



Special Public Budget Session of February 15, 2022

**Santa Cruz Port Commission
MINUTES**

Commission Members Present (via teleconference):

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

SPECIAL PUBLIC BUDGET SESSION – 7:00 PM

Chairman Geisreiter brought the special public budget session to order at 7:00 PM via teleconference.

1. Pledge of Allegiance
2. Oral Communication
3. Review of Draft FY23 Budget and 5-Year Capital Improvement Plan

Discussion: Port Director MacLaurie presented the FY23 Draft Budget and stated that the budget approach for FY23 focuses on the following:

- Presenting a balanced budget that meets debt service requirements
- Maintaining a conservative approach to budgeted revenues
- Funding approved labor contracts
- Addressing residual impacts from the COVID-19 pandemic
- Funding the Capital Improvement Program (CIP) at a level satisfactory to achieve a balanced budget (current funding level is less than stated goal).
- Assessing needs for tsunami recovery efforts.

Port Director MacLaurie highlighted the following current FY22 budget projections:

- FY22 operating revenues are projected to exceed budget by approximately \$925,000, due to increases in the following categories:
 - Parking Revenue
 - Launch Fees
 - Visitor Berthing
 - Boatyard
 - Concession Income

- FY22 operating expenses are projected to exceed budget by approximately 4%, due to increases in the following categories:
 - Tsunami Expenses
 - Legal Consultation
 - CVRA Transition
 - Fuel Expense (offset by additional fuel sales/revenue)
 - Interest Expense
- Net income loss in FY22 is projected at -\$717,306; however, net of depreciation / capitalized expenses, reconciled net income is projected to be positive overall.

Port Director MacLaurie reviewed the FY23 Salary and Benefit Costs and highlighted the following:

- Salary and Benefits are projected to increase 9.8%, primarily due to increases in the following categories:
 - Labor Contracts
 - Reintroduction of the Parking Coordinator Position
 - CalPERS' Pension Costs

Port Director MacLaurie reviewed the FY23 Dredge Operations budget. She stated that a \$177,151 contribution will increase available funding in the Dredge Intermediate Fund (DIF) to \$207,000. She stated that this funding will be utilized for the following expenditures:

- *Twin Lakes*: Replacement of the snorkel elbow; replacement of the Christmas Tree lifting system, and spare parts
- *Dauntless*: Replacement of the rudder shaft, replacement of the cab roof, and electrical system rewiring
- Other miscellaneous dredge systems and equipment

Port Director MacLaurie reviewed the Port District's fund balances and current financial position, noting that the amount of unrestricted cash on hand available for operations, emergencies, and improvements is approximately \$8,408,504 (includes \$525,000 in US Army Corps of Engineers' (USACE) work plan funding for 2021).

Port Director MacLaurie reviewed recommended FY23 Capital Improvement Projects funding:

- Harbor Security Upgrades - \$12,000
- Piling Replacement - \$20,000
- Pavement Repairs - \$35,000
- Pier Rehabilitation - \$120,000
- Minor Building Restoration Projects - \$20,000
- Restroom Building Rehabilitation - \$100,000

- Parking Upgrades - \$35,000
- Parking Pay Station - \$15,000
- 7th & Brommer - \$25,000
- SH Revetment & Seawall - \$20,000
- Boatyard Marine Ways Inspection & Upgrades - \$8,000
- Fuel System Upgrades - \$40,000
- Tsunami Related Projects - \$50,000

Port Director MacLaurie stated that the draft FY23 budget proposes to allocate \$260,000 in new funding to the CIP, which is less than the historical minimum contribution of \$500,000. To achieve a minimum contribution of \$500,000, the FY23 budget proposes to utilize \$240,000 in existing Unallocated CIP project funds.

The Commission discussed the proposed contribution to the Capital Improvement Program (CIP), Reserve Fund, and Dredge Intermediate Fund (DIF).

Commissioner Goddard expressed support for increasing funding to the CIP, noting that the CIP funding goal should be at least \$750,000 (or more) to meet funding requirements for the extensive list of future projects. Chairman Geisreiter agreed.

Port Director MacLaurie stated that the draft FY23 budget does not include a proposed marina fee increase. She stated that the Consumer Price Index (San Francisco-Oakland-Hayward) increase (CPI) for 2021 is 4.2%. A discussion ensued about the implementation of a slip fee increase.

