

Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062
831.475.6161
831.475.9558 Fax
www.santacruzharbor.org



PORT COMMISSIONERS:
Toby Goddard
Dennis Smith
Stephen Reed
Darren Gertler
Neli Cardoso

Special Closed & Regular Public Session of June 25, 2019

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Dennis Smith Chairman
Stephen Reed Vice-chairman
Darren Gertler Commissioner
Neli Cardoso Commissioner

Commission Members Absent:

Commissioner Goddard Commissioner

SPECIAL PUBLIC SESSION – 5:30 PM

Chairman Smith brought the special public session to order at 5:30 PM at the Santa Cruz Harbor Office, 135 Fifth Avenue, Santa Cruz, CA 95062.

1. Oral Communication
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) Section 54957.6

At 5:30 PM, Chairman Smith announced the Commission will meet in closed session to discuss agenda item 3.

SPECIAL CLOSED SESSION

3. Conference with Labor Negotiators
Agency Designated Representative: M. Olin and T. Davis
Employee Organization: Harbor Employee Association, Operating Engineers Local No. 3

SPECIAL PUBLIC SESSION

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

Chairman Smith announced that the Commission took no reportable action in closed session on item 3.

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

REGULAR PUBLIC SESSION – 7:00 PM

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

5. Pledge of Allegiance

6. Oral Communication

Discussion: Chairman Smith stated that the Commission took no reportable action in closed session on agenda items 3.

In response to a question posed by Vice-chairman Reed, Port Director Olin confirmed that the recent ambient sound study performed by Illingworth and Rodkin provides the District with baseline data relative to ambient noise levels within the harbor. She stated that the data may be used in the future to assist with obtaining regulatory permits.

Vice-chairman Reed stated that the design for the *Pappy* display cradle is in progress and conceptual design drawings are expected to be available soon.

CONSENT AGENDA

7. Approval of Minutes

a) Regular Public Session of May 28, 2019

MOTION: Motion made by Vice-chairman Reed, seconded by Commissioner Gertler to approve the consent agenda.

- *Motion carried. Commissioner Goddard ABSENT.*

REGULAR AGENDA

8. Review and Accept AB 691 Sea Level Rise Assessment Report

Discussion: Port Director Olin recommended acceptance of the AB 691 Sea Level Rise Assessment Report, stating that at its regular public session in May, the Commission reviewed the report and suggested minor edits for inclusion.

Administrative Services Manager MacLaurie reviewed the revisions and noted a correction on page 5 of the report (AB 691 was passed in 2013, rather than 2003).

In response to a question posed by Vice-chairman Reed, Administrative Services Manager MacLaurie confirmed that the report will be made available on the Port District's website, as well as the website for California State Lands Commission.

MOTION: Motion made by Commissioner Gertler, seconded by Vice-chairman Reed to accept the AB 691 Sea Level Rise Assessment Report.

- *Motion carried. Commissioner Goddard ABSENT.*

9. Authorize the Purchase of a New Caterpillar D-6 Dozer

Discussion: Port Director Olin stated that the D6 LGK Dozer is currently inoperable and in need of extensive repairs. She stated that repairs are estimated at approximately \$92,743, and a quote for a new Caterpillar D6 Dozer was obtained for comparison purposes. Port Director Olin reviewed the following:

- Current Dozer was purchased in 2017, at a cost of \$100,825 (assigned a 10-year fixed asset life).
- If a new dozer is purchased, the fixed asset loss for the current dozer is estimated at \$80,000, less a \$10,000 trade in value.
- Government pricing for a new Dozer, is approximately \$197,132 (\$207,132, less \$10,000 trade-in value), including tax and 12-month standard warranty and 36-month extended warranty for powertrain and hydraulics.

Port Director Olin stated that staff currently recommends purchasing a new Dozer, although repairing the current dozer remains an option. Chairman Smith expressed support for purchasing a new Dozer, noting that the warranties will be beneficial. He stated that if the purchase is authorized, a maintenance schedule will need to be developed to reduce the potential of unforeseen mechanical issues.

A discussion ensued regarding the conditions in which the dozer operates, and the impacts those conditions may have on the validity of associated warranties.

MOTION: Motion made by Vice-chairman Reed, seconded by Commissioner Cardoso, to authorize the purchase of a new Caterpillar D-6K-BR track type Dozer in an amount not to exceed \$207,000. This unbudgeted FY20 acquisition is to be funded out of unrestricted cash.

- *Motion carried. Commissioner Goddard ABSENT.*

10. Approval of Exercise of Lease Option for 333 B Lake Avenue (Bayside Marine)

Discussion: Port Director Olin stated that the Commission met in closed session on May 28, 2019, to consider the request by Todd Fraser to exercise the final two-year lease option, which would extend the lease term through January 31, 2022.

Port Director Olin stated that as part of the lease option renewal process, a market rent review was performed. She stated that no rent adjustment for the option period is warranted based on current, fair market rent.

