340-0000-5015	Salaries - Comp. Time	\$450		\$450
100-300-340-0000-5020	Salaries - Vacation Pay	\$1,500	\$500	\$1,500
100-300-340-0000-5025	Salaries - Holiday Pay		\$62	
100-300-340-0000-5030	Salaries - Sick Pay			
100-300-340-0000-5040	Salaries - Call Back	\$2,500	\$2,866	\$2,500
100-300-340-0000-5045	Salaries - Call Ready	\$8,000	\$12,095	\$8,500
100-300-340-0000-5055	Unemployment Insurance (SUI)	\$3,137	\$1,547	\$2,896
100-300-340-0000-5060	FICA Medicare/Social Security	\$18,146	\$26,652	\$18,146
100-300-340-0000-5105	Workers' Compensation	\$15,240	\$15,161	\$15,240
100-300-340-0000-5110	CalPERS Employer Share	\$23,246	\$20,418	\$24,182
100-300-340-0000-5112	CalPERS Unfunded Liability	\$38,181	\$38,077	\$45,108
100-300-340-0000-5115	Health Insurance	\$73,919	\$72,535	\$71,391
100-300-340-0000-5120	Dental Insurance	\$4,809	\$4,483	\$4,809
100-300-340-0000-5125	Long Term Disability/Life/AD&D	\$1,372	\$913	\$1,372
100-300-340-0000-5210	Hazmat Supplies	\$7,500	\$5,696	\$7,000
100-300-340-0000-5212	Safety Supplies	\$3,000	\$3,391	\$3,000
100-300-340-0000-5217	Supplies	\$4,000	\$4,045	\$4,000
100-300-340-0000-5218	Tools	\$3,000	\$3,000	\$3,000
100-300-340-0000-5235	Vehicle & Equipment Fuel	\$6,000	\$6,606	\$6,000
100-300-340-0000-5240	Miscellaneous Employee Training	\$2,500	\$2,349	
100-300-340-0000-5256	Equipment Rental	\$3,000	\$1,975	
100-300-340-0000-5266	Memberships, Dues, Subscriptions	\$500	\$250	\$500
100-300-340-0000-5276	Permit Fees	\$1,500	\$922	\$1,000
100-300-340-0000-5292	Uniform Cleaning/Laundry	\$3,500	\$3,200	\$3,500
100-300-340-0000-5300	Gas & Electricity	\$225,000	\$331,785	\$235,000
100-300-340-0000-5305	Water, Sewer & Garbage	\$97,000	\$88,593	\$87,000
100-300-340-0000-5308	Hazmat Disposal	\$10,000	\$6,583	\$8,000
100-300-340-0000-5405	Landscaping	\$8,000	\$10,821	\$8,000
100-300-340-0000-5425	Contract Services	\$2,500	\$10,000	\$2,500
100-300-340-0000-5500	Mileage Reimbursement	\$500	\$150	\$500
100-300-340-0000-5620	Paint & Supplies	\$5,000	\$2,462	\$5,000
100-300-340-0000-5625	Signage	\$4,000	\$5,562	\$4,000
100-300-340-0000-5630	Parking Lot R&M	\$10,000	\$8,934	\$10,000
100-300-340-0000-5645	Street Maintenance	\$2,500	\$899	\$2,000
100-300-340-0000-5665	Vehicle Maintenance	\$5,000	\$4,251	\$5,000
100-300-340-0000-5672	Other Repairs & Maintenance	\$3,500	\$2,416	\$3,500
100-300-340-0000-5696	Permits & Inspections	\$1,000	\$250	\$250
100-300-340-0000-5698	Equipment/Equipment R&M	\$10,000	\$8,603	\$10,000
100-300-340-0000-5800	Fish Removal Expenses	\$2,000	\$679	\$2,000
100-300-340-0000-5805	Waste Oil Disposal/Recycle	\$12,500	\$7,261	\$12,000
TOTAL GROUNDS		\$873,575	\$1,054,614	\$887,693

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
AERATION (350)				
100-300-350-0000-5000	Salaries - Regular	\$13,638	\$10,852	\$14,857
100-300-350-A013-5000	Anchovy Kill Labor		\$34,924	
100-300-350-A013-5217	Anchovy Kill Supplies		\$2,713	
100-300-350-A013-5800	Anchovy Kill Landfil Fees		\$7,200	
100-300-350-0000-5055	Unemployment Insurance (SUI)	\$188	\$125	\$173
100-300-350-0000-5060	FICA Medicare/Social Security	\$1,630	\$1,415	\$1,630
100-300-350-0000-5105	Workers' Compensation	\$912	\$907	\$912
100-300-350-0000-5110	CalPERS Employer Share	\$3,193	\$2,795	\$3,321
100-300-350-0000-5112	CalPERS Unfunded Liability	\$5,244	\$5,230	\$6,196
100-300-350-0000-5115	Health Insurance	\$4,423	\$4,483	\$4,272
100-300-350-0000-5120	Dental Insurance	\$288	\$268	\$288
100-300-350-0000-5125	Long Term Disability/Life/AD&D	\$82	\$126	\$82
100-300-350-0000-5217	Supplies	\$1,000	\$250	\$500
100-300-350-0000-5300	Gas & Electricity	\$20,000	\$28,851	\$20,500
100-300-350-0000-5698	Equipment/Equip. R&M	\$10,000	\$10,820	\$30,000
	TOTAL AERATION	\$60,599	\$110,959	\$82,732
FISHERY SUPPORT (360)				
100-300-360-0000-5000	Salaries - Regular	\$10,365	\$5,021	\$11,291
100-300-360-0000-5055	Unemployment Insurance (SUI)	\$37	\$25	\$34
100-300-360-0000-5060	FICA Medicare/Social Security	\$322	\$376	\$322
100-300-360-0000-5105	Workers' Compensation	\$180	\$179	\$180
100-300-360-0000-5110	CalPERS Employer Share	\$812	\$590	\$845
100-300-360-0000-5112	CalPERS Unfunded Liability	\$1,334	\$1,330	\$1,576
100-300-360-0000-5115	Health Insurance	\$873	\$841	\$843
100-300-360-0000-5120	Dental Insurance	\$57	\$53	\$57
100-300-360-0000-5125	Long Term Disability/Life/AD&D	\$16	\$32	\$16
100-300-360-0000-5675	Ice Equipment R&M	\$3,500	\$1,000	\$1,500
	TOTAL FISHERY SUPPORT	\$17,496	\$9,447	\$16,665
CAPITAL PROJECTS (390)				
100-300-390-0000-5000	Salaries - Regular	\$4,910	\$1,500	\$5,349
100-300-390-0000-5055	Unemployment Insurance (SUI)			
100-300-390-0000-5060	FICA Medicare/Social Security	\$178	\$75	\$178
100-300-390-0000-5276	Permit Fees	\$1,500	\$250	\$500
100-300-390-0000-5290	Miscellaneous Expenses	\$500	\$100	\$500
100-300-390-0000-5298	Interest Expense	\$305,441	\$305,000	\$260,371
100-300-390-0000-5416	Legal Consultation	\$500		\$250
100-300-390-0000-5500	Mileage Reimbursement	\$200		\$100
100-300-390-0000-6200	Principal Debt Payments	\$1,413,056	\$1,413,056	\$1,273,550
	TOTAL CAPITAL PROJECTS	\$313,229	\$306,925	\$267,248

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
DREDGING OPERATIONS (400)				
100-300-400-0000-5000	Salaries - Regular	\$631,715	\$624,672	\$688,187
100-300-400-0000-5005	Salaries - Overtime	\$25,000	\$27,235	\$25,000
100-300-400-0000-5010	Wages - Part Time/Temporary	\$27,000	\$23,582	\$28,000
100-300-400-0000-5015	Salaries - Comp. Time	\$1,500	\$4,279	\$1,500
100-300-400-0000-5020	Salaries - Vacation Pay	\$2,000	\$2,524	\$2,000
100-300-400-0000-5025	Salaries - Holiday Pay	\$1,500	\$1,674	\$1,500
100-300-400-0000-5030	Salaries - Sick Pay		\$243	
100-300-400-0000-5055	Unemployment Insurance (SUI)	\$5,975	\$2,280	\$5,515
100-300-400-0000-5060	FICA Medicare/Social Security	\$51,896	\$51,845	\$51,896
100-300-400-0000-5105	Workers' Compensation	\$29,028	\$28,877	\$29,028
100-300-400-0000-5110	CalPERS Employer Share	\$43,048	\$36,048	\$44,780
100-300-400-0000-5112	CalPERS Unfunded Liability	\$70,704	\$70,511	\$83,531
100-300-400-0000-5115	Health Insurance	\$145,695	\$146,752	\$140,881
100-300-400-0000-5120	Dental Insurance	\$9,159	\$8,539	\$9,159
100-300-400-0000-5125	Long Term Disability/Life/AD&D	\$2,613	\$1,691	\$2,613
100-300-400-0000-5210	Hazmat Supplies	\$3,000	\$2,500	\$3,000
100-300-400-0000-5212	Safety Supplies	\$6,500	\$6,559	\$6,500
100-300-400-0000-5217	Supplies	\$8,000	\$6,461	\$8,000
100-300-400-0000-5218	Tools	\$10,000	\$10,502	\$10,000
100-300-400-0000-5232	Boat Fuel - Dredge Skiff	\$1,000	\$714	\$1,000
100-300-400-0000-5233	Boat Fuel - Twin Lakes	\$110,000	\$123,056	\$110,000
100-300-400-0000-5234	Boat Fuel - Dauntless & Squirt	\$12,000	\$10,519	\$12,000
100-300-400-0000-5235	Vehicle & Equipment Fuel	\$12,000	\$9,951	\$12,000
100-300-400-0000-5240	Miscellaneous Employee Training	\$8,000	\$6,278	\$8,000
100-300-400-0000-5256	Equipment Rental	\$32,000	\$29,692	\$32,000
100-300-400-0000-5262	Insurance Premiums	\$62,113	\$67,113	\$69,016
100-300-400-0000-5266	Memberships, Dues, Subscriptions	\$500	\$1,500	\$500
100-300-400-0000-5268	Meetings & Training	\$1,000	\$308	\$1,000
100-300-400-0000-5270	Books	\$100		\$100
100-300-400-0000-5276	Permit Fees	\$10,000	\$6,658	\$8,000
100-300-400-0000-5290	Miscellaneous Expenses	\$5,000	\$5,039	\$5,000
100-300-400-0000-5292	Uniform Cleaning/Laundry	\$6,500	\$5,587	\$6,500
100-300-400-0000-5308	Hazmat Disposal	\$5,000	\$5,694	\$5,000
100-300-400-0000-5418	Freight	\$2,500	\$1,500	\$2,500
100-300-400-0000-5440	Environmental Services	\$5,000	\$25	\$2,500
100-300-400-0000-5445	Dredge Consulting	\$10,000		\$10,000
100-300-400-0000-5450	Other Services	\$5,000	\$4,350	\$5,000
100-300-400-0000-5500	Mileage Reimbursement	\$1,000	\$250	\$500
100-300-400-0000-5620	Paint & Supplies	\$6,000	\$10,662	\$7,000
100-300-400-0000-5665	Vehicle Maintenance	\$5,000	\$2,464	\$5,000
100-300-400-0000-5672	Other Repairs & Maintenance	\$3,000	\$4,868	\$3,000
100-300-400-0000-5685	Safety Equipment R&M	\$1,500	\$689	\$1,500
100-300-400-0000-5698	Equipment/Equipment R&M	\$45,000	\$43,311	\$45,000
100-300-400-0000-5700	Maint/Lube Inner Harbor Dredge	\$20,000	\$11,364	\$20,000
100-300-400-0000-5705	Maint/Lube Dredge Twin Lakes	\$120,000	\$162,851	\$120,000
100-300-400-0000-5707	Maint/Lube - Ancilliary Equipment	\$65,000	\$56,085	\$65,000
100-300-400-0000-5710	Maint/Lube Dredge Workboat Dauntless	\$30,000	\$26,279	\$30,000
100-300-400-0000-5715	Dredge Paint/Coatings	\$19,000	\$18,539	\$19,000
100-300-400-0000-5720	Booster Pump R&M	\$10,000	\$500	\$10,000
100-300-400-0000-5725	Welding Supplies	\$10,000	\$10,595	\$10,000
100-300-400-0000-6105	Capitalized Equip Xfer to 1100	\$152,000	\$138,119	\$145,000
TOTAL DREDGING OPERATIONS		\$1,697,545	\$1,683,213	\$1,767,206

Santa Cruz Port District
FY26 FINAL BUDGET
February 25, 2025

Account	Description	FY25 BUDGET	FY25 PRJXN	FY26 BUDGET
BOATYARD OPERATIONS (500)				
100-500-500-0000-5000	Salaries - Regular	\$165,566	\$132,934	\$180,367
100-500-500-0000-5005	Salaries - Overtime	\$1,000	\$250	\$1,000
100-500-500-0000-5010	Wages - Part Time/Temp.	\$24,000	\$11,613	\$24,000
100-500-500-0000-5015	Salaries - Comp. Time	\$300	\$150	\$300
100-500-500-0000-5025	Salaries - Holiday Pay		\$230	
100-500-500-0000-5040	Call Back	\$500	\$200	\$500
100-500-500-0000-5055	Unemployment Insurance (SUI)	\$2,243	\$546	\$2,070
100-500-500-0000-5060	FICA Medicare/Social Security	\$14,080	\$10,967	\$14,080
100-500-500-0000-5105	Workers' Compensation	\$10,896	\$10,839	\$10,896
100-500-500-0000-5110	CalPERS Employer Share	\$10,139	\$9,052	\$10,547
100-500-500-0000-5112	CalPERS Unfunded Liability	\$16,652	\$16,607	\$19,674
100-500-500-0000-5115	Health Insurance	\$54,249	\$57,812	\$52,442
100-500-500-0000-5120	Dental Insurance	\$3,438	\$3,205	\$3,438
100-500-500-0000-5125	Long Term Disability/Life/AD&D	\$981	\$398	\$981
100-500-500-0000-5204	Advertising	\$525	\$100	\$525
100-500-500-0000-5210	Hazmat Supplies	\$500	\$150	\$500
100-500-500-0000-5212	Safety Supplies	\$500	\$500	\$500
100-500-500-0000-5217	Supplies	\$2,500	\$500	\$1,500
100-500-500-0000-5218	Tools	\$1,000	\$300	\$1,000
100-500-500-0000-5235	Fuel - Travelift	\$2,000	\$2,617	\$2,000
100-500-500-0000-5240	Miscellaneous Employee Training	\$1,000	\$1,000	\$1,000
100-500-500-0000-5256	Equipment Rental	\$500	\$100	\$500
100-500-500-0000-5262	Insurance Premiums	\$31,056	\$33,557	\$34,508
100-500-500-0000-5276	Permit Fees	\$1,500	\$1,414	\$1,500
100-500-500-0000-5284	Credit Card Fees	\$7,000	\$5,324	\$6,500
100-500-500-0000-5290	Misc. Expenses	\$1,500	\$500	\$1,500
100-500-500-0000-5292	Uniforms	\$1,200	\$1,300	\$1,300
100-500-500-0000-5300	Gas & Electricity	\$18,000	\$29,448	\$20,000
100-500-500-0000-5305	Water, Sewer, Garbage	\$13,000	\$12,209	\$13,000
100-500-500-0000-5308	Hazmat Disposal	\$6,500	\$6,466	\$6,500
100-500-500-0000-5310	Telephone & Alarms	\$1,200	\$600	\$1,000
100-500-500-0000-5425	Contract Services	\$500	\$650	\$700
100-500-500-0000-5430	Engineering Services	\$500		\$500
100-500-500-0000-5450	Other Services	\$3,500	\$2,500	\$3,500
100-500-500-0000-5465	Software License & Application	\$500		\$500
100-500-500-0000-5500	Mileage Reimbursement	\$200	\$100	\$200
100-500-500-0000-5625	Signage	\$250		\$250
100-500-500-0000-5694	Office Equipment	\$250	\$500	\$500
100-500-500-0000-5698	Equipment R&M	\$10,000	\$13,000	\$10,000
100-500-500-0000-7000	Filtration System R&M	\$3,000	\$1,500	\$3,000
100-500-500-0000-7005	Filtration System Supplies	\$9,000	\$2,500	\$3,000
100-500-500-0000-7020	Cost of Goods Sold	\$10,000	\$14,000	\$10,000
100-500-500-0000-6100	Capital Outlay			\$7,000
TOTAL BOATYARD OPERATIONS		\$431,225	\$385,640	\$445,777

ATTACHMENT C – FINANCIAL POLICIES

Reserve Policy

Investment Policy

Unfunded Accrued Liability Policy (including CalPERS' Employer Contribution Rates)



Santa Cruz Port District
GENERAL FUND RESERVE POLICY

*Adopted by the Santa Cruz Port Commission
November 24, 2015*

RESERVE POLICY OBJECTIVES

To strengthen the financial stability of the District against economic uncertainty, unexpected situations such as natural or man-made disasters, unanticipated drop in revenues, and other unforeseen emergencies or extraordinary circumstances that the Port District may face that are infrequent in occurrence.

TARGET AMOUNT HELD IN RESERVE

The Port District will strive to hold in reserve an amount equal to 25 percent of the District's annual operating expenses in the current fiscal year's adopted general fund budget. The District recognizes that reserve fund amount may fluctuate and may need to be rebuilt over time as needed.

FUNDING SOURCES

The reserve fund will generally come from one-time revenue and from excess revenues over expenditures. Examples of one-time revenue include infrequent sales of Port District assets, infrequent revenues from development and grants, or other sources that are typically non-recurring in nature.

CONDITIONS ON USE OF RESERVES

The use of reserves shall generally be limited to unanticipated, non-recurring needs. Reserve fund balances shall not be used for normal or recurring annual operating expenditures.

The Port Director shall make recommendations to the Port Commission for use of reserves. Appropriations from this reserve fund shall require a resolution approved by the Port Commission.

Requests for use of reserves shall occur only after exhausting the current year's budgetary flexibility. The Port Director shall, within six months of its use, present to the Port Commission a plan and timeline for replenishing the reserve fund.



Santa Cruz Port District INVESTMENT POLICY

*Adopted by the Santa Cruz Port Commission
August 9, 2021*

TABLE OF CONTENTS

INTRODUCTION 2

PURPOSE..... 2

AUTHORITY 2

BASIC POLICY AND OBJECTIVES 3

PERMITTED INVESTMENTS AND LIMITATIONS 4

Attachment A CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION (CDIAC) ALLOWABLE
INVESTMENT INSTRUMENTS, FIGURE 1

Attachment B CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION (CDIAC) TABLE OF NOTES
FOR FIGURE 1

INTRODUCTION

Santa Cruz Port District is a municipal corporation and a political subdivision of the State of California. It is governed by an elected Board of Commissioners; the investment policy is administered through an executive officer, the Port Director.

The responsibilities and authority of the Santa Cruz Port Commission are prescribed in the State of California Harbors and Navigation Code, Part 4, Sec. 6200.

PURPOSE

This statement is intended to set policy and provide direction to the Port Director of the Santa Cruz Port District for the prudent and beneficial investment of all funds and monies of the District.

AUTHORITY

The Government Code of the State of California (Government Code), primarily section 53601 and related subsections, authorizes the types of investment vehicles allowed in a California local agency's portfolio. The investment vehicles emphasize preservation of capital and are a conservative set of investments. The authority to invest (as defined in the Government Code) is delegated to the local agency's legislative body for re-delegation to its finance officer. Under no circumstance is the local agency finance officer permitted to purchase an investment that is not specifically authorized by law and within the scope of investments delegated by the local agency's governing board.