Vice-chairman Gertler stated that he is supportive of a modest marina fee increase of 2%, but noted that increasing the rate by CPI (4.2%) is too high.

Commissioner Smith stated that he is supportive of a 3% marina fee increase. Commissioner Reed agreed.

Commissioner Goddard stated that he is supportive of a 4% marina increase. Chairman Geisreiter agreed.

There was consensus among the Commission to direct staff to include a 3.2% slip rent increase in the final FY23 budget.

A discussion ensued regarding the Port District's partnership fees. There was consensus among the Commission to continue the sliding scale partnership fee.

There was consensus among the Commission to direct staff to incorporate the following items into the FY23 budget for review and action at the regular public session on February 22, 2022:

- Add language to the staff report recommendation approving the addition of 1 new FTE position (Parking Coordinator)
- 3.2% marina fee increase
- Provide additional CIP funding for priority projects including paving repairs, building / restroom rehabilitation, lift stations assessment, and improvements at the north harbor and 7th & Brommer (District-owned) dry storage areas
- Provide additional DIF funding for semi-permanent work area canopy
- Perform a mid-year (November) CIP review for project status and funding updates.

Chairman Geisreiter adjourned the special public budget session at approximately 8:10 pm.

Reed Geisreiter, Chairman



Regular Public Session of February 22, 2022

**Santa Cruz Port Commission
MINUTES**

Commission Members Present (via teleconference):

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

SPECIAL CLOSED SESSION – 5:00 PM *(Canceled)*

1. Oral Communication
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) Section 54956.9(d)(4)
3. Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation (1 Case)
4. Action and Vote Discolusure after Closed Session Pursuant to Government Code (Ralph M. Brown Act) Section 54957.1

REGULAR PUBLIC SESSION – 7:00 PM

Chairman Geisreiter convened the regular public session at 7:00 PM via teleconference.

5. Pledge of Allegiance
6. Oral Communication

Chairman Geisreiter announced that the special closed session scheduled prior to tonight's regular public session was canceled.

Chairman Goddard reported that he attended CMANC's 2022 Winter Virtual Meeting on January 20, 2022.

Administrative Services Manager Ritter read public comment into the record submitted by harbor user, Linda Wilshusen, regarding her request that the Commission consider designating additional public restrooms in the north harbor.

CONSENT AGENDA

7. Approval of Resolution 22-07, Continuing Virtual Public Meetings in Accordance with Assembly Bill 361
8. Approval of Minutes
 - a) Special Public Meeting of January 13, 2022
 - b) Emergency Meeting of January 18, 2022
 - c) Special Closed & Regular Public Meeting of January 25, 2022
9. Approval of Month-to-Month Rental Agreement – 333 Lake Avenue, Suite H (Tenant: Rebel City Studios)

MOTION: Motion made by Commissioner Reed, seconded by Commissioner Smith to approve consent agenda items 7 through 9.

- *Motion carried unanimously by roll call.*
 - *Gertler: YES*
 - *Smith: YES*
 - *Reed: YES*
 - *Goddard: YES*
 - *Geisreiter: YES*

REGULAR AGENDA

10. Approval of FY23 Budget and Capital Improvement Program

Discussion: Port Director MacLaurie stated that the Port Commission reviewed the draft FY23 budget and proposed list of Capital Improvement Projects (CIP) at its special public session of February 15, 2022.

Port Director MacLaurie reviewed the draft FY23 budget and highlighted the following:

- 3.2% marina fee increase
- Capital Improvement Plan: \$382,000 contribution funding priority projects including paving repairs, building / restroom rehabilitation, lift stations assessment, and improvements at the north harbor and 7th & Brommer (District-owned) dry storage areas
- Dredge Intermediate Fund: \$191,151 contribution, adding \$14,000 for semi-permanent work area canopy
- Funds approved labor contracts
- Restores Parking Coordinator position for operational support
- Aligns with identified Port District priorities adopted in January 2022
- Adds a mid year review of the CIP program for project status and funding updates

The Commission thanked staff for the budget presentation.

MOTION: Motion made by Commissioner Reed, seconded by Commissioner Goddard to approve the FY23 budget and capital improvement plan.