A brief discussion ensued about the general maintenance and schedule of repairs for the building, including flooring, restroom fixtures, and exterior landscaping.

MOTION: Motion made by Vice-chairman Reed, seconded by Commissioner Cardoso to approve Bayside Marine's lease option, extending the lease for 2 years, through January 31, 2022.
- *Motion carried. Commissioner Goddard ABSENT.*

11. Election of Special District Alternate on LAFCO

Discussion: Port Director Olin requested the Commission provide direction to staff on casting the Port District's vote for the 2019 Election of Special District Alternate on Local Agency Formation Commission (LAFCO).

A brief discussion ensued regarding the background of the candidates and their qualifications.

MOTION: Motion made by Vice-chairman Reed to cast the Port District's vote for Carla Christensen for the 2019 Election of Special District Alternate on LAFCO. Motion died due to lack of a second.

Motion made by Commissioner Gertler, seconded Commissioner Cardoso to cast the Port District's vote for Edward Banks for the 2019 Election of Special District Alternate on LAFCO.

- *Motion carried. Commissioners Smith, Gertler, and Cardoso voting YES. Commissioner Reed voting NO. Commissioner Goddard ABSENT.*

12. Approval of Cash / Payroll Disbursements – May 2019

Discussion: In response to a question posed by audience member, Tom Whieldon, regarding Warrant # 51721 - County of Santa Cruz DPW, Administrative Services Manager MacLaurie confirmed that the \$2,000 payment covers rental of the overflow parking area at 7th and Brommer for the months of April and May (\$1,000 / month). A brief discussion ensued regarding the use of the overflow lot. Chairman Smith stated that in his observations, the lot is minimally used. He stated that despite the monthly cost for the lot, which has increased over the years, the Port District continues to lease the area to provide a service for the boating community.

MOTION: Motion made by Commissioner Gertler, seconded by Vice-chairman Reed to approve cash/payroll disbursements for May 2019, in the amount of \$863,545.65.
- *Motion carried. Commissioner Goddard ABSENT.*

INFORMATION

13. Port Director's Report

Policy and Operations Committee Meeting

Port Director Olin stated that a Policy and Operations Committee Meeting is scheduled for Wednesday, July 24, 2019, at 3:30 PM to discuss electronic key access for dry storage renters and review a revised charter application submitted by Team O'Neill, LTD.

Search and Rescue Program

Port Director Olin announced that the County Board of Supervisors approved an increase in annual support of marine search and rescue program from approximately \$24,000 to \$50,000. Port Director Olin added that the one-time request for a \$250K contribution toward a replacement patrol vessel is still pending. She stated that a concurrent request has been submitted via Senator Monning's office for \$530K in the State of California budget and is awaiting the Governor's approval, which is anticipated prior to June 30, 2019.

Boatyard Claim

Port Director Olin stated that a claim in that amount of \$3,950 was approved for Michael Whiting after his rub rail was damaged at the boatyard during a haul-out. As a result, modifications have been made to improve boatyard procedures.

Concession Lot Parking Access and Revenue System (PARCS) Project

Port Director Olin stated that the PARCS Project is out for bid and proposals are due on July 12, 2019. An award of contract is expected at the next regular session in July.

Assembly Bill 516

Port Director Olin informed the Commission that the California Association of Harbor Masters and Port Captains is asking California harbors to consider joining them in opposing AB 516, which would modify the authority of peace officers to remove a vehicle parked or left standing for 72 or more hours. Port Director Olin added that Santa Barbara Harbor has already expressed opposition to the bill, as they believe it may impact waterfront parking lots.

California Marine Affairs and Navigation Conference (CMANC)

Port Director Olin stated that due to scheduling conflicts, she has declined an invitation from Ryan Hernandez of CMANC to serve on their board, and recommended Commissioner Goddard as a possible candidate.

14. Harbormaster's Report

Harbormaster Marshall stated that a recent review of the vessel insurance report reveals that approximately 600 slip renters are currently in compliance with the vessel insurance policy.

Slip renter Curtis Gandy thanked Deputy Harbormaster staff for their work in returning his surfboard, which was reported stolen.

15. Facilities Maintenance & Engineering Manager's (FME) Report *(There was no discussion on this agenda item)*
16. Financial Reports *(There was no discussion on this agenda item)*
 - a) Comparative Seasonal Revenue Graphs
17. Review of Delinquent Accounts *(There was no discussion on this agenda item)*
18. Crime/Incident/Citation Report – May 2019 *(There was no discussion on this agenda item)*
19. Port Commission Review Calendar / Follow-Up Items

A brief discussion ensued regarding scheduling of a closed session for purposes of performing the Port Director's annual evaluation prior to the next regular meeting in July.

Chairman Smith adjourned the regular public session at 7:45 PM



Dennis Smith, Chairman