This Investment Policy grants the Port Director the authority to act as Finance Officer (Trustee) and manage investments for the Santa Cruz Port District. The Santa Cruz Port Commission will serve in the role of investment committee, responsible for setting investment policy and providing oversight.

The Port Commission, under authorized contract, may delegate certain responsibilities to professional experts in various fields, including but not limited to:

- Investment Consultant: An investment consultant may be retained assist the Port Director in selecting investment options in compliance with State of California public fund management guidelines; reviewing such options over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
- Designated officers as allowed under California Government Code Sections 53601-53610 and 53620-53622 and/or successor statutes for purposes of assuming fiduciary responsibility for administering and managing certain investments, such as a Section 115 trust to prefund Other Post-Employment Benefits or pension liabilities.
- Additional specialists such as attorneys, auditors, actuaries and others who may be contracted by the District.

Adoption of this policy was made at a regular meeting of the Port Commission on November 27, 2018. The Port Commission, acting as Investment Committee, may adopt other amendments to this policy due to a change in the District's goals and objectives, which shall require an affirmative vote by a majority of the Port Commission. This policy is intended to allow investment in accordance with state and federal laws and successor statutes, and therefore a statute change may not be require a change in this policy. Investment Policy Attachments A and B shall be updated by the Finance Officer, as needed, to reflect current California Debt and Investment Advisory Commission (CDIAC) guidance.

BASIC POLICY AND OBJECTIVES

In accordance with public fund management guidelines, the Santa Cruz Port District investment policy is a conservative policy guided by the objectives of safety, liquidity and yield, in accordance with Government Code Section 53600.5, which states, *"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a Trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control."*

The following are objectives:

Performance Expectations: The Port District's cash management portfolio shall be designed with the objective of regularly meeting or exceeding the average yield of the State of California Local Agency Investment Fund (LAIF). The enabling legislation for LAIF is Section 16429.1 et seq. of the California Government Code. LAIF as an indicator is considered a benchmark for lower risk investment transactions and therefore comprises a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles, when feasible. The investment program may also seek to reduce Other Post Employment (OPEB) or pension liabilities.

Prudence: The standard of prudence to be used by investment officials shall be the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Reporting Requirements: The quarterly financial reports presented to the Santa Cruz Port Commission, typically presented at regularly scheduled public meetings in July, October, and January, and shall include information about investment performance. (Note: Fiscal year end quarterlies are not typically presented to the Commission, but are reviewed as part of the year-end audit process.)

Performance Review: The Santa Cruz Port Commission shall perform periodic appraisals of the investment

portfolio and investment policy to evaluate the effectiveness of the District's investment program. The Investment Policy shall be presented with the annual budget document.

Ethics and Conflicts of Interest: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business, in accordance with applicable laws. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Port District.

Investment Portfolio Compliance: The Port District's investment portfolio must be in compliance with statute at the time that investments are purchased. The investment portfolio shall be monitored, as practical, for subsequent changes in percentages resulting from non-purchase activity or changes in credit rating of existing securities. If, as a result of monitoring, it is discovered that the portfolio or individual investments are deemed to be out of compliance with either statute or this Investment Policy, such non-compliance shall be reported by the Port Director to the Port Commission within five working days along with a detailed explanation for the variance and recommended course of action.

Exceptions: When investing in funds deemed suitable for public investment such as LAIF, a Joint Powers Authority Pool or Voluntary Investment Program Fund as described in Attachment A, California Debt and Investment Advisory Commission (CDIAC) Figure 1, no maximum specified percentage of portfolio shall apply.

Conflicts: In the event any provision this Investment Policy is in conflict with any of the statutes referred to herein or any other State or Federal statutes, the provisions of each statute shall govern.

PERMITTED INVESTMENTS AND LIMITATIONS

Permitted Investments

The California Government Code contains specific provisions regarding the types of investments and practices permitted after considering the broad requirement of preserving principal and maintaining liquidity before seeking yield. These provisions are intended to promote the use of reliable, diverse and safe investment instruments to ensure a prudently managed portfolio worthy of public trust.

Government Code Sections 16340, 16429.1, 53601, 53601.6, 53601.8, 53635, 53635.2, 53635.8, 53638, and 53684 include a number of requirements on how and where public money may be invested. CDIAC Figure 1 provides a synopsis of the permitted investment instruments and limitations on each, in which all local agencies may invest as summarized by CDIAC, [Local Agency Investment Guidelines](#), Update for 2018).

The Port District may invest only in those instruments specified in State law; however, the Port Commission may set a more stringent standard.

To the extent allowable by statute, the Finance Officer and Investment Committee (Port Commission) may consider investment in funds, such as those allowable under an irrevocable Section 115 Trust of the Internal Revenue Code, designated for the payment of employee retiree health benefits (Other Post Employment Benefits "OPEB") as authorized under Government Code Sections 53620-53622 or a Pension Prefunding Trust Program "PPTP," currently under development by CalPERS as authorized by SB 1413, which may provide a future investment opportunity.

Limitations on Investments

Limitations as established by law are subject to change as established by the State Treasurer. A listing of limitations on investments are as summarized by CDIAC, [Local Agency Investment Guidelines](#), Update for 2018, are shown in the Table of Notes appended to Table 1. As noted above, investment options and limitations are subject to change as established by the State Treasurer from time to time.

The Trustee, with guidance and approval of the Investment Committee (Port Commission), may adopt additional limitations on investments over time, which shall be made a part of this policy.

ATTACHMENT A
CDIAC ALLOWABLE INVESTMENT INSTRUMENTS, FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2021)^A
APPLICABLE TO ALL LOCAL AGENCIES^B

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

FIGURE 1

INVESTMENT TYPE	MAXIMUM MATURITY ^C	MAXIMUM SPECIFIED % OF PORTFOLIO ^D	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations— CA And Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40% ^E	None	53601(g)
Commercial Paper—Non-Pooled Funds ^F (under \$100,000,000 of investments)	270 days or less	25% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(c)
Commercial Paper—Non-Pooled Funds (min. \$100,000,000 of investments)	270 days or less	40% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(c)
Commercial Paper— Pooled Funds ^I	270 days or less	40% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% ^J	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% ^K	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% ^K	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^L	20% of the base value of the portfolio	None ^M	53601(j)
Medium-Term Notes ^N	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple ^{O,Q}	53601(l) and 53601.6(b)
Collateralized Bank Deposits ^R	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-Through and Asset-Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple ^S	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund ^T	N/A	None	None	16340
Supranational Obligations ^U	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

LOCAL AGENCY INVESTMENT GUIDELINES

ATTACHMENT B
CDIAC TABLE OF NOTES FOR FIGURE 1

TABLE OF NOTES FOR FIGURE 1

<p>A Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.</p> <p>B Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.</p> <p>C Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.</p> <p>D Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.</p> <p>E No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.</p> <p>F Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.</p> <p>G Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.</p> <p>H Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.</p> <p>I Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).</p> <p>J No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).</p> <p>K Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(j)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.</p>	<p>L Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.</p> <p>M Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.</p> <p>N "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."</p> <p>O No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.</p> <p>P A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.</p> <p>Q A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.</p> <p>R Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.</p> <p>S A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).</p> <p>T Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.</p> <p>U Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.</p>
--	--



Santa Cruz Port District
**UNFUNDED ACCRUED LIABILITY PENSION
MANAGEMENT POLICY**

*Adopted by the Santa Cruz Port Commission
July 14, 2022*

SECTION 1. PURPOSE

This Unfunded Accrued Liability Pension Management Policy (the “Policy”) is intended to strategically address the existing and any future unfunded accrued liability (the “UAL”) associated with the Santa Cruz Port District’s (the “District”) California Public Employees’ Retirement System (CalPERS) pension plans (the “Pension Plans”). Also addressed are some of the principal elements and core parameters central to the policy objectives. In the development of this Policy, the District strives to reduce its UAL and the associated financing costs in the most cost-efficient and fiscally responsible manner possible.

The District is committed to fiscal sustainability by employing long-term financial planning efforts, maintaining appropriate reserve levels, and employing prudent practices in governance, management, budget administration, and financial reporting. This Policy is intended to make all relevant information readily available to decision-makers and the public to improve the quality of decisions, identify policy goals, and to demonstrate a commitment to long-term financial planning. Adherence to this Policy signals to rating agencies and capital markets that the District is well managed and able to meet its obligations in a timely manner.

The Policy is intended to reflect a reasonable and conservative approach to managing the UAL costs associated with the Pension Plans. This Policy recognizes that the Pension Plans are subject to market volatility and that actual economic and demographic experience of the plans will differ from the actuarial assumptions. Accordingly, it is intended to allow for adaptive responses to changing circumstances, providing flexibility to address such volatility in a financially sound manner. As such, the District is required to continually monitor its Pension Plans and the corresponding UAL.

SECTION 2. POLICY GOALS AND OBJECTIVES

The overarching goals and objectives of this Policy are as follows:

- Establish, attain, and maintain targeted pension plan funding levels
- Seek to manage and control future contribution volatility to the extent reasonably possible
- Strive to make Annual Discretionary Payments to accelerate UAL pay-down, reduce interest costs, and stabilize future payments, when feasible
- Maintain the District’s sound financial position and creditworthiness
- Provide guidance in making annual budget decisions
- Demonstrate prudent financial management practices
- Ensure that pension funding decisions protect both current and future stakeholders
- Create transparency as to how and why the Pensions Plans are funded

SECTION 3. BACKGROUND AND DISCUSSION

In General. Each Pension Plan is a multiple-employer defined benefit pension plan administered by the California Public Employee Retirement System (“CalPERS”). All full-time and certain part-time District employees are eligible to participate in the CalPERS retirement and disability benefits, annual cost of living adjustments and death benefits offered to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute.

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure its financial soundness and sustainability, the plan should accumulate adequate resources in a systematic and disciplined manner to ensure sufficient resources are available to meet employee benefit requirements. This Policy outlines the practices the District may utilize to address its actuarially determined contributions to fund the long-term cost of benefits to the Pension Plan participants and annuitants.

Pension Costs and Liabilities. In order to fund its employees’ pension benefits, the District is required to make contributions (a portion of which may come from the employees) to CalPERS. CalPERS then invests these contributions to generate returns to help fund the pension benefits. The regular required contributions, known as the “normal cost,” are calculated as a percent of salaries and represent the annual cost of service accrual for the upcoming fiscal year for active employees. If, for any reason, the actual Pension Plan experience and investment performance fall short of the actuarial assumptions, the Pension Plan can become underfunded (i.e., the Pension Plan’s Normal Accrued Liability exceeds the Plan’s market value of assets). This shortfall is known as the Unfunded Accrued Liability (the “UAL”) and usually has to be covered by the District through a series of UAL Payments, which are above and beyond the “normal cost” contributions. The UAL Payments are calculated in total dollar amounts, not as a percent of salaries.

The UAL, can be caused by multiple factors, including but not limited to, changes to CalPERS’ actuarial amortization policy, retroactive pension benefit enhancements, investment underperformance, actuarial assumption changes, demographic factors, and discount rate reductions and apply to all accrued employee benefits regardless of current employment status.

UAL is Debt. The UAL balance at any given point in time is a debt of the District owed to CalPERS, which is amortized over a set period of time with interest accruing at the then current CalPERS discount rate (the “Discount Rate”). However, this debt can be prepaid at any time without penalties. Recognizing the UAL as debt helps the District identify proper steps to address it and minimize the associated financing costs.

Ongoing CalPERS Practices. Every year CalPERS prepares updated actuarial valuation reports for each of the District’s Pension Plans wherein it calculates the District’s total pension liability as of the end of the prior fiscal year (each a “Valuation Report”). If the investment performance during that fiscal year was different from the Discount Rate, or if CalPERS made any changes to its actuarial assumptions, or if the actual demographic or compensation experience within the Pension Plans was different from the actuarial assumptions, new line items, or UAL amortization “bases,” may be added to the plan and result in a change to the UAL balance. Such

UAL amortization bases may be positive (indicating funding shortfall for the Pension Plans) or negative (indicating funding surplus for the Pension Plans). Since CalPERS can add new UAL amortization bases every year, the Pension Plans must be monitored annually and managed continually – there is no one-time solution.

CalPERS has adopted the UAL amortization methods that were meant to help public agencies “ease into” paying for the UAL increases. New UAL amortization bases are implemented incrementally, with a five-year ramp-up period, and at times include additional small increases in each of the subsequent years. The ramp-up period, while reducing the cash flow impact in the near term, increases the overall UAL repayment costs for the District by delaying repayment. Since the UAL balances accrue interest at the rate that is equal to the then current Discount Rate, the delayed payments prior to the commencement of the amortization and the reduced payments during the ramp-up period that do not fully cover the interest costs result in negative amortization, causing further increases to the UAL balance. To help reduce the overall costs of the UAL repayment, this Policy encourages level annual payments (i.e., no ramp-up) whenever possible.

SECTION 4. POLICY

A. Funding Level Objective. It is the District’s policy to strive to achieve and maintain a Pension “Funded Ratio” (being the ratio by which the Market Value of Assets—as set forth in the most recently published Valuation Report—exceeds the Entry Age Normal Accrued Liability or “EANAL”—as set forth in the most recently published Valuation Report) for each Pension Plan of 90% (the “Funding Level Objective”).

Funding Level Objective = 90%

Achieving and maintaining the 90% Funding Level Objective ensures that the ongoing contributions of the District and its employees are properly and adequately funding the retirement benefits of retirees and today’s workers. This concept is commonly referred to as the intergenerational equity. The reason for a Funding Level Objective of 90% rather than 100% is to allow some cushion for the possibility that good investment returns by CalPERS in a given year might push the Funded Ratio of a Pension Plan above 100% (commonly referred to as “superfunded status”), which means that the District and its employees had contributed into the Pension Plan more than was necessary. Thus, while the District remains committed to maintaining a 100% funded level, it shall manage the 10% differential (i.e., the difference between 90% and 100%) through its own investment process by creating the “Pension Rate Stabilization Fund” discussed herein.

Guidance: To achieve the Funding Level Objective, this Policy provides the following guidance:

1. ***Pre-Pay the Entire Annual UAL Payment by July 31st of each year.*** On or before July 1st of each year, the District receives its annual CalPERS UAL invoice. The District has two payments options. The invoice can (1) be paid in equal monthly increments or (2) be fully pre-paid at the beginning of the fiscal year by July 31st. By prepaying the entire invoice amount due by July 31st, the District can save approximately 3.5% compared to making the monthly payments. As such, every effort should be made to pre-pay the UAL payment upon receipt of the annual invoice, when feasible.

2. **Pre-Pay UAL from Reserves, One-Time Revenues and Fund Surpluses.** Reserves (often invested in LAIF) regularly do not earn returns that can offset the interest rate that CalPERS charges on the outstanding UAL balance. Supplemental contributions into the Pension Plans from available reserves, one-time revenues and fund surpluses can generate substantial long-term net savings. Each supplemental contribution, referred to by CalPERS as an Additional Discretionary Payment (ADP), reduces the UAL balance, the Annual Required Contributions (ARC) for future years, and the total interest costs associated with the UAL. CalPERS does not apply any prepayment penalties to ADPs. Therefore, during each budget cycle, District staff shall review all available reserves, one-time revenues and fund surpluses to determine whether any such funds could be used to make an ADP to pay down the UAL, keeping in mind operational and capital budgetary constraints while maintaining adequate reserves and balancing the fiscal soundness of eliminating the high-interest UAL debt. ADPs should not adversely affect the general operations and fiscal soundness of the District.

3. **Capital Financing.** When considering capital projects, staff regularly reviews and plans for reserving capital to cash fund current and future projects. When considering how to pay for current and future capital projects, staff should review the current tax-exempt market to assess if it would be more cost effective to borrow at tax-exempt rates to pay for the capital projects and redirect the reserved funding (and/or such other appropriate funds of the District) to make ADPs to CalPERS.

If there are projected cost savings by using this method, and a capital financing strategy is to be implemented, the Port Commission would need to approve of the ADPs being paid to CalPERS prior to the financing to ensure that the annual savings generated by implementing the strategy are applied to UAL paydowns.

4. **Utilize Savings Achieved from Refunding Outstanding Non-Pension Related Debt to Pre-Pay UAL.** During each budget cycle, staff should review all outstanding long-term non-pension related debt of the District to determine whether a refunding of such debt might result in net present value savings of greater than 3%, and if so, consider a structure and strategy that frontloads the savings from such debt refunding, which can then be used to pay down the UAL.

5. **Sources of Revenue.** All fees, rates and charges should incorporate full allocation of pension costs for employees providing associated services. While some funds cannot contribute more than their fair share (i.e., enterprise funds), they should not contribute less than their fair share. Staff shall review allocation of labor costs to proprietary and other funds to ensure full reimbursement of the pension cost burden. Staff shall provide, or cause to be provided, consistent and well-documented methodology for pension cost allocation to all funds.

6. **Pension Obligation Financing.** The District shall consider issuing taxable municipal debt obligations (generically hereafter referred to as "Pension Obligations") to refinance the UAL, in part or in whole, if such bond obligations are expected to produce minimum cash flow savings of at least 5%, taking into account all debt service and costs of issuance associated with such

bond obligations, in comparison to CalPERS' respective UAL amortization schedule and the then-current Discount Rate.

Pension Obligations shall not utilize swaps or derivatives of any kind and should be structured with reasonable and flexible call provisions (with a maximum of 10-year call provision). Pension Obligations shall be used only to prepay the UAL liabilities and shall not be used to finance normal cost payments. The issuance of Pension Obligations must be voted upon and approved by the Board of Directors.

7. **Annual Review of the CalPERS Actuarial Valuation Reports and Associated Tasks.** District staff shall review or cause to be reviewed the annual CalPERS actuarial valuation reports within 60 days of their release by CalPERS, which usually takes place during the month of August. The review should focus on identifying the annual changes to each of the Pension Plans UAL and quantifying the associated cost implications and the corresponding impact on the Funded Ratio. Staff should annually reach out to the District's CalPERS actuary to request a calculation of flat payments (rather than ramp-up payments) for all outstanding and new UAL amortization bases. In making ADPs, District staff shall determine or cause to be determined the optimal application of the ADPs to the outstanding UAL amortization bases to achieve the Funding Level Objective as well as desired budgetary outcomes.