- *Motion carried unanimously by roll call.*

- *Gertler: YES*
- *Smith: YES*
- *Reed: YES*
- *Goddard: YES*
- *Geisreiter: YES*

11. Approval of Resolution 22-08, Approving Adoption of CalPERS 457 Plan

Port Director MacLaurie recommended approval of resolution 22-08, stating that transitioning to this CalPERS-based deferred compensation plan reduces administrative fees and increases plan offerings to employees.

MOTION: Motion made by Commissioner Smith, seconded by Commissioner Goddard to approve resolution 22-08.

- *Motion carried unanimously by roll call.*

- *Gertler: YES*
- *Smith: YES*
- *Reed: YES*
- *Goddard: YES*
- *Geisreiter: YES*

12. Approval of Declaration Designating Authorized Signers of the Port District's Checking Account (*There was no discussion on this agenda item*)

MOTION: Motion made by Commissioner Reed, seconded by Vice-chairman Gertler to approve the declaration designating authorized signers for the Port District's checking account at Comerica Bank.

- *Motion carried unanimously by roll call.*

- *Gertler: YES*
- *Smith: YES*
- *Reed: YES*
- *Goddard: YES*
- *Geisreiter: YES*

13. Approval of Cash / Payroll Disbursements – January 2022

In response to a question posed by Commissioner Goddard, staff provided additional information on the following warrants:

- Warrant # 56116 – Flood Insurance
Tsunami and tidal wave events are excluded from coverage
- Warrant # EFT – Sales Tax Return

Quarterly sales tax return filed with the state.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Reed to approve cash and payroll disbursements for January 2022 in the amount of \$1,525,810.17.

- *Motion carried by roll call vote.*

- *Gertler: YES*
- *Smith: YES*
- *Reed: YES*
- *Goddard: YES*
- *Geisreiter: YES*

INFORMATION

14. Port Director's Report

Tsunami Update

Port Director MacLaurie stated that staff continues to work with representatives from CalOES to secure state assistance for tsunami damaged infrastructure. She stated that a determination on whether the Port District will qualify for assistance is pending. Staff continue to press CalOES for an update and plans to schedule a meeting in the coming days to discuss the timeline.

Murray Street Bridge Seismic Retrofit Project - Independent Appraisal

Port Director MacLaurie stated that the Port District's appraisal report for the Murray Street Bridge Seismic Retrofit Project is complete and has been forwarded to the City and their consultant to continue negotiations for a final settlement agreement.

U.S. Army Corps of Engineers (USACE) Dredging Reimbursement

Port Director MacLaurie stated that the District has received the totality of its annual \$525,000 dredge reimbursement from USACE for calendar year 2021.

Santa Cruz Yacht Club (SCYC) Lease

Port District MacLaurie stated that the SCYC lease is set to expire on March 31, 2022. She stated that staff has initiated negotiations and a draft lease will be presented to the Commission for review soon.

15. Harbormaster's Report

Harbormaster Anderson stated that the (2) Yamaha Outboard Motors were sold for \$17,100, via public surplus auction in accordance with current District policies.

Harbormaster Anderson stated that he participated in a recent Monterey Bay Fisheries Trust meeting where local fishery related issues were discussed. Congressman Panetta was in attendance at the meeting.

Chairman Goddard thanked Harbor Patrol for their efforts in enforcing bicycle and pedestrian safety in the harbor.

16. Facilities Maintenance & Engineering Report

Facilities Maintenance & Engineering (FME) Manager Wulf stated that the dredge crew will continue to focus on dredging the area around the fuel dock extension and AA-dock for another week.

FME Manager Wulf stated that maintenance staff has completed work to repair the water damage at 790 Mariner Park Way, Suite B, caused by last month's tsunami.

17. 2022 Committee Assignments (*There was no discussion on this agenda item*)

18. Sea Scouts Bi-Annual Report (*There was no discussion on this agenda item*)

In response to a question posed by Commissioner Smith, Harbormaster Anderson confirmed that both Sea Scout vessels fit within the designated berthing space on the end-tie.

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

a) Comparative Seasonal Revenue Graphs

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

21. Harbor Patrol Incident Response Report – January 2022 (*There was no discussion on this agenda item*)

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

a) Letter to Port Commission, from G. Stearns

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

Chairman Geisreiter stated that the annual Form 700 filing is due by the end of March and staff will send reminders to Commissioners individually regarding ethics training.

Chairman Geisreiter adjourned the regular public session at 8:02 PM.

Reed Geisreiter, Chairman

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PORT COMMISSIONERS:
Toby Goddard
Dennis Smith
Reed Geisreiter
Stephen Reed
Darren Gertler

TO: Port Commission
FROM: Renee Ghisletta, Administrative Assistant
DATE: March 16, 2022
SUBJECT: Approval of Month-to-Month Rental Agreement – Paved Lot
(Tenant: Bayside Marine)

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

BACKGROUND

Bayside Marine has utilized approximately 4,000 SF of asphalt space to the north of 333 Lake Avenue for dry storage purposes for many years. A lease agreement memorializing this arrangement has never been executed.

The tenant, Todd Fraser (dba Bayside Marine), has signed a month-to-month rental agreement effective April 1, 2022, with terms as outlined below, including an annual CPI adjustment of 4.2%.

ANALYSIS

Terms of lease:	Month-to-Month
Tenant:	Bayside Marine
Space:	Paved Lot (4000 SF)
Rent:	\$784 / mo. (\$0.196 / SF) – Adjusted annually by CPI
Use:	Dry Storage
Insurance:	\$1 million with Santa Cruz Port District named as additional insured

IMPACT ON PORT DISTRICT RESOURCES

Approval of this lease generates approximately \$9,408 per year in concession income.

ATTACHMENTS: A. Rental Agreement – Paved Lot (4000 SF)

**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: February 24, 2022 Term: Month to Month
 Tenant: Bayside Marine
 Property: Paved Lot North of 333 Lake Avenue
 Premises: Dry Storage 4000 SF (EXHIBIT A)

	<i>Fixed Minimum</i>	<i>Time Period</i>	<i>Percentage Rent</i>	<i>Based On</i>
Rent:	<u>\$784.00</u>	<u>per month</u>	<u>N/A</u>	<u>N/A</u>

Rent Payable: Monthly on: the 1st starting: April 1, 2022

Rent Adjusted: annually on: April 1 based on: SF Bay Area CPI

Deposit: waived paid: _____

Use: Storage shed(s) & dry storage for vessel/trailer parking.

No hazardous materials may be stored.

Tenant Insurance Requirements: *Casualty* N/A *Liability* \$1 million

Notice of Rent Adjustment: 30 days Notice of Termination: 30 days

Notice Addresses: <i>Landlord</i>	<i>Tenant</i>
<u>Santa Cruz Port District</u>	<u>Bayside Marine</u>
<u>Attn: Port Director</u>	<u>Todd Fraser</u>
<u>135 5th Avenue</u>	<u>333 Lake Avenue, Suite B</u>
<u>Santa Cruz, CA 95062</u>	<u>Santa Cruz, CA 95062</u>

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"

By 
Todd Fraser
Bayside Marine

EXHIBIT 'A'

PREMISE MAP

Bayside Marine, Paved Dry Storage Lot 4,000 SF

NOT TO SCALE



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
Reed Geisreiter
Stephen Reed
Darren Gertler

TO: Port Commission
FROM: Renee Ghisletta, Administrative Assistant
DATE: March 16, 2022
SUBJECT: Approval of Sublease Agreement – 2222 E. Cliff Drive, Suite 220
(Tenant: Estriatus Law)

Recommendation: Approve O'Neill Sea Odyssey sublease agreement

BACKGROUND

Estriatus Law currently subleases Suite 220 at 2222 East Cliff Drive. The tenant seeks to extend the lease term through March 14, 2023.

ANALYSIS

The terms of the lease agreement are below:

Tenant: Estriatus Law
Term: Month-to-Month
Space: 2222 E. Cliff Drive, Suite 220 (337 SF)
Rent: \$1,553.57 / month (\$4.61 SF)
Use: Office Space
Insurance: \$1 million, with Santa Cruz Port District named as additional insured

IMPACT ON PORT DISTRICT RESOURCES

The Port District receives approximately 16% of OSO's sublet revenue.

ATTACHMENTS: A. Sublease for Suite 220
B. List of OSO subleases

FOURTH AMENDMENT TO LEASE

This Fourth Amendment to Lease (“Fourth Amendment”), dated for reference purposes only as March 14, 2022, is made by and between O’Neill Sea Odyssey, a California nonprofit corporation (“Landlord”) and Estriatus Law, PC, a California professional corporation (“Tenant”).