B. Establishment and Operation of a Pension Rate Stabilization Fund.

1. **Establishment of a Pension Rate Stabilization Fund.** Once the District has substantively accomplished stabilizing all Pension Funds at or near the Funding Level Objective, the District may establish a Pension Rate Stabilization Fund, either self-managed or a Section 115 trust fund managed by a third-party investment manager (the "Investment Manager"). The Pension Rate Stabilization Fund will receive Sequestered Savings (defined below) and Sequestered Surplus (defined below) as well as any other funds deposited into it at the discretion of the Port Commission, based on recommendations made by District staff during the annual budget process. Funds in the Pension Rate Stabilization Fund should only be used to manage the District's pension benefits costs to maintain each of the Pension Plans at the Funding Level Objective in accordance with the goals and objectives set forth in this Policy.
2. **Funding the Pension Rate Stabilization Fund.**
 - (a) **Sequestered Savings.** At the beginning of each Fiscal Year following the issuance of each series of Pension Obligations, for a total of ten (10) consecutive years (or such other period of years as deemed appropriate by the Port Commission at the time of any subsequent issuances of Pension Obligations) following such issuance, a fixed dollar amount equal to 50% (or such other percentage as deemed appropriate by the Port Commission at the time of any subsequent issuances of Pension Obligations) of the "Total Sequestered Savings" (as calculated in the manner set forth below) achieved by issuing Pension Obligations (the "Annual Sequestered Savings Savings"), shall be transferred from the District's general operating funds

and deposited into the Pension Rate Stabilization Fund until such time that the Pension Rate Stabilization Fund reaches the Pension Rate Stabilization Fund Maximum (as outlined in section B3 below), and thereafter all Sequestered Savings will be directed to a “Pension Obligation Prepayment Fund” which will be established and maintained by the District for the purpose of prepaying any outstanding Pension Obligations.

$$\text{Total Sequestered Savings} = \text{UALDS} - \text{DS}$$

$$\text{Annual Sequestered Savings} = 0.5x\left(\frac{\text{UALDS} - \text{DS}}{Y}\right)$$

UALDS = Scheduled UAL debt service being paid off by the Pension Obligations

DS = Total principal amount of Debt Service on the Pension Obligations

Y = Number of years to pay back Sequestered Savings

Example of Annual Sequestered Savings Calculation

A \$5M Pension Obligation was issued in 2022 for the purpose of prepaying UAL. The total UAL debt service (UALDS) paid off with the Pension Obligation was \$8,000,000 and the total debt service (DS) on the Pension Obligation is \$7,000,000. The District elected to sequester 50% of the total savings over a 10-year period (Y), which in this example totals \$100,000.

$$\begin{aligned}\text{Annual Seq. Savings} &= 0.5x\left(\frac{8,000,000 - 7,000,000}{10}\right) \\ &= \$50,000\end{aligned}$$

(b) Sequestered Surplus. Each Fiscal Year during the District’s normal budget adoption process, beginning with the 2022-23 Fiscal year budget, and for each of the following 9 years, a percent between 0% and 10% of any available surplus from the prior Fiscal Year (the “Sequestered Surplus”) shall be set aside, transferred and deposited into the Pension Rate Stabilization Fund.

3. Operation of the Pension Rate Stabilization Fund. Sequestered Surplus and Sequestered Savings (and any other amounts contributed by the District) shall be deposited in the Pension Rate Stabilization Fund and used solely for the purpose of making ADP’s (and Normal Cost payments during a Fiscal Hardship, and/or to the extent the amount therein exceeds the Pension Rate Stabilization Fund Maximum, as described below) to CalPERS for the purpose of achieving and maintaining Funding Level Objective.

With the goal of achieving and maintaining the Funding Level Objective, each year during the budget cycle, District staff shall calculate, or cause to be calculated, the upcoming Fiscal Year’s

estimated Funded Ratio by taking into account the most recent Valuation Report's statement of Funded Ratio and adjusting for the estimated UAL amortization base that will be either added or subtracted due to the prior Fiscal Year's investment result of either exceeding or falling short of the then current Discount Rate for that Fiscal Year (the "Estimated Funded Ratio"). If the Estimated Funded Ratio is estimated to be less than the Funding Level Objective, to the extent funds are available in the Pension Rate Stabilization Fund, the Port Director shall make an ADP to CalPERS in the amount necessary to bring the Funded Ratio back up to the Funding Level Objective. Additionally, if sufficient funds are available in the Pension Rate Stabilization Fund, staff shall assess whether to fully amortize any new UAL amortization bases in order to reduce the long-term interest costs associated with the "ramping" procedures used by CalPERS.

Moneys in the Pension Rate Stabilization Fund shall not be used for normal costs until such time as the amount therein, when combined with the Market Value of Assets (as set forth in the most recently published Valuation Report) exceeds the Entry Age Normal Accrued Liability (as set forth in the most recently published Valuation Report) by 110% (the "Pension Rate Stabilization Fund Maximum"). To the extent monies in the Pension Rate Stabilization Fund on June 31st exceed the Pension Rate Stabilization Fund Maximum (after consideration has been given to the amounts therein required to be paid to CalPERS for the ensuing Fiscal Year to maintain the Estimated Funded Ratio at or above the Funding Level Objective), any accrued surplus over 110% may be used to offset the District's Normal Cost payment made to CalPERS in such Fiscal Year, and any Sequestered Savings will be directed to the Bond Call Fund.

4. **Fiscal Hardship.** In the event of a Fiscal Hardship (as defined below), transfers of Sequestered Savings may be abated and/or the Pension Rate Stabilization Fund may be utilized for either normal or UAL costs until the Fiscal Hardship is no longer in effect.

"Fiscal Hardship" means an economic hardship, or other unanticipated fiscal emergency, that has been declared by resolution by the Port Commission.

- C. **Transparency and Reporting.** Funding of the Pension Plans should be transparent to all stakeholders, including plan participants, annuitants, the Port Commission, and District rate payers. To achieve this Policy objective, copies of the annual actuarial valuation reports for each Pension Plan shall be made available and posted on the District's website. The District's audited financial statements shall also be posted on the District's website.
- D. **Annual Budget to Contain Policy Directed Information.** The District's annual operating budget shall consider the items specified in this Policy for inclusion in each such annual budget.
- E. **Review of Policy.** Funding a defined benefit pension plan requires a long-term planning approach. This Policy is intended to provide general objectives and guidelines, and as such, District staff will review the policy for implementation of new best practices and provide the Port Commission with updates for approval on an as needed basis, not to exceed 5 years.

ATTACHMENT D – FY26 FEE SCHEDULE

PARKING

Description	Fee
Visitor Parking Pass: Daily	\$20.00 /day
Visitor Parking Pass: Hourly	\$2.00 /hour
Slip Licensee 1st/2nd Additional Annual Parking Permits	\$50.00 / \$100
Slip Licensee Visitor Parking Pass: Daily	\$10.00 /day
RV Park Overnight Parking	\$75.00 /night
RV Park Overnight Parking Booking Fee	\$6.00 /flat rate
RV Park Overnight Parking Lock Site Fee (<i>optional selection</i>)	\$25.00 /flat rate
RV Park Cancellation Fee (72-hour notice)	\$25.00
RV Park Cancellation Fee (less than 72-hour notice)	\$65.00
Overnight Parking: Launch Ramp (RV w/o trailer)	\$65.00 /night
Overnight Parking: Launch Ramp (RV w/trailer)	\$83.00 /night
Overnight Parking: Launch Ramp (Vehicle w/o trailer)	\$30.00 /night ^A
Overnight Parking: Launch Ramp (Vehicle w/trailer)	\$30.00 /night ^A
Overnight Parking: 7th & Brommer	\$20.00 /night
Annual North Harbor Visitor Parking Pass: M - F	\$100.00 /year
Annual North Harbor Visitor Parking Pass: Every Day	\$150.00 /year
Annual Landside Tenant Business Parking Permit	\$240.00 /year
Concession Parking Lot: Overflow Parking Pass	\$10.00 /day
Concession Parking Lot: 30 Minutes or Less	FREE
Concession Parking Lot: Entry Before 4 PM (First 2.5 Hours)	\$2.00 /hour
Concession Parking Lot: Entry Before 4 PM (After 2.5 Hours)	\$5.50 /hour
Concession Parking Lot: Entry After 4 PM	\$2.00 /hour
Concession Parking Lot: Lost Ticket Fee	\$45.00

^A Includes all-day parking through 9 PM 2nd night.

LAUNCHING

Description	Fee
Daily Launch Permit	\$18.00
Daily Launch Permit - Disabled	\$12.00
Daily Cartop Launch Permit (2 Vessels)	\$15.00 ^B
Handlaunch or Additional Vessel w/ Cartop	\$7.00
Annual Launch Permit: Every Day	\$370.00
Annual Launch Permit: M - F	\$265.00
Annual Launch Permit - Disabled: Every Day	\$225.00
Annual Launch Permit - Disabled: M - F	\$165.00
Annual Launch Permit Cartop	\$250.00

^B Includes launching for 2 vessels/boards & vehicle parking.

VISITOR BERTHING

Description	Fee
Up to 50' Monohull: 1-14 Days	\$1.50 /ft./day, \$42.00 minimum
Up to 50' Monohull: 15+ Days	\$2.25 /ft./day, \$63.00 minimum
50'+ Multihull: 1-14 Days	\$1.75 /ft./day, \$52.50 minimum
50'+ Multihull: 15+ Days	\$2.25 /ft./day, \$63.00 minimum
Commercial ^C	\$0.75 /ft./day, \$30.00 minimum

^C Commercial rate applies to fishing vessels actively & solely engaged in commercial fishing. Proof in advance of slip assignment in the form of two CDFW commercial fish landing receipts within the previous two weeks may be required.

OTHER VISITOR SERVICES

Description	Fee
Catamaran Overnight Storage	\$5.00 ^D
End-Tie full length (Regattas, Cruises, Etc.)	\$270.00 /day
End-Tie half length (Regattas, Cruises, Etc.)	\$160.00 /day
Winter End-Tie Berthing Program: Recreational ^E	\$27.90 /ft./mo. ^F
Winter End-Tie Berthing Program: Commercial ^E	\$18.00 /ft./mo. ^F

^D Storage on beach only.

^E Winter: October 31 - March 1, commercial year-round subject to Harbormaster approval.

^F 1-month occupancy; paid in advance.

MOORAGE RATES ^G

Description	Fee
South Harbor: Single Side	\$15.75 /foot
South Harbor: Double Side	\$17.34 /foot
South Harbor: AA Dock	\$26.78 /foot
South Harbor: ABC Dock	\$31.50 /foot
North Harbor: 20' (Including Inside-Ties)	\$14.14 /foot
North Harbor: 25' / 30'	\$14.90 /foot
North Harbor: 35' / 40'	\$15.31 /foot
North Harbor: Wide 45'	\$17.58 /foot
North Harbor: Dory-Tie	\$76.27 /month
Security Deposit	1 month's rent

^G Slip rent is based on the greater length of the slip or vessel (and any overhangs).

DRY STORAGE

Description	Fee
7th & Brommer Gravel Lot	\$145.28 /month
North Harbor Paved Lot 24'	\$155.44 /month
North Harbor Paved Lot 28'	\$187.41 /month
North Harbor Paved Lot 33'	\$203.39 /month
Catamaran Storage	\$72.62 /month
Kayak Rack Storage	\$68.28 /month
Security Deposit	2 month's rent

EVENTS

Description	Fee
Event Permit Application Fee	\$75.00 ^H
Event Permit Application Fee (less than 14 days)	\$150.00 ^H
Harbor Beach: 0-100 People	\$400.00 /day
Harbor Beach: Add 'l 50 People	\$175.00 /day
Harbor Beach Plaza	\$250.00 /day
Mariner Park Lawn: 0-100 People	\$250.00 /day
Mariner Park Lawn: Add 'l 50 People	\$100.00 /day
JG Townsend Maritime Plaza	\$150.00 /day
Walton Lighthouse: 0-6 People	\$500.00 /hour ^I
West Jetty	\$325.00 /day
Wiki's Island	\$150.00 /day
Information Booth	\$60.00 /day
Event Deposit	\$500.00 /day minimum
Live Music /DJ	\$185.00 /day
Stereo System	\$85.00 /day
Volleyball Court	\$70.00 /court/4-hours ^J
On-water Event Permit Inner Harbor	\$50.00 /hour ^K
Electrical Service Use	\$40.00
Mariner Park Lawn Camping	\$10.00 /night/tent ^L
Public Meeting Room	\$40.00 /hour ^M

^H Cost recovery for administrative services.

^I Staff service charges for standby may apply.

^J Limit 2 courts.

^K Plus safety staffing & vessels.

^L Harbormaster approval required.

^M Fees waived for landside concessionaires and marine related uses.

STAFF SERVICES ^{N, O, P}

Description	Fee
Facilities Maintenance & Engineering Manager	\$135.46 /hour
Supervising Harbor Maintenance Worker	\$90.27 /hour
Harbor Maintenance Worker	\$88.33 /hour
Supervising Harbor Dredge Worker	\$93.96 /hour
Harbor Dredge Worker	\$86.47 /hour
Harbormaster	\$139.46 /hour
Assistant Harbormaster	\$100.13 /hour
Senior Deputy Harbormaster	\$92.07 /hour
Deputy Harbormaster	\$85.06 /hour
Customer Service Representative	\$75.64 /hour
Facilities Coordinator	\$75.64 /hour
Finance Officer	\$105.10 /hour
Administrative Services Officer	\$105.10 /hour
Administrative Assistant I/II	\$88.33 /hour
Parking Coordinator	\$75.64 /hour
Parking Control	\$37.11 /hour
Boatyard Supervisor	\$90.27 /hour
Boatyard Crew	\$75.64 /hour
All Vehicles ^Q	\$100.00 /hour

^N Hourly Labor charges for services outside of routine, for benefit of individual or group.

(Ex: Hazmat response & cleanup, damage repairs, event setup, security, etc.)

^O Commensurate with 2024 salaries.

^P 2-hour minimum.

^Q 1-hour minimum.

MISCELLANEOUS

Description	Fee
Credit Card Convenience Fee	3%
Administrative Fee	\$25.00
Appeals to the Board of Port Commissioners	\$25.00 filing fee
Credit Card Phone-in Fee	\$10.00
Fuel Service Call Back	\$10.00
Dewatering	\$125.00+ ^R
Dock Box Sale	\$475.00
Ice Sales	\$20.00 /tote up to 500lbs.
Returned Check Fee	\$40.00
Discount for Advance Payment of Slip Fees	2% annually
Postage/Mailing	Actual cost + 25%, \$10.00 minimum
Late Payments: One-Time Fee	\$25.00
Late Payments: Interest on Aged Balance	0.833%
Incident Reports Copies	\$25.00
Misc. Landside Storage (Including Impound)	\$150.00 impound fee +\$10.00 /day up to 100 SF ^S
Temporary Non-Secure Trailer Storage	\$100.00 /month ^T
Crab Pot Storage: Max 2 Weeks / Paid in Advance	\$35.00 /week/parking space or 200 SF of pier
Crab Pot Storage: Per Add 'l Day	\$10.00 /day/space or 200 SF of pier ^U
Cleat Installation	\$200.00 minimum
Towing: Inner-Harbor at Slip Licensee Request	\$150.00
Towing: Tow Rescued Vessel to Harbor	\$250.00 minimum for 2 hours max
Citation Signoff	\$15.00
Launch Area Rinse/Flush	\$2.25 /5-minutes
Charter Fee: Small (6 Pak)*	\$135.19 x passenger capacity/12-month ^V
Charter Fee: Medium (7-48 Pak)	\$2.00 /per passenger (base fee may apply) ^V
Charter Fee: Large (49+ Pak)	\$2.00 /per passenger (base fee may apply) ^V
Charter Application Fee	\$250.00 + deposit, if required
Liveaboard Monthly Per Person Fee	\$135.00 /month
Liveaboard Monthly Variable Fee	30% of slip fees
Liveaboard Application Fee	\$250.00
Unattended Electrical Use: 30 AMP / 50 AMP	\$38.00 / \$54.00 per month
Partnership Fee: 3-Partners/2-Partners/1-Partner	15.00%/10.00%/5.00% of slip rent ^W
Electronic Key Fob: First 3 ^X	\$20.00 /each
Electronic Key Fob: Add 'l Over 3	\$80.00 /each
Sublease Fee: South Harbor	30% of slip fees
Sublease Fee: North Harbor	15% of slip fees
Waiting List Fee	\$125.00 /year
Waiting List Bypass Fee: South Harbor	\$6,000.00 +1.5 x slip ^Y
Waiting List Bypass Fee: North Harbor	\$2,000.00 +1.5 x slip ^Y
Slip Leave Option Fee	\$300.00 /year
Encroachment Permit Application Fee	\$150.00
Landside Tenant Key Copy	\$5.00 /each

Notes continued on the next page.

MISCELLANEOUS NOTES:

^R Actual cost + admin overhead or \$125.00 minimum.

^S \$0.10/SF/day additional space. Initial impound fee not applicable to misc. storage.

^T Requires Harbormaster approval; requires current vessel registration.

^U Requires Harbormaster approval.

^V Fees for guidance only. Charter approvals & fees are set by Port Commission.

^W Fee structure to be reviewed with FY25 budget.

^X Approved partnerships eligible for first 4 at \$20/fob.

^Y Applicable to business use only.

* Effective April 1, 2024, the annual adjustment to the Small (6 Pak) Charter Fee will align with the annual increase to marina fees.

BOATYARD – HAULOUT RATE ¹

Description	Fee
Monohull: 2-Strap	\$13.00 / ft., \$300.00 min
Monohull: 4-Strap	\$16.00 / ft., \$300.00 min
Multihull: 2-Strap	\$16.00 / ft., \$350.00 min
Multihull: 4-Strap	\$19.00 / ft., \$350.00 min

BOATYARD – HOLD IN STRAPS / SURVEY HAUL

Description	Fee
Haul, Hang, and Relaunch ONLY	\$12.00 / ft., \$275.00 min, 1-hour max
Additional Time Charge	\$250.00 / hour charged in ¼ hour increments
High Pressure Wash	\$1.50 / ft. add 'l. charge
Haul, Hang, and Relaunch ONLY	\$12.00 / ft., \$275.00 min, 1-hour max

BOATYARD – ONE-WAY HAUL

Description	Fee
Haul and Load onto Trailer	\$16.00 / ft., \$300.00 min, 1-hour max
Offload from Trailer and Launch	\$16.00 / ft., \$300.00 min, 1-hour max
High Pressure Wash	\$1.50 / ft. add 'l. charge

BOATYARD – LAY DAYS / YARD DAYS ²

Description	Fee
Haul and Launch Days	No charge
Days 1-14	\$1.50 / ft. / day
Days 15-30	\$2.00 / ft. / day
Days 31+	\$5.00 / ft. / day
Mast / Engine Storage	\$18.00 /day, subject to availability

BOATYARD – MISCELLANEOUS

Description	Fee
Environmental Surcharge	\$7.00 /day
Hazardous Materials Disposal Fee ³	\$30.00
Uninsured Vessel Fee	\$10.00 / day
Travelift and Crew ⁴	\$275.00 /hour, \$275.00 min
Interior Bay Rental	\$50.00 /day, as scheduled by boatyard staff
Contractor Registration Fee	\$250.00 (non-refundable)
Contractor Renewal Fee	\$200.00 / yr.
Pressure Wash for Trailerable Vessel - Self Service	\$2.00 /ft., \$50.00 min
Pressure Wash for Trailerable Vessel - Full Service	\$4.00 /ft., \$100.00 min
Moorage Rates / Visitor Berthing	Same as regular fee schedule

¹ Haulout rate includes 2-strap haul, high pressure wash, and shoring. Haulout and launch day not charged as lay days. Excessive marine growth subject to additional fee.

² Fee applies to vessels trailered in on per space basis. No free days for delays in ordering parts, hiring contractors, etc.

³ Small quantities of paint, solvents, & used oil only. Large quantities of hazardous materials to be disposed of by vessel owner or contractor.

⁴ add 'l. time charged in ¼ hour increments

**Santa Cruz Port District
Historic Annual Slip Rent Increases
FY16 – FY25**

Year	Slip Rent Increase (South Harbor)	Slip Rent Increase (North Harbor)	CPI (Calendar Year)¹	CPI Rate
FY 16	2.7%	2.7%	2014	2.7%
FY 17	0%	0%	2015	3.2%
FY18	2%	2%	2016	3.53%
FY19	2%	2%	2017	2.9%
FY20	2.5%	2.5%	2018	4.5%
FY21	2.5%	2.5%	2019	2.45%
FY22	0%	0%	2020	2%
FY23	3.2%	3.2%	2021	4.2%
FY24	5%	5%	2022	4.9%
FY25	3%	3%	2023	2.6%
10-YR AVERAGE	2.3%	2.3%		3.3%

¹ Budget prep / analysis occurs at the end of the calendar year preceding the start of the next fiscal year.



TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: February 25, 2025
SUBJECT: Review of Emergency Action for North Harbor Dock Repair Work

Recommendation: Continue the emergency action for north harbor dock repair work.

BACKGROUND

On January 21, 2025, pursuant to Section 20751.1 of the Public Contract Code, the Port Commission adopted a resolution declaring an emergency at the Santa Cruz Harbor due to the extensive damage to north harbor marine infrastructure that occurred during the significant surge event on December 23, 2024. The Port Commission adopted the following findings:

- An emergency exists at Santa Cruz Harbor that requires the immediate expenditure of public money to safeguard life, health and/or property that will not permit a delay resulting from a competitive solicitation for bids, and that emergency repair work is necessary to respond to such emergency.
- That docks, pilings, and other critical infrastructure are required to secure vessels against ordinary tidal movements, storm surges, and other events; that north harbor docks, primarily G-Dock and X-Dock sustained significant damage during the surge event resulting in a loss of berthing capacity; and that that emergency repair work is necessary to restore berthing capacity and mitigate against additional damage that may arise in the event of additional storm surges or other events.

As provided for under the resolution, a contract was executed with Cushman Contracting Corporation in an amount not-to-exceed \$1,500,000 for emergency dock repair work in the north harbor.

ANALYSIS

The Public Contract Code requires that the Port Commission review the emergency contract action at its next regular meeting (and each subsequent regular meeting) after approving the contract and determine by 4/5ths vote whether the emergency contract should continue.

IMPACT ON PORT DISTRICT RESOURCES

There are no impacts on Port District resources associated with continuing the emergency action.



TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: February 19, 2025
SUBJECT: Finalize Port District Priorities 2025

Recommendation: Finalize the Port District priorities for 2025.

Each year, the Port Commission establishes priorities to guide the Port District's activities and initiatives over the coming year. The priorities are developed to address long-term and short-term needs of the harbor and its users, as well as the community at large. Priorities are arranged into categories (e.g. Sustainability, Accountability, Community, etc.) that reflect the broad scope of the Port District's functions and responsibilities.

The Port Commission reviewed the 2025 priorities at its regular public session on January 28, 2025. Feedback from that meeting has been incorporated for final review and confirmation.

ATTACHMENT: A. Port District Priorities 2025

MESSAGE FROM PORT DIRECTOR

January 10, 2025

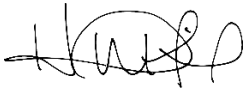
Honorable Chairman and Members of the Port Commission:

The Port District's list of annual priorities is a key planning tool which provides the necessary framework to guide the District's efforts over the upcoming year. Priorities are developed in conjunction with the District's Mission Statement and are intended to reflect ongoing efforts to identify and address critical infrastructure needs, maintain fiscal responsibility and transparency, promote long-term sustainability, and continue ongoing efforts to strengthen community outreach and communication.

The goals and priorities identified in the following report are being proposed for consideration and adoption by the Commission for calendar year 2025.

Staff looks forward to duly carrying out the identified goals and priorities.




Sincerely,





Holland MacLaurie
Port Director


OVERVIEW OF 2025 PRIORITIES


The 2025 priorities are organized within the following focus areas:


	ORGANIZATION & CULTURE
	FINANCIAL ACCOUNTABILITY
	INFRASTRUCTURE MAINTENANCE
	COMMUNITY & STEWARDSHIP
	NAVIGATION & DREDGING

	<p>ORGANIZATION & CULTURE: Provide an organizational structure that effectively utilizes resources to engage personnel and supports a workplace culture of accountability and excellence.</p>
<p>Priority:</p>	<p>Maximize training and certification opportunities for all personnel, particularly as it relates to Harbor Patrol and the Marine Rescue Services program (i.e., Dive, EMT, etc.).</p>
<p>Priority:</p>	<p>Maintain an organizational structure that best meets current and future business needs of the District.</p>

	<p>FINANCIAL ACCOUNTABILITY: Provide careful management and oversight of the Port District’s financial resources and reserves while maintaining operations and services.</p>
<p>Priority:</p>	<p>Continue to ensure that required coverage ratios and reporting requirements are met for existing debt.</p>
<p>Priority:</p>	<p>Manage financial resources and reserves to allow for recovery from the surge event of December 23, 2024.</p>
<p>Priority:</p>	<p>Secure additional funding support from the County of Santa Cruz for Santa Cruz Harbor Marine Rescue Services (last increase received in 2019).</p>
<p>Priority:</p>	<p>Explore opportunities to generate additional revenue utilizing Port District property (i.e. farmers markets, holiday activities, etc.).</p>
<p>Priority:</p>	<p>Continue performing cost-benefit analyses of the Port District’s insurance coverage and premiums. Identify potential alternatives for coverage (SDRMA, PRISM, etc.).</p>
<p>Priority:</p>	<p>Complete Economic Impact Assessment.</p>

	<p>INFRASTRUCTURE MAINTENANCE: Perform ongoing review and development of the Capital Improvement Program (CIP) to ensure facilities serving the boating community are protected and upgraded.</p>
<p>Priority:</p>	<p>December 2024 Surge Damage: Initiate work to complete necessary repairs and reconstruction as expeditiously as possible given financial constraints and permitting.</p>
<p>Priority:</p>	<p>Coordinate efforts with the City of Santa Cruz for the Murray Street Bridge Seismic Retrofit and Barrier Replacement Project, including commencement of the Demolition and Reconstruction of FF-Dock Project (June 2025).</p>
<p>Priority:</p>	<p>Initiate the process of submitting regulatory permit applications for site improvements at 616 Atlantic Avenue.</p>
<p>Priority:</p>	<p>Participate in the County of Santa Cruz’s Multi-Jurisdictional Hazard Mitigation Plan efforts to ensure eligibility for future FEMA Hazard Mitigation Funding for capital projects.</p>

	<p>COMMUNITY & STEWARDSHIP: Continue being an open, transparent, accountable, and high performing organization that utilizes resources to provide high quality services to slip renters and visitors alike.</p>
<p>Priority:</p>	<p>Continue coordination efforts with the County of Santa Cruz and the City of Santa Cruz on projects and initiatives of mutual concern (i.e., 7th & Brommer, Coastal Rail Trail Project, Watermain Replacement).</p>
<p>Priority:</p>	<p>Maintain commercial fishing fleet and landings.</p>
<p>Priority:</p>	<p>Obtain Certified Clean Marina designation for the Santa Cruz Harbor Boatyard.</p>

	NAVIGATION & DREDGING: Maintain safe passage for commercial and recreational vessels transiting the federal entrance channel and provide access to berthing and refuge.
Priority:	Finalize renewal of the current Memorandum of Agreement with USACE for operation and maintenance of the federal entrance channel (expires 04/30/25).
Priority:	Continue actively planning for the haul of <i>Twin Lakes</i> .
Priority:	Actively plan for inner harbor dredging needs, while balancing permitting and equipment constraints.



TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: February 17, 2025
SUBJECT: 2025 Election of Special District Regular Member on LAFCO

Recommendation: *Provide direction to staff on casting the Port District's vote for one regular members and one alternate member on the Local Agency Formation Commission (LAFCO).*

BACKGROUND

LAFCO is conducting an election for one regular member and one alternate member, with terms ending in May 2025. The LAFCO election information is attached. The District's vote must be submitted to LAFCO, by no later than 3:00 pm on Wednesday, March 26, 2025.

ATTACHMENTS: A. LAFCO Cover Letter and Election Material



January 27, 2025

Holland Mac Laurie, Port Director
Santa Cruz Port District
135 5th Ave.
Santa Cruz, CA 95062

SUBJECT: ELECTION FOR SPECIAL DISTRICT REGULAR MEMBER ON LAFCO

Dear Ms. Mac Laurie:

The purpose of this letter is to solicit your district's vote for the regular and alternate member seats on LAFCO. The independent special districts in Santa Cruz County are designated three positions on the LAFCO board. The two regular member seats are currently held by Jim Anderson (Felton Fire Protection District) with a term ending in May 2025, and Rachél Lather (Soquel Creek Water District) with a term ending in May 2028. The alternate member seat is currently held by Ed Banks (Pajaro Valley Public Cemetery District) with a term ending in May 2025. **In preparation of Commissioners Jim Anderson (Regular) and Ed Banks (Alternate) expiring terms of office, LAFCO staff will be conducting an election to fill the regular and alternate member seats on the LAFCO board.**

Regular Member Seat Candidates

The three candidates running for LAFCO's special district regular member seat are:

- **Jim Anderson** (Felton Fire Protection District; Incumbent);
- **Lani Faulkner** (Central Fire District); and
- **Tony Nunez** (Pajaro Valley Health Care District)

Alternate Member Seat Candidates

The five candidates running for LAFCO's special district regular member seat are:

- **Jim Anderson** (Felton Fire Protection District);
- **Ed Banks** (Pajaro Valley Public Cemetery District; Incumbent);
- **Lani Faulkner** (Central Fire District);
- **Alina Layng** (San Lorenzo Valley Water District); and
- **Tony Nunez** (Pajaro Valley Health Care District)

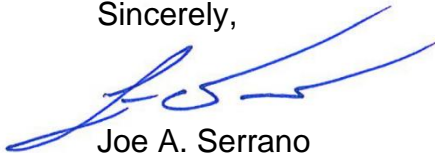
Attachment 1 provides background information for each candidate.

Election Process

The election will be conducted by mail. Each district gets one vote for each position, which shall be executed on the enclosed ballot by either the presiding officer of the district board or by their designee. **The deadline to return the executed ballot to the LAFCO office will be no later than 3:00 p.m. on Wednesday, March 26, 2025.** Ballots can be mailed, hand-delivered, or emailed to the LAFCO office. If emailed, please follow-up by mailing the ballot with an original signature. LAFCO staff will open and tally the ballots at 3:00 p.m. in the LAFCO office. Anyone who wishes to observe the tally should come to the LAFCO office at that time. The Independent Special District Selection Committee rules of procedure are posted on the Policies and Rules page of LAFCO's website: <https://santacruzlafco.org/about/policies-procedures/>

Please contact me at the LAFCO office if you have any questions about the voting process.

Sincerely,



Joe A. Serrano
Executive Officer

Attachments:

- 1) Candidates' Information
- 2) Official Ballot

RECEIVED

JAN 14 2025



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY Santa Cruz LAFCO

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS (TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:

If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafco.org (email).

Applications must be submitted to LAFCO no later than 3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Table with 2 columns: Position and Checkmark. Rows: Special District Regular Member ONLY (checked), Special District Alternate Member ONLY (checked), Either Position.

Note that water district board members are NOT eligible for the proposed regular member position because a water district board member currently occupies the other regular seat.

NAME: Jim Anderson

MAILING ADDRESS: [Redacted]

PHONE(s): Home: [Redacted] Cell/Business: [Redacted]

EMAIL: jimwanderson@comcast.net

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: Felton Fire Protection District

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

Felton Fire Protection District : 1999 - Present

Mtn. Parks Foundation : 1995 - Present

Santa Cruz LAFCO : 2006 - Present

Santa Cruz County Substance Abuse Commission : 2015-2024

S.C. County Sheriff's Advisory Council : 2019-2021

S.C. County R.D.A. Oversight Committee : 2021 - Present

STATEMENT OF INTEREST:

You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO.

CERTIFICATION:

I certify that the above information is true and correct and I authorize the verification of the information in the application.

Signature of Board Member Interested in Serving on LAFCO (Handwritten signature)

Date: 1-14-2025

Jim Anderson

Statement of Interest

I am a lifelong resident of Santa Cruz County, living in Felton. I have served as a Commissioner on LAFCO since September, 2006. During this time, I have held the position of Chair, Vice Chair and served on both the personnel and budget committees.


I am 1 of 2 special district members representing the 20 independent special districts. I come from the Felton Fire District where I started my career in 1976 as a firefighter and captain for 26 years, then joining the Felton Fire Board in 1999.

In addition to the public sector, my 42-year professional career includes the position of Senior Technical Manager in the telecommunications industry. I retired in October 2015 from my professional career and to date continue my pursuit as a public servant in Santa Cruz County. As with many local government boards, members are always challenged to learn new things and LAFCO is no exception.

I find the many different issues dealt with make it a very interesting and rewarding endeavor of which I enjoy. I have had the pleasure to champion various successful boundary changes over the years as a LAFCO commissioner, including but not limited to, the recent fire consolidation between Central Fire and Aptos/LaSelva Fire Protection Districts as well as the Scotts Valley Fire/Branciforte Fire Consolidation. The purpose of these consolidations is to facilitate the efficient delivery of fire protection to the communities within the affected territories. These consolidations will preserve the current levels of service, maintain local expectations and continue the existing funding sources.

I look forward to supporting all of the 20 independent special districts as the Special District Representative on the LAFCO Board.

Respectfully,



Jim Anderson



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS
(TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:

If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafco.org (email).

Applications must be submitted to LAFCO no later than

3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Special District Regular Member ONLY	
Special District Alternate Member ONLY	X
Either Position	

Note that water district board members are NOT eligible for the proposed regular member position because a water district board member currently occupies the other regular seat.

NAME: EDWARD K. BANKS

MAILING ADDRESS: [REDACTED]

PHONE(s): Home: [REDACTED] Cell/Business: [REDACTED]

EMAIL: EDBANKS@KBKINSURANCE.COM

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: PATARO VALLEY PUBLIC CEMETERY DIST.

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

CURRENT SPECIAL DISTRICT ALTERNATE MEMBER TO SANTA CRUZ LAFCO.

STATEMENT OF INTEREST:

You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO. SEE ATTACHED

CERTIFICATION:

I certify that the above information is true and correct and I authorize the verification of the information in the application.

Ed K Banks
Signature of Board Member Interested in Serving on LAFCO

1-14-2025
Date

Edward K. Banks

Ed Banks, a native Californian, was born in San Francisco and grew up in La Selva Beach. He attended Aptos Elementary School and is a 1966 graduate of Watsonville High School. He received his A.A. degree from Cabrillo College in 1968 and Bachelor of Arts degree from Sonoma State University in 1970. His military commitment commenced as a Naval Reservist in November of 1970, being stationed at Flag Administrative Unit, Naval Air Station Barbers Point, Hawaii. His active-duty assignment concluded in August of 1972, and ultimate honorable discharge in August of 1975.

Ed has been in the insurance profession since 1972, beginning with commercial underwriting assignments at the Hartford Insurance Company, San Francisco, and Fireman's Fund Insurance Company, San Jose. In 1977, he moved back to Watsonville to join the firm of Martin & Friend Insurance Agency. In April of 1996, he merged the agency with Kane-Hall-Palmtag Insurance to form KBK Insurance Agency.

Ed's community service has included service on the following organizations' boards of directors: Insurance Brokers and Agents of the West, Independent Insurance Agents & Brokers of Watsonville (past president), Watsonville National Little League, Watsonville YMCA, Pajaro Valley Chamber of Commerce, Rotary Club of Watsonville (past President 1993-94), Monterey Bay Bank and Watsonville Firefighters' Association. He was a reserve lieutenant for the Watsonville Fire Department from 1981 to 2006. During his 25-year career with the fire department, he successfully completed courses of study in Fire Command Operations and Fire Cause Determination at the National Fire Academy, Emmitsburg, Maryland. He also served on the Santa Cruz County Grand Jury in 1985-86 as well as the Santa Cruz County Hazardous Materials Advisory Commission 2007-2009. In 2010, Ed attended the National Emergency Training Center, Emmitsburg, Maryland, receiving certificates of completion in Community Emergency Response Team Operations and Program Management.

He is past president of the board of directors of the Cabrillo College Foundation as well as past governing board chair and former Area VII Trustee for Cabrillo Community College. Ed currently serves as a trustee of the Pajaro Valley Cemetery District as well as Special Districts alternate member, Santa Cruz County LAFCO.

An avid San Francisco Giants' fan has taken "road trips" with his sons and Father-in-law. Ed also likes gardening, traveling and golf with friends.

Eb\01142025



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS (TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:

If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafo.org (email).

Applications must be submitted to LAFCO no later than 3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Table with 2 columns: Position and Selection. Rows include Special District Regular Member ONLY, Special District Alternate Member ONLY, and Either Position (checked).

Note that water district board members are NOT eligible for the proposed regular member position because a water district board member currently occupies the other regular seat.

NAME: Iwalani (Lani) N. Faulkner

MAILING ADDRESS: [Redacted]

PHONE(s): Home: [Redacted] Cell/Business: [Redacted]

EMAIL: EquityTransitSantaCruz@gmail.com

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: Central Fire Board

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

- List of previous roles: Santa Cruz Central Fire Board (Dec 2024 – current), CA State Democratic Delegate (2023 – current), Democratic National Delegate to the 2024 Convention, Elected (2024), Democratic Central Committee Alternate (2022 – current), Mid County Dems Executive Board (Current until 2026), Santa Cruz County Democratic Women’s Club Board (2025 -), Sierra Club Executive Committee, Santa Cruz Group Ventana Chapter (2023 – current), Santa Cruz County Friends of the Rail and Trail, Equity Officer (2022), Community Traffic Safety Coalition, Stakeholder (2022 – current), Climate Action and Adaptation, Planning & Grants with the Office of Response, Recovery and Resilience, Stakeholder (2022 - current), Santa Cruz Metro “ReImagine Metro”, Stakeholder (2022 - 2023), Santa Cruz County Housing Element Community Stakeholder (2023), Caltrans Stakeholder on Housing Working Group (2023), Caltrans Stakeholder on Equity, Engagement and Health Working Group (2023), Rainbow Defense Coalition, Safety and de-escalation volunteer (2023 – current), Santa Cruz City Climate Action Task Force, Stakeholder (2022), Equity Transit, Founder (2021), Little People’s Repertory Theater, Video Production and Grant Assistance (2008 – 2014), Buena Vista Road Association, Boulder Creek, President (2001 - 2004)

STATEMENT OF INTEREST:

You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO.

Our county is at a critical juncture as we face a number of challenges. Climate change continues to stress our emergency response capabilities, particularly as fire departments strive to maintain economic strength while ensuring safe and effective service amidst rising equipment and resource costs. Compounding this is the increasing pressure on our clean water supply due to prolonged drought and factors affecting water quality. Additionally, the state's mandate to significantly expand housing development over the next eight years—through county and city Housing Elements—will place additional demands on special districts, emergency services, and our natural resources. I am eager to leverage my collaborative skills and experience to work with stakeholders across the county to address these pressing issues.

Currently, I serve on the Central Fire District Board of Directors, an honor that carries personal significance as my grandfather, John A. Gilman, was one of only nine civilian firefighters awarded the Purple Heart for his service in Oahu during the bombing of Pearl Harbor. Moreover, my mother committed decades to volunteering with our local fire auxiliary. I have been a certified NOLS Wilderness Medicine first responder since 2007.

Having spent my formative years in the fire-prone Sierra Nevada Foothills of California, I developed an understanding of the importance of creating defensible spaces and being fire-ready as well as understanding proper installment and care of wells on our property. As a nearly 30-year resident of Santa Cruz County—over a decade in rural areas like Boulder Creek and Happy Valley—I recognize the critical need for community collaboration to mitigate and respond to challenges and disasters and ensuring critical services, including fire prevention, water, and waste management.

As a scientist, woman of color, and educator, I bring a history of facilitating informed and equitable decision-making. I understand the importance of addressing a myriad of complex issues such as agricultural land preservation, population growth, land use, fire protection, water and waste management, and other important considerations which impact our local community members and natural resources. My academic background includes a Master of Science, equipping me with extensive research and analytical experience.

I am committed to contributing my skills and experiences to help our county navigate the challenges ahead. I kindly request your vote in support of my appointment as a LAFCO Commissioner. Thank you for consideration.

CERTIFICATION:

I certify that the above information is true and correct and I authorize the verification of the information in the application.



Signature of Board Member Interested in Serving on LAFCO

Date January 21, 2025



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS (TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:

If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafco.org (email).

Applications must be submitted to LAFCO no later than 3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Table with 2 columns: Position and Checkmark. Rows: Special District Regular Member ONLY, Special District Alternate Member ONLY (checked), Either Position.

Note that water district board members are NOT eligible for the proposed regular member position because a water district board member currently occupies the other regular seat.

NAME: Alina Layna

MAILING ADDRESS: [Redacted]

PHONE(s): Home: [Redacted] Cell/Business: [Redacted]

EMAIL: alayna@SLVWD

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: SLV Water District

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

Environmental and Engineering Committee
SLVWD public committee member 3 terms

STATEMENT OF INTEREST:

You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO.

CERTIFICATION:

I certify that the above information is true and correct and I authorize the verification of the information in the application.

Signature of Board Member Interested in Serving on LAFCO

Date 1/23/25



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS (TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:

If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafco.org (email).

RECEIVED

JAN 24 2025

Santa Cruz LAFCO

Applications must be submitted to LAFCO no later than 3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Table with 2 columns: Position and Selection. Rows: Special District Regular Member ONLY, Special District Alternate Member ONLY, Either Position (checked).

Note that water district board members are NOT eligible for the proposed regular member position because a water district board member currently occupies the other regular seat.

NAME: Jose Antonio Nunez Palomino

MAILING ADDRESS: [Redacted]

PHONE(s): Home: [Redacted] Cell/Business: [Redacted]

EMAIL: tonynun18@gmail.com

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: Pajaro Valley Health Care District

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

Blank lines for previous board information.

STATEMENT OF INTEREST:

You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO.

CERTIFICATION:

I certify that the above information is true and correct and I authorize the verification of the information in the application.

Signature of Board Member Interested in Serving on LAFCO

1/24/2025 Date

Tony Nunez
129 Lynbrook Ct.
Watsonville, CA, 95076
Tonymun18@gmail.com
831-234-6971
1/24/2025

Local Agency Formation Commission (LAFCO)
701 Ocean Street, Room 318-D,
Santa Cruz, CA 95060

Dear Members of the Local Agency Formation Commission,

I am writing to express my interest in serving on the LAFCO Board and to highlight the unique qualifications I bring to this position. As a member of the Board of Directors for the Pajaro Valley Health Care District (PVHCD) since its inception in March 2022, I have been deeply involved in addressing the critical challenges facing health care providers and delivery systems, particularly in underserved communities like the Pajaro Valley. It is essential for the PVHCD, which was formed in 2022 through special legislation, to have a voice at the table as LAFCO continues its important work.

My service on the PVHCD Board has provided me with firsthand experience navigating the intricacies of public agency governance, ensuring sound fiscal accountability, fostering collaborative solutions, and advocating for essential services that impact thousands of lives on the Central Coast. Given LAFCO's role in shaping the future of local government services, I believe it is vital for the PVHCD to contribute its perspective, ensuring that the voices of health care providers are heard and considered during a time of significant strain on the health care system.

Beyond my public service, my professional background has equipped me with the skills and experience necessary to serve on the LAFCO Board effectively. I currently serve as the Marketing and Communications Manager for Community Bridges, a leading human services nonprofit that provides vital services to vulnerable populations across Santa Cruz, Monterey and San Benito counties. In this role, I have honed my abilities to communicate effectively, build consensus, and engage stakeholders.

Prior to my current position, I spent more than a decade as a journalist, including roles as Managing Editor of *The Pajaronian* (4 years, 2018–2022), News Editor of *Good Times* (2 years, 2020–2022), and Managing Editor of the *Press Banner* (2 years, 2020–2022). These positions have given me a strong foundation in analyzing complex issues, understanding diverse perspectives, and ensuring transparency in decision-making.

If appointed to the LAFCO Board, I will bring a fresh perspective rooted in health care equity, public service, and community advocacy. I am committed to ensuring that the PVHCD's mission to safeguard access to essential health care services is integrated into the broader regional planning and policy discussions that LAFCO oversees.

Thank you for considering my application. I would be honored to serve on the LAFCO Board and to contribute to its vital mission. Please feel free to contact me if you have any questions or require additional information.

Sincerely,

Tony Nunez
PVHCD, Board President



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

2025 BALLOT FOR THE SPECIAL DISTRICT
REGULAR & ALTERNATE MEMBER SEATS ON LAFCO

INSTRUCTIONS:

Please check the box to the left of the person you are voting for. Vote ONLY for one candidate in each category.

Table with 3 columns: Candidate, District, Vote By Marking (X). Rows include Jim Anderson (incumbent) - Felton Fire Protection District, Lani Faulkner - Central Fire District, Tony Nunez - Pajaro Valley Health Care District.

Table with 3 columns: Candidate, District, Vote By Marking (X). Rows include Jim Anderson - Felton Fire Protection District, Ed Banks (incumbent) - Pajaro Valley Cemetery District, Lani Faulkner - Central Fire District, Alina Layng - San Lorenzo Valley Water District, Tony Nunez - Pajaro Valley Health Care District.

NEXT STEPS

After voting, please hand-deliver, mail, or email the signed ballot back to LAFCO. If emailed, please follow-up by mailing the ballot with an original signature. The ballots will be counted at 3:00 p.m. on Wednesday, March 26, 2025. Any ballots received after 3:00 p.m. will not be counted.

CERTIFICATION:

I, _____, am voting on behalf of the following independent special district: _____.

Voting Designee Signature

Date



2025 BALLOT FOR THE SPECIAL DISTRICT
REGULAR & ALTERNATE MEMBER SEATS ON LAFCO

INSTRUCTIONS:

Please check the box to the left of the person you are voting for. Vote ONLY for one candidate in each category.

Table with 3 columns: Candidate, District, Vote By Marking (X). Rows include Jim Anderson (incumbent) for Felton Fire Protection District, Lani Faulkner for Central Fire District, and Tony Nunez for Pajaro Valley Health Care District.

Table with 3 columns: Candidate, District, Vote By Marking (X). Rows include Jim Anderson for Felton Fire Protection District, Ed Banks (incumbent) for Pajaro Valley Cemetery District, Lani Faulkner for Central Fire District, Alina Layng for San Lorenzo Valley Water District, and Tony Nunez for Pajaro Valley Health Care District.

NEXT STEPS

After voting, please hand-deliver, mail, or email the signed ballot back to LAFCO. If emailed, please follow-up by mailing the ballot with an original signature. The ballots will be counted at 3:00 p.m. on Wednesday, March 26, 2025. Any ballots received after 3:00 p.m. will not be counted.

CERTIFICATION:

I, _____, am voting on behalf of the following independent special district: _____.

Voting Designee Signature

Date

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/3/2025	61014	A1 Transmission & Marine, Inc.	<i>Dauntless</i> Transmission Inspection	\$ 254.00
1/3/2025	61015	AA Safe & Security Co.	Brow Pier Splice Box Locks & Keys	\$ 36.77
1/3/2025	61016	Ace Portable Services	Portable Toilet Rental	\$ 1,068.53
1/3/2025	61017	Amazon Capital Services	Backhoe Fuel Filters, Concession Lot Gate Openers, Row Rack Replacement Supplies, Office Supplies	\$ 182.17
1/3/2025	61018	APED	V-Dock Hot Water Heater Pressure Switch	\$ 75.54
1/3/2025	61019	Applied Industrial Technologies, LLC	Hydraulic Hose Fittings	\$ 485.42
1/3/2025	61020	Arturo Acevedo	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61021	B & B Small Engine	Blower Choke Lever	\$ 27.09
1/3/2025	61022	Bay Plumbing Supply, Inc.	J-Dock Restroom Faucet Replacement Hose Bibs	\$ 226.68
1/3/2025	61023	Bayside Oil II, Inc.	<i>Twin Lakes</i> Oil	\$ 1,351.89
1/3/2025	61024	Bellingham Marine Industries, Inc.	Dock Fendering	\$ 2,590.00
1/3/2025	61025	Big Creek	Zip Ties, Parking Signage Lumber, 365 Lake Avenue Baseboard	\$ 114.89
1/3/2025	61026	Blake Anderson	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 890.00
1/3/2025	61027	Bow Wow Pet Waste Products	Pet Waste Station Bags	\$ 210.88
1/3/2025	61028	Brass Key Locksmith, Inc.	Key Blanks	\$ 52.68
1/3/2025	61029	Citi Cards	Breakroom Supplies, Costco Annual Membership	\$ 260.10
1/3/2025	61030	City of Santa Cruz Finance Department	Boatyard Stormwater Administrative Fine	\$ 1,000.00
1/3/2025	61031	Comcast	Business Internet	\$ 352.22
1/3/2025	61032	County of Santa Cruz DPW	Hazmat Disposal	\$ 95.50
1/3/2025	61033	Crow's Nest Restaurant	1/2 Concession Lot Garbage (Tenant Reimbursable)	\$ 2,457.18
1/3/2025	61034	David Hill	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 890.00
1/3/2025	61035	Dunn-Edwards Corporation	Striping Paint	\$ 228.84
1/3/2025	61036	Elevator Service Company	Monthly Service	\$ 500.00
1/3/2025	61037	Franchise Tax Board	Wage Garnishment	\$ 640.18
1/3/2025	61038	Eric Friccero	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61039	Ghisletta, Renee	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61040	Gottlieb, Landon	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 890.00
1/3/2025	61041	Grainger	Combination Wrench, Sealant, Batteries	\$ 226.49
1/3/2025	61042	HD Supply Facilities Maintenance, Ltd.	Janitorial Supplies	\$ 1,877.07
1/3/2025	61043	Holland MacLaurie	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61044	Hose Shop	Fire Hose Assembly	\$ 1,326.39
1/3/2025	61045	John Haynes	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 890.00
1/3/2025	61046	Jorge Lopez	2025 Medical Expense Reimbursement	\$ 700.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/3/2025	61047	Jose Vera	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61048	Josh Wagoner	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61049	Kingdom, Kyle	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 890.00
1/3/2025	61050	Large's Metal Fabrication, Inc.	Aerator Welding Repair	\$ 585.00
1/3/2025	61051	Lawson	Cap Screws	\$ 215.11
1/3/2025	61052	Linde Gas & Equipment, Inc.	Welding Gas	\$ 597.15
1/3/2025	61053	Lockton Insurance Brokers, LLC	Flood Insurance	\$ 1,193.00
1/3/2025	61054	Marina Ware	Quarterly Software & Key Access System Support	\$ 1,700.00
1/3/2025	61055	Mark Eldridge	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61056	McDermott, Dick	497 Lake Ave Installment Payment	\$ 4,535.45
1/3/2025	61057	McMaster-Carr Supply Company	Row Rack Replacement Hardware	\$ 305.71
1/3/2025	61058	Melrose, Rick	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 800.00
1/3/2025	61059	Mid County Auto Supply	Air, Fuel, Oil Filters, Rags	\$ 693.00
1/3/2025	61060	Mission Uniform Service	First Aid Supply, Linen & Uniform Service	\$ 499.66
1/3/2025	61061	Mutual of Omaha	Life/LTD/AD&D Insurance	\$ 887.12
1/3/2025	61062	Nathen Castro	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61063	Nicholas Henning	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61064	Nick Gullo	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61065	Niki Rothwell	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 800.00
1/3/2025	61066	Capital One Trade Credit - OSH	Anchovy Clean-Up Trash Cans, Dredge Monitor Vehicle Tubing, Impact Bits, Threaded Rod, D-Dock Restroom Lock Plate Hardware	\$ 220.03
1/3/2025	61067	Pacific Gas & Electric Company	Utilities	\$ 53,011.49
1/3/2025	61068	Pagoda Technologies Inc	Monthly IT & Cyber Security Services (November), Boatyard Network Switch Replacement	\$ 3,647.55
1/3/2025	61069	Palace Business Solutions	Office Supplies	\$ 183.44
1/3/2025	61070	Peninsula Diesel Inc.	<i>Dauntless</i> Oil Filter	\$ 224.73
1/3/2025	61071	Peterson	Annual Dozer Maintenance, <i>Twin Lakes</i> Filters	\$ 24,634.17
1/3/2025	61072	Ernest Prochnow	Credit Balance Refund	\$ 76.00
1/3/2025	61073	Ramos, Brenda	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61074	Randy Marty	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61075	Peter Replogle	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61076	Riverside Lighting & Electric	Light Bulbs, Photo Cell, Fuse Puller, Parts Cleaner, Electrical Reciprocal	\$ 111.08
1/3/2025	61077	Rory Stipanovich	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61078	Michael Smith	Backflow Testing	\$ 1,113.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/3/2025	61079	Santa Cruz Municipal Utilities	Utilities	\$ 16,348.17
1/3/2025	61080	Sean Rothwell	2025 Medical Expense Reimbursement, Quarterly Uniform Allowance	\$ 890.00
1/3/2025	61081	Simoni, Danny	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61082	Bryer Smith	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61083	Tandoi, Steven	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61084	TranSystems Corporation	Design Services: Removal and Replacement of FF, Rowing, and Boatyard Docks Project	\$ 6,880.00
1/3/2025	61085	Weisert, Hilary	2025 Medical Expense Reimbursement	\$ 700.00
1/3/2025	61086	West Coast Cranes, Inc.	Crane Rental	\$ 4,423.00
1/3/2025	61087	West Marine Pro	Power Inlet Socket	\$ 21.45
1/3/2025	61088	Wex Bank	Fleet Fuel	\$ 2,312.02
1/3/2025	61089	Wulf, Carl	2025 Medical Expense Reimbursement	\$ 700.00
1/9/2025	61090	Cushman Contracting Corporation	Emergency Repairs to North Harbor Marine Infrastructure Project Mobilization	\$ 75,954.71
1/16/2025	61091	Cushman Contracting Corporation	Emergency Repairs to North Harbor Marine Infrastructure Project Progress Payment	\$ 199,746.46
1/17/2025	61092	Dredging Supply Company, Inc.	<i>Twin Lakes</i> Spud Winch Free Float Adaptor	\$ 10,631.57
1/17/2025	61093	AA Safe & Security Co.	Lighthouse Padlock	\$ 98.25
1/17/2025	61094	Allied Administrators for Delta Dental	Dental Insurance	\$ 3,216.17
1/17/2025	61095	Allied Universal	Security Patrol	\$ 5,402.91
1/17/2025	61096	Amazon Capital Services	Impact Driver	\$ 71.57
1/17/2025	61097	American Textile & Supply, Inc.	Absorbent Boom	\$ 2,125.93
1/17/2025	61098	Armanini, Mark	Security Deposit Refund	\$ 302.34
1/17/2025	61099	A Sign ASAP!	Patrol Vehicle Decals	\$ 579.37
1/17/2025	61100	AT&T	Telephone	\$ 340.72
1/17/2025	61101	Batteries + Bulbs	Parking Meter Batteries	\$ 46.36
1/17/2025	61102	Bay Building Janitorial, Inc.	Janitorial Services, Refuse Collection	\$ 12,918.66
1/17/2025	61103	Bay Plumbing Supply, Inc.	Pex Fitting	\$ 7.52
1/17/2025	61104	Bayside Oil II, Inc.	Waste Oil Disposal	\$ 759.00
1/17/2025	61105	Big Creek	2222 East Cliff Dr. Interior Trim Replacement, Row Rack Replacement Shelving Lumber, Nails, G-Dock & U-Dock Repair Lumber, Driver Bits, Lag Bolts, Screws & Bits, U-Dock Angle Clip, L-Dock Pile Ring Hardware	\$ 1,150.67
1/17/2025	61106	Brass Key Locksmith, Inc.	Key Blanks	\$ 78.82
1/17/2025	61107	Brink's Incorporated	Deposit Courier Service	\$ 324.75
1/17/2025	61108	Burke, Williams & Sorensen, LLP	Legal Consultation	\$ 6,303.00
1/17/2025	61109	Department of Parks and Recreation	2023 Lifeguard Services Retroactive Salary Adjustments	\$ 1,404.09

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/17/2025	61110	Cale America, Inc.	Monthly Service	\$ 1,358.52
1/17/2025	61111	Carpi & Clay	Washington Representation	\$ 800.00
1/17/2025	61112	Comcast	Business Internet	\$ 460.63
1/17/2025	61113	Complete Mailing Service	2025 Parking Permit Distribution Notice, Statement Mailing & Postage	\$ 2,245.25
1/17/2025	61114	Data Ticket, Inc.	Citation Processing (November)	\$ 316.74
1/17/2025	61115	Downey Brand	Legal Consultation	\$ 270.00
1/17/2025	61116	Electro Specialties	Boatyard Retail Items	\$ 757.60
1/17/2025	61117	Ferguson, Thomas	Security Deposit Refund	\$ 230.80
1/17/2025	61118	Ferguson Enterprises, Inc.	Pipe Fittings, Flanges	\$ 991.90
1/17/2025	61119	Flyers Energy, LLC	Ancillary Equipment Fuel	\$ 471.04
1/17/2025	61120	Franchise Tax Board	Wage Garnishment	\$ 640.18
1/17/2025	61121	Jon Gillespie	Visitor Berthing Refund	\$ 175.00
1/17/2025	61122	Grainger	Disposable Gloves, Fuel Tank Nozzle, Funnel, Air Compressor Filter	\$ 567.44
1/17/2025	61123	Hann, Alfred	Employee Expense Reimbursement: Signage, Floor Mats	\$ 120.77
1/17/2025	61124	Hartford Fire Insurance Company	Flood Insurance	\$ 1,193.00
1/17/2025	61125	HD Supply Facilities Maintenance, Ltd.	Janitorial Supplies	\$ 3,161.65
1/17/2025	61126	Home Depot Credit Services	Rubber Mats, Outlet Covers, Shop Vac Filters, Sheet Rock Knife, Plumbing Tools, Paint Supplies, Electrical Plugs, Hammer, Multi Tool Blade, Saw Blades, Drill Bits, Office Blinds, X2-Dock Restroom Light & Switch	\$ 749.13
1/17/2025	61127	Hose Shop	Dauntless Fittings, Silicon Lubricant	\$ 85.49
1/17/2025	61128	Kimball Midwest	Boatyard Retail Items	\$ 855.80
1/17/2025	61129	Matt Linton	Security Deposit Refund	\$ 204.98
1/17/2025	61130	AmeriDyn	Dynamics Software Support	\$ 70.00
1/17/2025	61131	Martin Associates	Economic Impact Analysis	\$ 18,750.00
1/17/2025	61132	McMaster-Carr Supply Company	Row Rack Replacement Hardware	\$ 350.52
1/17/2025	61133	Melrose, Rick	Employee Expense Reimbursement: Bank Deposit Bags	\$ 94.93
1/17/2025	61134	Mesiti-Miller Engineering, Inc.	Engineering Services: East Access Road Embankment Assessment & Repair	\$ 550.00
1/17/2025	61135	Mid County Auto Supply	Hydraulic Oil, Fuel Water Separator, Disposable Gloves	\$ 135.01
1/17/2025	61136	Mission Uniform Service	First Aid Supply, Linen & Uniform Service	\$ 495.11
1/17/2025	61137	Monterey Bay Analytical Services	Boatyard Stormwater Testing	\$ 386.00
1/17/2025	61138	Moore & Sons Outboard Motors, Inc.	Patrol Boat Kinnamon Computer Repair	\$ 7,728.50
1/17/2025	61139	Operating Engineers	Union Dues (Payroll Deduction)	\$ 420.00
1/17/2025	61140	Capital One Trade Credit - OSH	A-Dock Pipe Fittings	\$ 147.71

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/17/2025	61141	Pacific Coast Congress of Harbormasters and Port Captains	Annual Membership	\$ 365.00
1/17/2025	61142	Pacific Gas & Electric Company	Utilities	\$ 40,183.53
1/17/2025	61143	Pagoda Technologies Inc	Monthly IT & Cyber Security Services (December - January)	\$ 7,008.00
1/17/2025	61144	Palace Business Solutions	Office Supplies	\$ 216.81
1/17/2025	61145	PNC Bank, N.A.	Tax Exempt Loan Principal & Interest	\$ 521,810.20
1/17/2025	61146	Priors Tires	Dredge Forklift Tire Repair	\$ 207.44
1/17/2025	61147	Red Wing Shoe Store	Maintenance Staff Work Boots	\$ 250.72
1/17/2025	61148	Riverside Lighting & Electric	Dial Timer	\$ 42.22
1/17/2025	61149	San Lorenzo	Tire Chock Lumber	\$ 298.50
1/17/2025	61150	Santa Cruz Fire Equipment Company	Fire Extinguisher Maintenance & Replacement	\$ 2,245.10
1/17/2025	61151	Santa Cruz County Weights & Measures	2025 Commercial Device Registration	\$ 208.80
1/17/2025	61152	SC Fuels	Fuel Dock Gas & Diesel	\$ 25,684.71
1/17/2025	61153	Sentinel Printers, Inc.	Envelopes	\$ 565.21
1/17/2025	61154	Staples Business Advantage	Office Supplies	\$ 118.20
1/17/2025	61155	Superior Alarm Company	493 Lake Avenue Alarm Monitoring	\$ 252.00
1/17/2025	61156	Triton Construction	Underground Storage Tank Spill Bucket Testing	\$ 1,625.00
1/17/2025	61157	U.S. Bank Equipment Finance	Copier Leases	\$ 305.55
1/17/2025	61158	US Relay	Webcam Service	\$ 484.00
1/17/2025	61159	Verizon Wireless	Cell Phone & Tablet Service	\$ 277.31
1/17/2025	61160	West Marine Pro	Rust Cleaner, <i>Patrol Boat Kinnamon</i> Power Cord, <i>Scout</i> Transducer Replacement	\$ 489.13
1/17/2025	61161	West Marine Pro	Boatyard Retail Items	\$ 777.03
1/17/2025	61162	Wilson Walton International, Inc.	<i>Twin Lakes</i> Cathodic Protection Replacement	\$ 2,968.69
1/17/2025	61163	Santa Cruz Municipal Utilities	Utilities	\$ 22,406.98
1/30/2025	61164	Randy Marty	Employee Expense Reimbursement: Tubing & Fasteners	\$ 926.49
1/31/2025	61165	Ace Portable Services	Portable Toilet Rental	\$ 214.76
1/31/2025	61166	Allied Universal	Security Patrol	\$ 6,768.23
1/31/2025	61167	Amazon Capital Services	Standby Generator Fuel Pump, Saw Blades, Pipe Fitters Book, <i>Twin Lakes</i> Generator Hose Fittings	\$ 534.24
1/31/2025	61168	Amerigas	Ancillary Equipment Fuel	\$ 66.71
1/31/2025	61169	Anderson Pacific	North Harbor Transformer Replacement Project Progress Payment	\$ 160,018.95
1/31/2025	61170	Kevin Babcock	Security Deposit Refund	\$ 232.57
1/31/2025	61171	Bay Plumbing Supply, Inc.	F-Dock Water Line Repair Fittings, Shower Handle Replacement	\$ 190.74
1/31/2025	61172	Big Creek	Row Rack Replacement Drill Bit, Containment Center Plywood, Dredge Signage Post Lumber	\$ 258.07
1/31/2025	61173	Bow Wow Pet Waste Products	Pet Waste Station Bags	\$ 210.88

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/31/2025	61174	Bradley Burgess	Security Deposit Refund	\$ 358.20
1/31/2025	61175	Kevin Butler	Security Deposit Refund	\$ 563.00
1/31/2025	61176	Sylvio Cardoso	Security Deposit Refund	\$ 229.33
1/31/2025	61177	Carpi & Clay	Washington Representation	\$ 800.00
1/31/2025	61178	Christianson Tree Experts	Arborist Services	\$ 1,000.00
1/31/2025	61179	Comcast	Business Television	\$ 16.97
1/31/2025	61180	County of Santa Cruz Auditor	Citation Tax (October - November)	\$ 4,957.50
1/31/2025	61181	County of Santa Cruz DPW	Hazmat Disposal	\$ 88.50
1/31/2025	61182	Covello & Covello Photography	Commissioner Portrait	\$ 208.53
1/31/2025	61183	Rob Crompton	Security Deposit Refund	\$ 247.54
1/31/2025	61184	Cushman Contracting Corporation	Emergency Repairs to North Harbor Marine Infrastructure Project Progress Payment	\$ 231,925.96
1/31/2025	61185	Ted Egner	Security Deposit Refund	\$ 247.72
1/31/2025	61186	Elevator Service Company	Monthly Service	\$ 500.00
1/31/2025	61187	Environmental Logistics	Hazmat Disposal	\$ 3,108.00
1/31/2025	61188	Flyers Energy, LLC	Ancillary Equipment Fuel	\$ 688.86
1/31/2025	61189	Franchise Tax Board	Wage Garnishment	\$ 640.18
1/31/2025	61190	Grainger	Disposable Gloves, Marine Pumpout Hose & Adapter, Power Tool Batteries, Socket, Effluent Pump, Paint Brushes	\$ 2,237.00
1/31/2025	61191	Henderson Marine Supply, Inc.	Dock Bumper	\$ 1,977.72
1/31/2025	61192	Hose Shop	<i>Dauntless</i> Hose, Water Line Couplings	\$ 11,809.38
1/31/2025	61193	Internal Revenue Service	Fuel Dock Inspection Penalty (Missing Offroad Diesel Sales Sticker)	\$ 2,000.00
1/31/2025	61194	Large's Metal Fabrication, Inc.	Navigation Light Mounting Aluminum	\$ 237.10
1/31/2025	61195	Linde Gas & Equipment, Inc.	Welding Gas	\$ 384.76
1/31/2025	61196	Angela Lipanovich	Security Deposit Refund	\$ 388.00
1/31/2025	61197	Ken McClellan	Security Deposit Refund	\$ 317.75
1/31/2025	61198	McMaster-Carr Supply Company	<i>Twin Lakes</i> Floor Plates, Crane Clamps, Hardware, Row Rack Replacement Frame Connectors	\$ 477.47
1/31/2025	61199	Mid County Auto Supply	Travelift Lubricant & Hydraulic Fluid, Diesel Exhaust Fluid	\$ 900.48
1/31/2025	61200	Mary Minardi	Security Deposit Refund	\$ 34.50
1/31/2025	61201	Mission Uniform Service	First Aid Supply, Linen & Uniform Service, Uniform Pant Replacement, Foul Weather Gear	\$ 1,341.08
1/31/2025	61202	Monterey Bay Analytical Services	Boatyard Stormwater Testing	\$ 979.00
1/31/2025	61203	Monterey Bay Marine	Dredge Skiff Fuel Connector	\$ 26.77
1/31/2025	61204	Ed Moravick	Security Deposit Refund	\$ 265.90
1/31/2025	61205	Forrest Murray	Security Deposit Refund	\$ 241.40
1/31/2025	61206	Mutual of Omaha	Life/LTD/AD&D Insurance	\$ 1,161.23

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2025

Date	No.	Vendor	Description	Amount
1/31/2025	61207	Capital One Trade Credit	Fasteners	\$ 21.34
1/31/2025	61208	Pacific Gas & Electric Company	Utilities	\$ 32,868.73
1/31/2025	61209	PNC Bank, N.A.	Tax Exempt Loan Principal & Interest	\$ 144,287.13
1/31/2025	61210	Psychological Resources	Deputy Harbormaster Candidate Psychological Testing	\$ 150.00
1/31/2025	61211	Quadient, Inc.	Postage	\$ 500.00
1/31/2025	61212	Quadient Leasing USA, Inc.	Postage Meter Lease	\$ 207.75
1/31/2025	61213	Ramos Oil Inc.	<i>Twin Lakes</i> Fuel	\$ 28,807.57
1/31/2025	61214	Riverside Lighting & Electric	Electrical Fittings, G-Dock Breaker, Lift Station Breaker, Fluorescent Lightbulbs	\$ 658.09
1/31/2025	61215	Santa Cruz Electronics, Inc.	Screwdriver Set	\$ 27.32
1/31/2025	61216	Scheidt & Bachmann	Monthly Service	\$ 2,765.66
1/31/2025	61217	Santa Cruz Municipal Utilities	Utilities	\$ 12,001.41
1/31/2025	61218	Sudeep Singh	Security Deposit Refund	\$ 381.30
1/31/2025	61219	TranSystems Corporation	Engineering Services: North Harbor Transformer Replacement Project	\$ 5,637.93
1/31/2025	61220	West Coast Wire Rope	Wire Rope, Buoy Wires, Polypropylene Rope	\$ 7,013.15
1/31/2025	61221	West Marine Pro	VHF Radios, Dehumidifier, Dock Line, Heat Shrink, Fuses	\$ 1,508.67
1/31/2025	61222	West Marine Pro	Boatyard Retail Items	\$ 714.16
1/31/2025	61223	Wex Bank	Fleet Fuel	\$ 2,507.97
1/31/2025	61224	Ken Woodward	Security Deposit Refund	\$ 612.75
1/31/2025	61225	Woolpert Inc.	Multibeam Sonar Survey	\$ 20,955.42
1/3/2025	Various	Various Employees	12/16/24-12/31/24 Payroll	\$ 8,417.79
1/17/2025	Various	Various Employees	1/1/25-1/15/25 Payroll	\$ 8,532.48
1/1/2025	EFT	American Express	Fuel Dock Credit Card Fees	\$ 15.83
1/1/2025	EFT	Cardconnect	RV Park Credit Card Fees	\$ 932.01
1/1/2025	EFT	ElectronicPayments	Fuel Dock Credit Card Fees	\$ 17.50
1/1/2025	EFT	Gravity Payments	Front Desk Credit Card Fees	\$ 2,444.85
1/1/2025	EFT	Merchant Services	Fuel Dock Credit Card Fees	\$ 248.47
1/1/2025	EFT	Merchant Services	Online Billpay Credit Card Fees	\$ 298.17
1/1/2025	EFT	Merchant Services	CALE Credit Card Fees	\$ 750.79
1/1/2025	EFT	Merchant Services	Boatyard Credit Card Fees	\$ 425.84
1/1/2025	EFT	Transaction Express	Online Billpay ACH Fees	\$ 789.73
1/1/2025	EFT	Windcave, Inc.	Concession Lot Credit Card Fees	\$ 1,647.55
1/3/2025	EFT	PAYCHEX	Payroll Service & W2 Fees	\$ 1,363.13
1/3/2025	EFT	PAYCHEX	12/16/24-12/31/24 Payroll Direct Deposit	\$ 67,831.76
1/3/2025	EFT	PAYCHEX	12/16/24-12/31/24 Payroll Taxes	\$ 35,285.28

Santa Cruz Port District
Accounts Payable Monthly Check Register
 January 2025

Date	No.	Vendor	Description	Amount
1/3/2025	EFT	PAYCHEX	12/16/24-12/31/24 Payroll Flex Perks (Payroll Deduction)	\$ 560.23
1/3/2025	EFT	CalPERS	Health Insurance	\$ 58,431.11
1/3/2025	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 9,694.60
1/3/2025	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,656.54
1/3/2025	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,227.07
1/3/2025	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 4,735.56
1/3/2025	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 346.19
1/7/2025	EFT	Fiserv	RV Park ACH Fees	\$ 10.00
1/8/2025	EFT	California State Disbursement Unit	Wage Garnishment	\$ 125.00
1/8/2025	EFT	California State Disbursement Unit	Wage Garnishment	\$ 223.13
1/8/2025	EFT	Comerica Commercial Card Services	Patrol Vehicle Transmission Repair, WhenIWork Subscription, Lighted Boat Parade Supplies, Total Compensation Statement Software, Submersible Pump, Gate Openers, Sea Lion Abatement, Soft Shackles, Paint Shaker, CMANC Washington Week Registration, Backhoe Fuel Line, Row Rack Replacement Aluminum, Leak Test Sample, Postage, Access Road Signage, Lighted Boat Parade Volunteer Refreshments, Fuel Dispenser Covers, Constant Contact Subscription, Zoom Subscription, Harbor Office Christmas Lights, H2S Analyzer Maintenance Kit, Employee Recognition, Recruitment Advertising, Dredge Monitor Backpack, Parking Control Fanny Packs	\$ 6,174.95
1/10/2025	EFT	Comerica Bank	Service Charges	\$ 705.25
1/10/2025	EFT	Gravity Payments	Front Desk Credit Card Gateway Fee	\$ 24.10
1/13/2025	EFT	California Department of Tax and Fee Administration	Underground Storage Tank Maintenance Return	\$ 631.00
1/16/2025	EFT	GoTo Communications, Inc.	Monthly IP Telephone Service	\$ 506.41
1/17/2025	EFT	PAYCHEX	Payroll Service Fees	\$ 760.63
1/17/2025	EFT	PAYCHEX	Time & Attendance Fees	\$ 120.45
1/17/2025	EFT	PAYCHEX	1/1/25-1/15/25 Payroll Direct Deposit	\$ 70,566.35
1/17/2025	EFT	PAYCHEX	1/1/25-1/15/25 Payroll Taxes	\$ 35,485.39
1/17/2025	EFT	PAYCHEX	1/1/25-1/15/25 Payroll Taxes (Payroll Deduction)	\$ 4.22
1/20/2025	EFT	California State Disbursement Unit	Wage Garnishment	\$ 125.00
1/20/2025	EFT	California State Disbursement Unit	Wage Garnishment	\$ 216.75
1/20/2025	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 10,008.32
1/20/2025	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,886.48
1/20/2025	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,899.25
1/20/2025	EFT	CalPERS	457 Contributions (Employee & Employer)	\$ 5,096.35
1/20/2025	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 346.19
1/30/2025	EFT	Windcave, Inc.	Concession Lot Credit Card Device Charges	\$ 455.10
Total January 2025 Disbursements				\$ 2,210,465.16



TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: February 18, 2025
SUBJECT: Port Director's Report – February 25, 2025

Proclamation of Local Emergency

On Friday, February 14, 2025, Governor Newsom issued a Proclamation of Local Emergency in response to the December 2024 Coastal Storm event, which caused significant damage to the Port District's marine infrastructure. Preliminary damage estimates total approximately \$25 million. The proclamation will make California Disaster Assistance Act funding available for recovery efforts, enabling the Port District to receive reimbursement for 75% of eligible debris removal and reconstruction costs.

Memorandum of Agreement Update – U.S. Army Corps of Engineers (USACE)

Staff continues to work with the USACE to renew the current Memorandum of Agreement (MOA) for operation and maintenance of the federal entrance channel. On Monday, February 10, 2025, the MOA was transmitted to Corps Headquarters for final approval. The timeline for execution remains uncertain and may experience delays, as the acting Assistant Secretary of the Army (ASA) may prefer to defer action until a permanent ASA is appointed.

Murray Street Bridge – Stakeholder Meeting

In partnership with the City of Santa Cruz, the Port District will host a community stakeholder meeting to discuss the Murray Street Bridge Project and its anticipated impacts on the harbor. The meeting is tentatively scheduled for March 11, 2025, at 7:00 PM, and will take place at the Live Oak Community Center, located within the Simpkins Family Swim Center.

District Transparency Certificate of Excellence Renewal

The Port District has renewed its District Transparency Certificate of Excellence through the Special District Leadership Foundation. By continuing to successfully complete the program, the Port District has demonstrated its ongoing commitment to transparency, as well as its dedication to being open and accessible to the public and other stakeholders.

Economic Impact Assessment – Draft Report

Martin Associates has submitted the first draft of the Economic Impact Assessment to the Port District. The document is currently under staff review and will be presented to the Commission for further review and deliberation at an upcoming public meeting.



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: February 17, 2025
SUBJECT: Harbormaster's Report – February 25, 2025

North Harbor Repair Progress

Cushman Contracting Corporation is making significant progress with the north harbor dock repairs. Crews are currently working in the northern portion of X-Dock. After X-Dock repairs are completed, the crew will go back to the southern portion of G-Dock to reattach fingers at the 25-foot docks. In addition to the slip repairs, Cushman has nearly completed diving operations and removed almost all submerged objects identified by the multibeam sonar map, made shortly after December 23, 2024. Removed objects included batteries, dock boxes, outboard motors, broken dock sections, broken pilings, and some large sections of boat hulls which posed a hazard to navigation.



February 14, 2025, Swell Event

The area experienced another large west swell on February 14, 2025. There was moderate surge and turbidity in the southern portion of the south harbor, fortunately, the north harbor remained calm throughout the day.

Anchovies

Anchovy schools are still occupying the harbor and nearshore areas. There have been several isolated and very small-scale die-offs in the harbor that have not required cleanup because of the bird and sea lion activity.

Fuel System Upgrades

The District's fuel dock is scheduled to be closed from February 17, 2025, to February 21, 2025, while essential repairs and upgrades are made. The work includes repairs to the electrical system, such as replacing in-dock conduit, wiring, junction boxes, and the main breaker panel and housing. Additionally, under dock piping is being strengthened and new drop hoses are being installed. The new drop hoses are made of stainless steel and rated for the marine environment, whereas the previous hoses were not designed for marine use and required replacement every two to three years.

Foghorn Replacement

Staff has been informed by the US Coast Guard, Sector San Francisco, that the foghorn on the Walton Lighthouse is slated for replacement in the coming months. The existing fog detector will be replaced with a new Mariner Radio Activated Sound Signal (MRASS) system that will activate a foghorn when it is triggered by a VHF radio signal. At this time, the exact radio channel and/or detailed operating procedure is unknown, but staff will ensure that the boating public is made aware in advance of the upgrade. It has been staff's observation that the existing fog detector system is prone to problems and will either activate when it's not supposed to or vice versa. Similar MRASS systems have been put into service throughout the country over the last decade.

Fishery Update

The California Department of Fish and Wildlife will host its 2025 annual Salmon Informational Meeting on February 26, 2025, at 10:00 am. The meeting marks the beginning of the 2025 salmon management process and will provide an initial overview and analysis of the predicted salmon abundance for the year. The 2025 season alternatives will be developed during the March 5-11, 2025, Pacific Fishery Management Council (PFMC) meeting and final recommendations will be adopted during the April 9-15, 2025 meeting.

The informational meeting will shed some light on the potential for a 2025 salmon season. If opened at all, the expectation is that the season will be extremely limited; as in a few weeks to a month long.

Fisheries Report continued on the next page.

Fisheries Report

The fisheries report consists of data from two sources: the Department of Fish and Wildlife (DFW) and H&H Fresh Fish (resident fish buyer). The data from DFW is partially redacted in accordance with federal fisheries laws. Data is considered confidential when less than three separate vessels land species at any one port. For species landed by three or more separate vessels, the full data is made public and includes weight and value. For other data, the species landed is shown with no weight data.

January 2025 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (\$ per lbs.)	Approx. Value
Dungeness Crab	15,280.50	\$6.13	\$93,721.53
Total	15,280.50		\$93,721.53

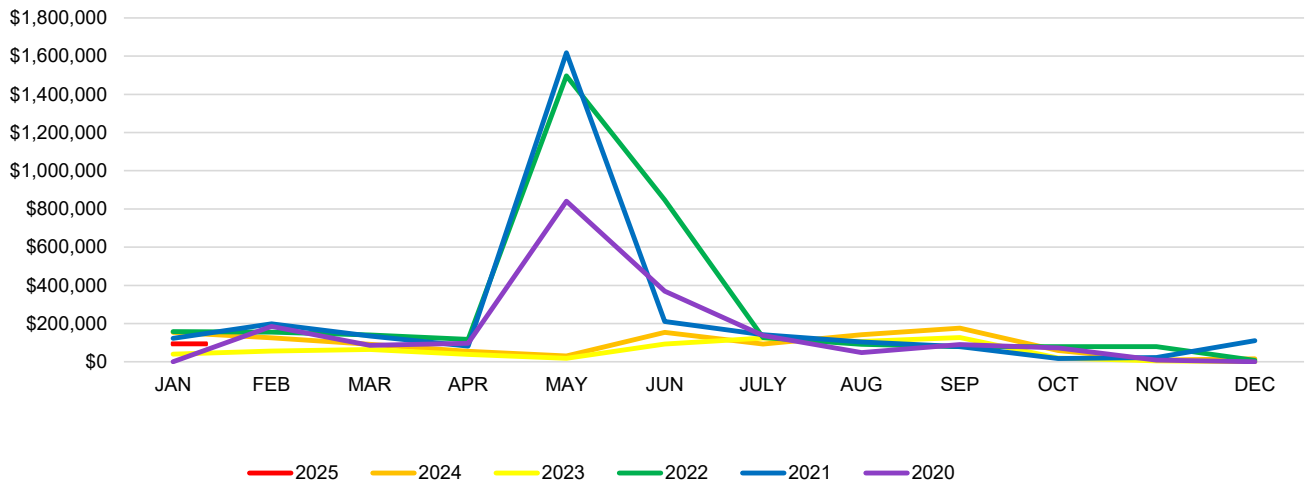
Species also landed* - Rock Crab, Sablefish (Blackcod), Rockfish (various) Petrale Sole, Thorneyhead Shortspine

**Weight and value data redacted by Fish and Wildlife pursuant to Fish and Game Code, Section 8022.*

January 2025 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (\$ per lbs.)	Approx. Value
Dungeness Crab	15,280.50	\$6.00	\$91,683.00
Rockfish (various)	3,615.50	\$2.50	\$9,038.75
Rock Crab	1,168.00	\$3.00	\$3,504.00
Sablefish (blackcod)	417.60	\$3.00	\$1,251.00
Total	20,481.60		\$105,476.75

Santa Cruz Harbor - Total Port Landings



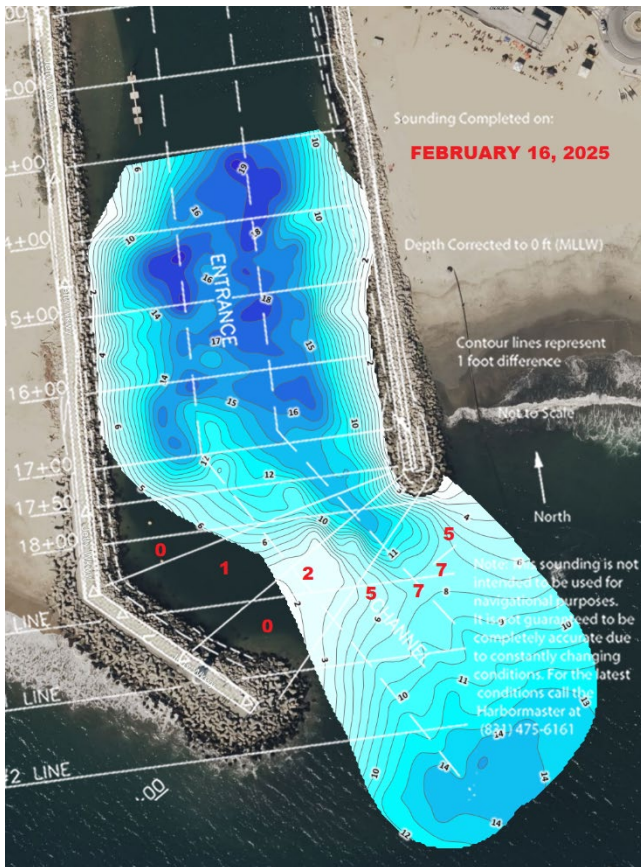


TO: Port Commission
FROM: Carl Wulf, Facilities Maintenance & Engineering Manager
DATE: February 19, 2025
SUBJECT: Facilities Maintenance & Engineering Manager's Report – February 25, 2025

Dredging Operations:

Twin Lakes

The dredge crew has been diligently working on addressing the shoaled conditions in the entrance channel and has extended the pipeline to the 1700 grid location. The dredge crew has successfully replaced the variable frequency drive onboard *Twin Lakes*, ensuring consistent operation of the jet pump.



Maintenance:

Storm Surge Recovery Efforts

Staff remains focused on addressing issues caused by the recent storm surge. Efforts include restoring water and electricity to affected areas, clearing debris throughout the harbor, and providing logistical support to the on-site contractor, Cushman Construction, who is performing temporary dock repairs in the north harbor. Staff continues to assess infrastructure for potential damage and implement necessary repairs to ensure safe and efficient harbor operations.

Fuel System Upgrades

Triton Construction has begun replacing the flexible fuel supply hoses connecting the supply piping to the dispensers. Inspection of the existing hoses revealed significant deterioration, with severe cracking in the sections submerged in water, indicating necessary replacement.

Murray Street Bridge Seismic Retrofit and Barrier Replacement Project

Staff is actively working to complete the new rack system for the A-Dock kayak storage racks. Once installation is finished, the team will begin relocating the old racks by floating them from under the bridge to their temporary location at AA-Dock.

Shimmick Construction has begun site preparations on the westside. Best Management Practices (BMPs) for stormwater runoff have been installed and site fencing is in place. Signage will be installed to clearly identify the construction zone to the public.



Gangway Removal

Staff worked with Cushman Construction to facilitate removal of the out of service gangway and tower adjacent to the east side public pier.





DRAFT Washington, DC Agenda February 2025

**as of 2/10/2025 at 5:30 pm EST*

AGENCY DAY Tuesday, February 11th

- 9:00 am Travel to US Army Corps of Engineers (USACE)
441 G Street, NW *(15-minute walk from the Yotel to USACE)*
- 9:30 am Arrive at USACE for security clearance
- 10:00 am** **Annual Meeting and Lunch with USACE Civil Works**
441 G Street NW
Contact: Veronica Botts Bell (202)761-4814
- USACE Attendees:
- TAB Brown, Chief Programs Integration Division
 - Tiffany Burroughs, Chief of Navigation
 - Greg Miller, Policy Advisor, Principles, Requirements, and Guidelines Agency
 - Julia Harvey, South Pacific Division Regional Integration Team (SPD RIT)
 - Anne Baker, NEPA Regional Technical Specialist, SPD RIT
- 1:00 pm Depart USACE HQ for OMB *(not walking distance)*
Direct ride share or cabs to the White House Historical Society at 740 Jackson Place, NW and proceed to 726 Jackson Place, NW
- 1:30 pm Arrive at White House Conference Center for security clearance to OMB meeting

Note: All participants must complete and submit security link prior to travel to DC, only cleared attendees will be admitted

2:00 pm

Meeting with Kelly Colyar, Chief, Water and Power Branch

Office of Management and Budget

New Executive Office Building Room 8001

Enter at 726 Jackson Place, NW

Contact: Sherron White (202) 395-3634

Option 1: BOEM

3:00 pm Depart OMB for Department of the Interior (15 minute walk)
1849 C Street NW

3:30 pm Meeting with Dr. Walter Cruickshank, Acting Director of the Bureau of Ocean Energy Management (BOEM)
1849 C Street NW
Kiowa Conference Room

4:30 pm Depart DOI for Yotel

Option 2: Capitol Hill

3:00 pm Depart OMB for Rayburn HOB
Direct ride share or cabs to Rayburn House Office Building

3:30 pm Arrive at Rayburn HOB for security

4:30 pm Meeting with Olivia Speno, Legislative Assistant, Office of Rep. David Valadao (CA-22)
2465 Rayburn HOB

5:30 pm

CMANC Reception

Yotel Private Dining Room 3

- Updates and new agenda for Day 2
- Group assignments
- Appetizers and hosted bar

Evening & Dinner on your own

HILL DAY Wednesday, February 12th


7:45 am


Depart Yotel for Group Briefings

Public entrances open at 7:30 am

BLUE Group

9:15 am Pre-Meet at Dirksen Senate Cafeteria
Basement Level of Dirksen

10:00 am Meeting with Katie Williams (R) & Laura Powell (D)
 **Senate Energy & Water Appropriations Subcommittee**
124 Dirksen SOB

10:30 am Meeting with Jamie Thompson, Legislative Assistant, Office of Sen. Schiff
 112 Hart SOB

11:00 am Walk from Hart SOB to Cannon HOB *(about 15 mins)*


11:30 am TBD


12:00 pm TENT – Quick Lunch/Break
Longworth House Cafeteria
Basement Level


GOLD Group


8:15 am Pre-Meet at Longworth House Cafeteria
Basement Level of Longworth


9:15 am Meeting with Eric Henshall, Deputy Chief of Staff, Office of Rep. Sam Liccardo (CA-16)
 1117 Longworth
CMANC Member: San Mateo County Harbor District

10:00 am Meeting with Richie O’Connell (R) & Scott McKee (D)
 **House Energy & Water Appropriations Subcommittee**
2362-B Rayburn HOB


10:30 am Meeting with Elise Sugarman, Legislative Director, Office of Rep. Pete Aguilar (CA-33)
 108 Cannon HOB

11:00 am Meeting with Jack Lincoln, Deputy Chief of Staff, Office of Rep. Ken Calvert (CA-1)
 2205 Rayburn HOB


11:30 am Meeting with Nic Jordan, Senior Advisor, Office of Rep. Gil Cisneros (CA-31)
 *Note: returning member newly elected*

12:15 pm Meeting with Diala Jadallah, Chief of Staff, Office of Rep. Lateefah Simon (CA-12)
 1023 Longworth HOB

CMANC Member: Port of Oakland


12:45 pm **SUBGROUP A**
 **Meeting with Rep. Josh Harder (CA-9)**
209 Cannon HOB
CMANC Member: Port of Stockton

12:30 pm **TENT – Quick Lunch/Break**
Longworth House Cafeteria
Basement Level

1:00 pm **SUBGROUP B**
 **Meeting with Eric Lukoff, Legislative Director, Office of Rep. Kevin Mullin (CA-14)**
1404 Longworth HOB
CMANC Members: San Mateo County Harbor District and Port of Redwood City


1:00 pm **Meeting with Devin Kolb, Deputy Chief of Staff, Office of Rep. Adam Gray (CA-13)**
 1230 Longworth HOB


1:30 pm **TBD**


1:30 pm **Meeting with Rep. Dave Min (CA-47)**
 1034 Longworth HOB
CMANC Member: Newport Beach

2:30 pm **Meeting with Felix Wu, Legislative Assistant, Office of Rep. Ted Lieu (CA-36)**
2454 Rayburn HOB
Vice Chair of House Democrats
CMANC Member: LA County Beaches & Harbors

2:30 pm **Walk from Longworth HOB to Hart SOB (15 minute walk)**

3:00 pm **SUBGROUP A**
 **Meeting with Rep. Robert Garcia (CA-42)**
109 Cannon HOB
PORTS Caucus Co-Chair
CMANC Member: Port of Long Beach

 **SUBGROUP B**
Meeting with Rep. John Garamendi (CA-8)
2428 Rayburn HOB

3:00 pm **Nate Bentham, Policy Advisor Office of Sen. Padilla**
 *Senator to drop by if available*
331 Hart SOB

3:30 pm **SUBGROUP A**
Meeting with Rep. Jimmy Panetta (CA-19) * 3:35 pm start
200 Cannon HOB
CMANC Member: Santa Cruz Harbor



SUBGROUP B
Meeting with Rep. Doug LaMalfa (CA-1)
408 Cannon HOB

3:30 pm **Return to Rayburn HOB from Hart SOB (15 minute walk)**

4:30 pm **TBD**

4:30 pm **Meeting with Joe Sheehy, Transportation & Infrastructure Water Resources Subcommittee Shared Staff for Ranking Member Rep. Jared Huffman (CA-2)**
2330 Rayburn House Office Building

5:30 pm **66th Golden State Reception**
House Transportation & Infrastructure Committee Room
2167 Rayburn HOB

LEGEND



indicates Appropriations Committee



indicates Authorizing Committee



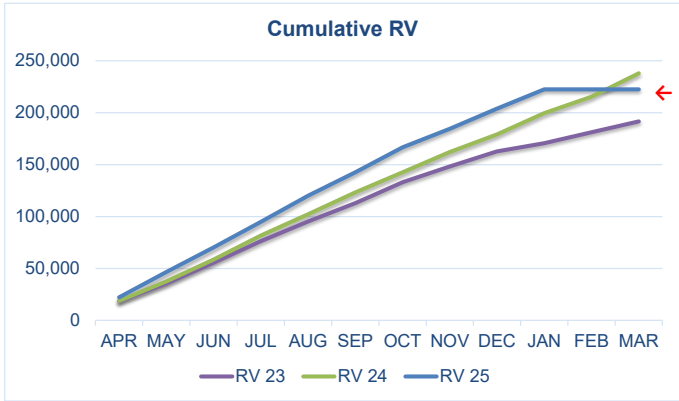
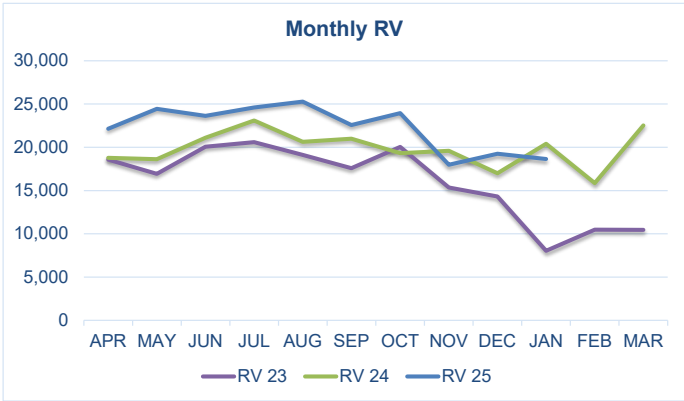
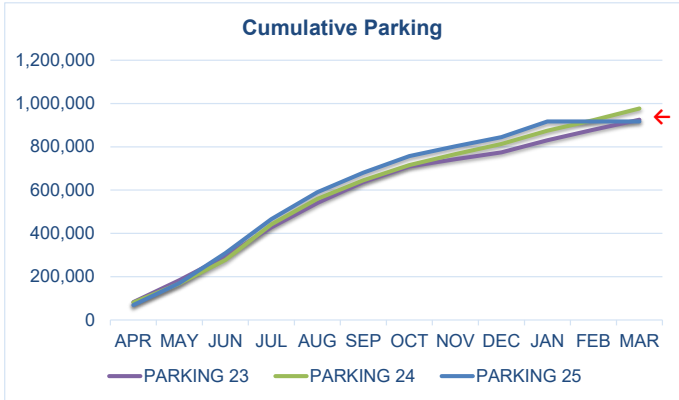
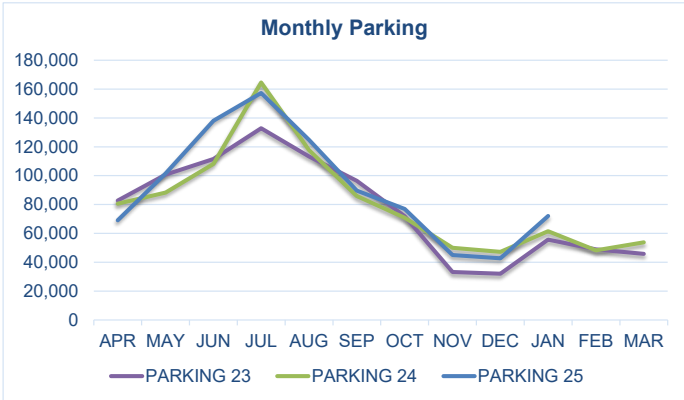
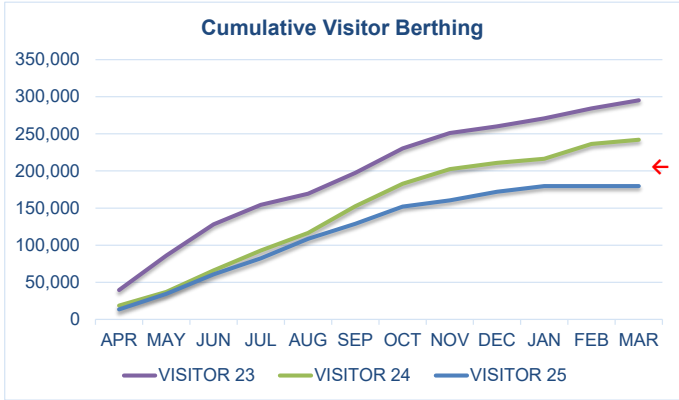
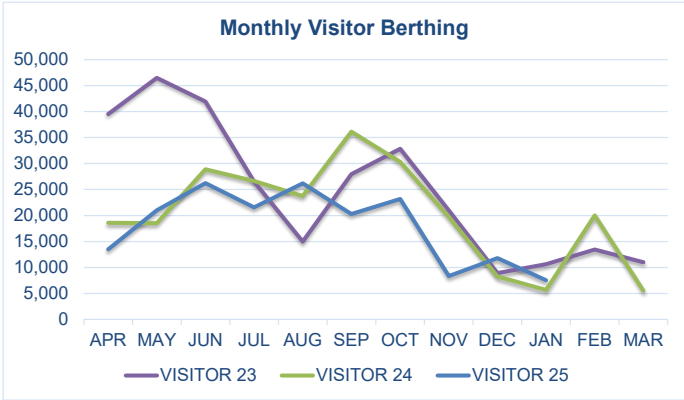
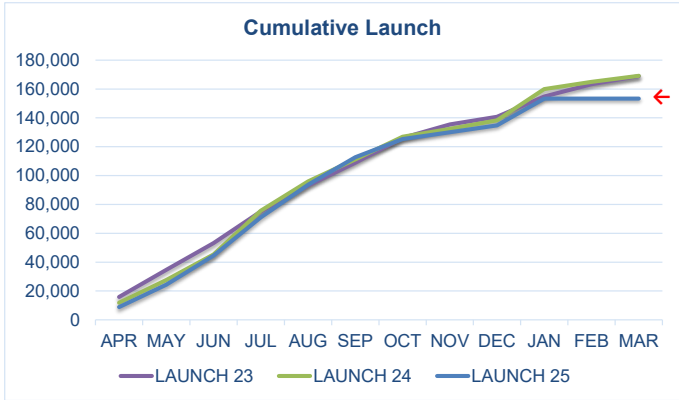
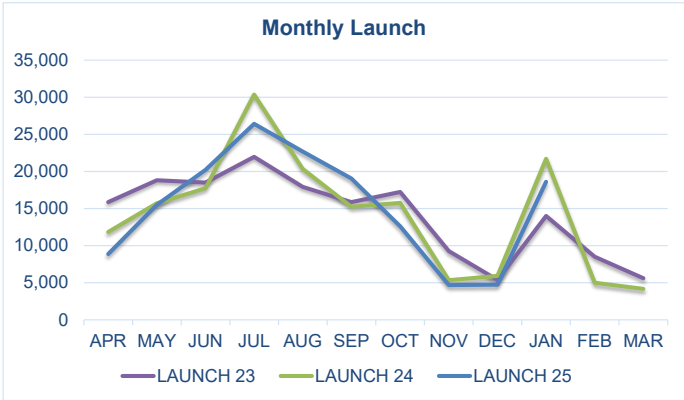
indicates Freshman Member

New California Delegation Members

- CA-12: Rep. Lateefah Simon – succeeded former Rep. Barbara Lee (retired to run for Senate)
- CA-13: Rep. Adam Gray – defeated former Rep. John Duarte in the general election
- CA-16: Rep. Sam Liccardo – succeeded former Rep. Anna Eshoo (retired)
- CA-27: Rep. George Whitesides – defeated former Rep. Mike Garcia in the general election
- CA-29: Rep. Luz Rivas – succeeded former Rep. Tony Cárdenas (retired)
- CA-30: Rep. Laura Friedman – succeeded Sen. Adam Schiff (retired to run for Senate)
- CA-31: Rep. Gil Cisneros – former Rep., succeeded former Rep. Grace Napolitano (retired)
- CA-45: Rep. Derek Tran – defeated former Rep. Michelle Steel in the general election
- CA-47: Rep. Dave Min – succeeded former Rep. Katie Porter (retired to run for Senate)
- Junior Senate Seat: Sen. Adam Schiff – succeeded former Sen. Laphonza Butler (retired)

Santa Cruz Port District
SEASONAL INCOME
 For the Ten Months Ending January 31, 2025

FY25 Budget ←



California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

February 07, 2025

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

SANTA CRUZ PORT DISTRICT

PORT DIRECTOR
 135 5TH AVENUE
 SANTA CRUZ, CA 95062

[Tran Type Definitions](#)

Account Number:

January 2025 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
1/15/2025	1/14/2025	QRD	1766672	N/A	SYSTEM	3,511.98

Account Summary

Total Deposit:	3,511.98	Beginning Balance:	301,969.26
Total Withdrawal:	0.00	Ending Balance:	305,481.24



Summary Statement

January 31, 2025

Page 1 of 3

Investor ID:

0000072-0000297 PDF 742572

Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062

California CLASS

California CLASS

Average Monthly Yield: 4.4246%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Port District Main	19,972,123.79	0.00	400,000.00	74,509.99	74,509.99	19,780,978.95	19,646,633.78
TOTAL	19,972,123.79	0.00	400,000.00	74,509.99	74,509.99	19,780,978.95	19,646,633.78



Port District Main

Account Summary

Average Monthly Yield: 4.4246%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	19,972,123.79	0.00	400,000.00	74,509.99	74,509.99	19,780,978.95	19,646,633.78

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
01/01/2025	Beginning Balance			19,972,123.79	
01/17/2025	Withdrawal		400,000.00		8622
01/31/2025	Income Dividend Reinvestment	74,509.99			
01/31/2025	Ending Balance			19,646,633.78	



California CLASS

California CLASS

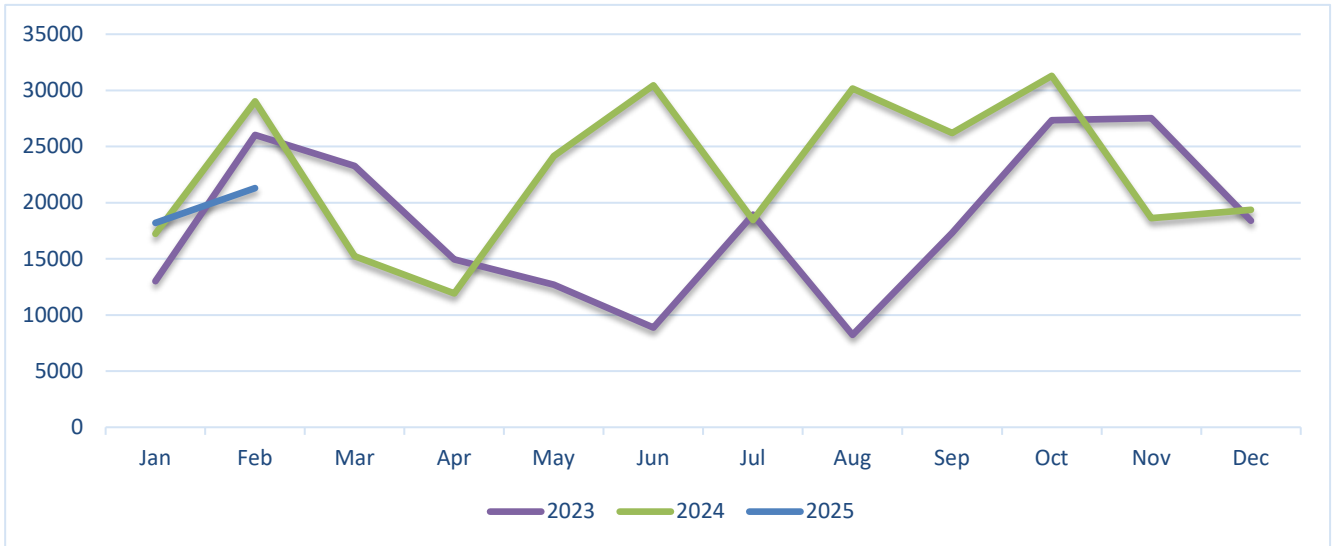
Date	Dividend Rate	Daily Yield
01/01/2025	0.00000000	4.5202%
01/02/2025	0.000124025	4.5268%
01/03/2025	0.000369801	4.4993%
01/04/2025	0.00000000	4.4993%
01/05/2025	0.00000000	4.4993%
01/06/2025	0.000121697	4.4419%
01/07/2025	0.000120918	4.4135%
01/08/2025	0.000120448	4.3964%
01/09/2025	0.000119996	4.3799%
01/10/2025	0.000361182	4.3944%
01/11/2025	0.00000000	4.3944%
01/12/2025	0.00000000	4.3944%
01/13/2025	0.000120326	4.3919%
01/14/2025	0.000120320	4.3917%
01/15/2025	0.000120336	4.3923%
01/16/2025	0.000120343	4.3924%
01/17/2025	0.000481700	4.3955%
01/18/2025	0.00000000	4.3955%
01/19/2025	0.00000000	4.3955%
01/20/2025	0.00000000	4.3955%
01/21/2025	0.000120444	4.3962%
01/22/2025	0.000120503	4.3984%
01/23/2025	0.000120853	4.4112%
01/24/2025	0.000364299	4.4323%
01/25/2025	0.00000000	4.4323%
01/26/2025	0.00000000	4.4323%
01/27/2025	0.000121381	4.4304%
01/28/2025	0.000121463	4.4334%
01/29/2025	0.000121407	4.4313%
01/30/2025	0.000121308	4.4278%
01/31/2025	0.000121267	4.4263%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

Santa Cruz Port District
60 DAY DELINQUENT ACCOUNTS

The following accounts have balances 60 days delinquent as of February 12, 2025

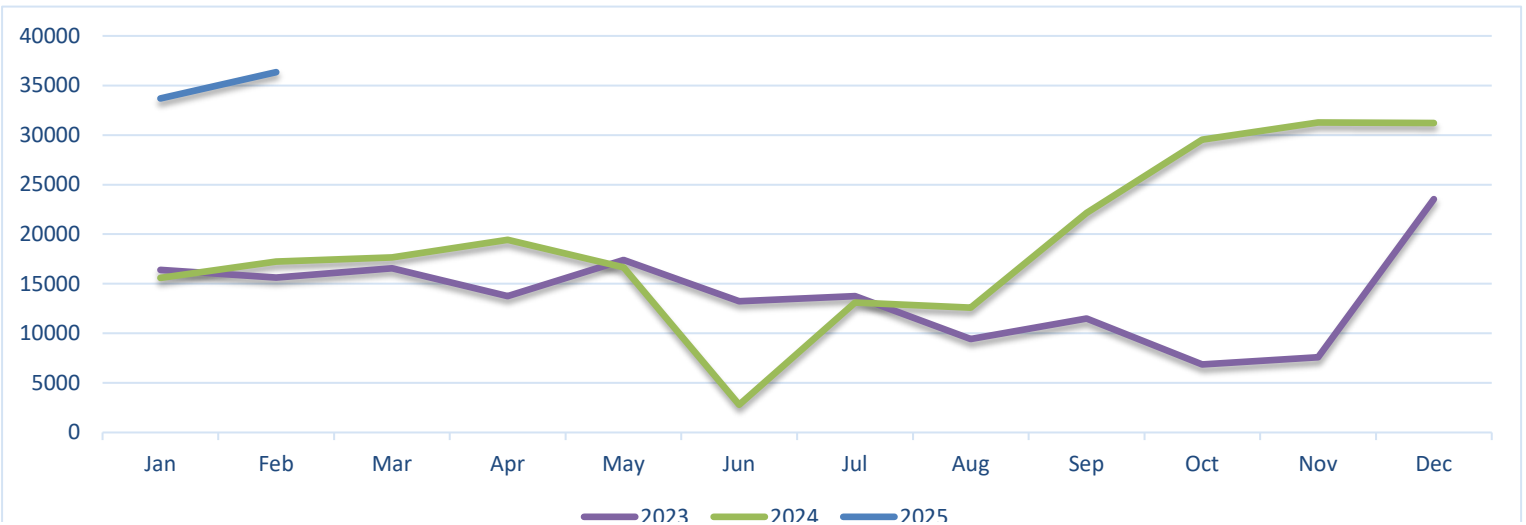
Account Number	Current Month	30 Day Balance	60 Day Balance	90 Day Balance	Total Balance
56212	734.98	729.13	332.97	0.00	1,797.08
48780	566.87	687.43	531.28	0.00	1,785.58
57057	848.56	824.78	88.68	0.00	1,762.02
47602	471.30	630.33	476.68	0.00	1,578.31
58489	551.49	634.16	241.87	0.00	1,427.52
56083	561.24	629.58	218.75	0.00	1,409.57
3094	443.22	613.79	327.30	0.00	1,384.31
55474	588.73	690.12	15.72	0.00	1,294.57
45941	541.15	503.07	205.40	0.00	1,249.62
2002	360.00	485.00	360.00	0.00	1,205.00
48237	533.95	533.06	63.42	0.00	1,130.43
59365	298.89	421.64	269.40	0.00	989.93
47207	326.28	323.81	326.28	0.00	976.37
59168	296.66	423.89	2.24	0.00	722.79
59489	310.70	311.02	56.72	0.00	678.44
57511	206.46	204.98	178.46	0.00	589.90
58813	165.67	164.51	138.36	0.00	468.54
60460	182.56	175.32	100.17	0.00	458.05
46238	205.00	178.49	2.97	0.00	386.46
Total	\$ 8,193.71	\$ 9,164.11	\$ 3,936.67	\$ -	\$ 21,294.49



Santa Cruz Port District
90+ DAY DELINQUENT ACCOUNTS

The following accounts have balances 90 days delinquent or greater as of February 12, 2025

Account Number	Current Month	30 Day Balance	60 Day Balance	90+ Day Balance	Total Balance	Commercial Slip	Action
4134	1,653.72	1,678.23	1,558.54	2,582.99	7,473.48	X	Revoke
60701	924.82	879.92	1,093.02	1,536.91	4,434.67		Revoke
55834	1,158.62	1,301.12	1,158.77	73.86	3,692.37		Payment Plan
3375	-	-	-	3,360.85	3,360.85		Bad Debt
55885	653.91	999.39	569.88	345.49	2,568.67		Revoke
55068	451.44	535.32	444.88	854.44	2,286.08		Revoke
58825	647.52	707.80	615.95	149.46	2,120.73		Revoke
47895	-	-	-	2,007.80	2,007.80		Bad Debt
58564	408.71	405.62	402.53	770.77	1,987.63		Revoke
56573	593.70	714.04	109.38	450.00	1,867.12	X	Revoke
58520	269.11	275.84	267.36	443.78	1,256.09	X	Revoke
58308	144.43	186.95	180.17	316.27	827.82		Revoke
58758	167.97	166.82	165.67	302.87	803.33		Revoke
48170	92.19	91.65	91.11	155.30	430.25		Revoke
59934	-	-	-	423.32	423.32		Bad Debt
60103	-	-	-	422.65	422.65		Bad Debt
3552	94.88	107.22	103.43	74.82	380.35		Revoke
Total	\$ 7,261.02	\$ 8,049.92	\$ 6,760.69	\$ 14,271.58	\$ 36,343.21		





TO: Port Commission

FROM: Sean Rothwell, Assistant Harbormaster

DATE: February 1, 2025

SUBJECT: Harbor Patrol Incident Response Report – January 2025

Search and Rescue, Patrol Boat Response

- 1/7/25 Harbor Patrol responded to a report of a disabled vessel in the area of 26th Avenue. Upon arrival, Harbor Patrol contacted the vessel operator who indicated they were not in distress. Harbor Patrol returned to the harbor without incident.
- 1/7/25 Harbor Patrol responded to a report of a kitesurfer in distress in the area of Cowell Beach. Upon arrival, the kitesurfer indicated they were not in distress. Harbor Patrol returned to the harbor without incident.
- 1/8/25 Harbor Patrol responded to a report of a vessel dragging anchor in the area of Cowell Beach. Upon arrival, Santa Cruz Fire personal watercraft units towed the unattended vessel away from shore. Due to breaking surf at the entrance channel, which prevented the vessel from being towed into the harbor, Harbor Patrol assisted in securing the vessel to the U.S. Coast Guard buoy. Harbor Patrol returned to the harbor without incident.
- 1/11/25 Harbor Patrol responded to a report of a kitesurfer in distress in the area of Harbor Beach. Upon arrival, the kitesurfer indicated they were not in distress. Harbor Patrol returned to the harbor without incident.
- 1/13/25 Harbor Patrol responded to a report of a surfer in distress in the area of Lighthouse Field State Beach. Prior to arrival, the surfer self-rescued. Harbor Patrol returned to the harbor without incident.
- 1/20/25 Harbor Patrol responded to a report of a swimmer in distress in the area of Lighthouse Field State Beach. Prior to arrival, the swimmer self-rescued. Harbor Patrol returned to the harbor without incident.
- 1/21/25 Harbor Patrol responded to a report of a swimming dog in distress in the area of Seabright Beach. Upon arrival, Harbor Patrol brought the dog onboard the patrol vessel and transported it back to the harbor. The dog was released into the care of its owner.
- 1/24/25 Harbor Patrol responded to a report of a vessel in distress in the area of Lighthouse Field State Beach. Upon arrival, Harbor Patrol contacted the operator who indicated the vessel was experiencing engine problems. Harbor Patrol escorted the vessel back to the harbor without incident.

Crime Reports, Assist Outside Department, and Incident Reports

- 1/7/25 Harbor Patrol took an accident report after two vessels collided in the area of V-Dock during the December 23, 2024, storm surge event. Harbor Patrol facilitated the exchange of information. Moderate vessel damage reported.
- 1/19/25 Harbor Patrol took a stolen property report after a locked bicycle was reported missing from the D-Dock restroom area. A review of security footage provided no suspect information.
- 1/19/25 Harbor Patrol responded to a report of a medical emergency in the area of Lake Avenue after a subject reported experiencing an elevated heart rate. Upon arrival, Harbor Patrol assisted the subject until paramedics arrived. Further medical attention was declined.
- 1/22/25 Harbor Patrol responded to a report of a medical emergency in the area of Twin Lakes Beach after a traffic collision occurred involving a vehicle and a pedestrian. Upon arrival, Harbor Patrol administered first aid to the victim, who sustained a head injury, until paramedics arrived on scene. The victim was transported to Dominican Hospital by ambulance. The case was turned over to California Highway Patrol.
- 1/22/25 Harbor Patrol responded to a report of a fuel spill in the area of F-Dock. Staff initiated clean-up efforts, deployed boom and absorbent pads around the suspected source, and contacted the National Response Center. The vessel owner was invoiced for cost recovery.
- 1/27/25 Harbor Patrol took an incident report regarding an ongoing verbal dispute between two slip renters and facilitated the exchange of information. The Santa Cruz County Sheriff's Office served a temporary restraining order to one of the individuals.
- 1/30/25 Harbor Patrol responded to a fuel spill in the area of C-Dock. Staff initiated clean-up efforts, deployed boom and absorbent pads around the suspected source, and contacted the National Response Center. Following an investigation, the source of the spill remains undetermined.

Parking Citations:

January 2025 Parking Citations: 161
January 2024 Parking Citations: 140

Santa Cruz Port District

Port Commission Review Calendar / Follow-Up Items 2025-26

2025

January-March

- ✓ Committee Assignments for 2025
- ✓ Annual Review of Business Use of Slips 2024
- FY 26 Budget
- Review 5-year CIP
- Annual Review of Slip Vacancy / Waiting List Statistics 2024
- Sea Scouts' Biannual Report
- Annual Vessel Use List Review 2024
- Form 700 Filing (due by 3/31 each year)

April-June

- Crow's Nest / Java Junction Rent Review at Option Period Ending 4/30/2025
1st (5) year option to extend
- Dredge Report 2024-25

July-September

- Annual O'Neill Sea Odyssey Report (annual review of slip rent reduction. PC action Jul-07)
- Sea Scouts' Biannual Report

October-December

- Mid Fiscal Year Review of CIP
- Beacon Pointe Advisors Lease Exp. 11/30/2025
- Review of CalPERS Actuarial Valuation Report
- Annual Vessel Use List Review
- Ethics Training Update (due by year-end)
- Port Commission Officers for 2026

2026

January-March

- Committee Assignments for 2026
- Annual Review of Business Use of Slips 2025
- Annual Review of Slip Vacancy / Waiting List Statistics 2025
- FY 27 Budget
- Review 5-year CIP
- Sea Scouts' Biannual Report
- Annual Vessel Use List Review 2025
- Form 700 Filing (due by 3/31 each year)

April-June

- Election Resolutions
- Biennial Update to Conflict-of-Interest Code
- Dredge Report 2025-26

July-September

- Annual O'Neill Sea Odyssey Report (annual review of slip rent reduction. PC action Jul-07)
- Sea Scouts' Biannual Report

October-December

- Mid Fiscal Year Review of CIP
- Review of CalPERS Actuarial Valuation Report
- Ethics Training Update (due by year-end)
- Biennial Anti-Harassment/Anti-Discrimination Training
- Port Commission Officers for 2027

Committee Review Items

- Insurance Renewal Risk Assessment Report

Future Calendar

- 7th and Brommer Property Assessment
- ABC End-Tie Review after Murray Street Bridge Retrofit
- Pedestrian Traffic Safety Improvements Review

Key

- Pending
- In process
- ✓ Done

Updated 1/29/2025