RECITALS

A. Landlord and Tenant entered into that certain Lease dated February 3, 2014 (“Lease”), for certain Premises consisting of 337± square feet and commonly known as 2222 East Cliff Drive, Suite 220, Santa Cruz, California (“Premises”). The parties thereafter entered into a First Amendment of Lease dated December 15, 2015 (“First Amendment”), a Second Amendment of Lease dated December 19, 2017 (“Second Amendment”), and a Third Amendment of Lease dated January 24, 2020 (“Third Amendment”).

B. The capitalized terms used and not otherwise defined herein shall have the same meanings and definitions as set forth in the Lease.

AMENDMENT PROVISIONS

1. **Term.** The Lease Term for the Premises shall be modified to continue in force from March 15, 2022, until it expires on March 14, 2023 (“New Term”). Tenant shall have a right to renew the Lease Term, according to the terms and conditions stated in Section 4 of the Lease, at the end of the New Term.

2. **Base Rent.**

<u>Months</u>	<u>Rental/MO/NNN</u>
New Term	\$4.61/sq. foot = \$1,553.57/mo.

3. **General:**

3.1 **Effect of Amendment; Ratification.** Except as otherwise modified by this Fourth Amendment, the Lease shall remain unmodified and in full force and effect. In the event of any conflict or inconsistency between the terms and conditions of the Lease and the terms and conditions of this Fourth Amendment, the terms and conditions of this Fourth Amendment shall prevail.

3.2 **Attorney’s Fees.** The provisions of the Lease respecting payment of attorney’s fees shall also apply to this Fourth Amendment.

3.3 **Counterparts.** If this Fourth Amendment is executed in counterparts, each counterpart shall be deemed an original.

3.4 Authority to Execute Amendment. Each individual executing this Fourth Amendment on behalf of a partnership or corporation represents that he or she is duly authorized to execute and deliver this Fourth Amendment on behalf of the partnership and/or corporation and that this Fourth Amendment is binding upon the corporation or partnership in accordance with its terms.

3.5 Governing Laws. This Fourth Amendment and any enforcement of the agreements and modifications set forth above shall be governed by and construed in accordance with the laws of the State of California.

4. Tenant Improvements: Landlord shall not be required to provide any Tenant Improvements to the Premises during the New Term or any subsequent Extension Terms.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the date and year first above written.

LANDLORD:

O'Neill Sea Odyssey,
a California nonprofit corporation

By:



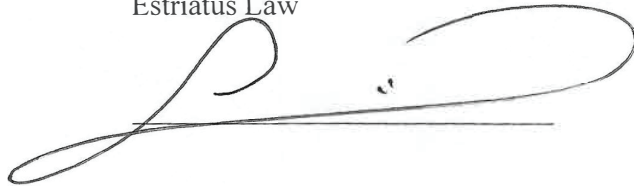
DATED: 3/17/22

Its Executive Director

TENANT:

Estriatus Law

DATED: 3-17, 2022



SANTA CRUZ PORT DISTRICT

By:

DATED: _____, 2022

Holland MacLaurie, Port Director

OSO 2222 East Cliff Drive Leases as of 3/14/22

Space	Tenant	Term	Expires	\$/SF	SF	Total	Renewal Status
200	State Farm - Chris Buich	5 years (1)	7/31/2026	\$4.69	616	\$2,886.35	
204	Laurel Andres, MFCC	2 years	7/31/2023	\$4.08	210	\$856.80	
208	Dr. Donald Markle	1.5 years	12/31/2022	\$4.72	165	\$779.53	
212	Martha Macambridge	1 year *	12/14/2021	\$4.31	270	\$1,163.00	MTM
216	Mary Morgan	5 year (1)	3/31/2023	\$4.88	478	\$2,332.25	
220	Estriatus Law	1 year	3/14/2023	\$4.61	337	\$1,553.57	In Progress
234	Surfrider Foundation	1 years	7/31/2022	\$2.76	432	\$1,192.32	
222	O'Neill Sea Odyssey	25 years	12/31/2028	\$0.00	1207	\$0.00	25 Years
TOTAL MONTHLY					3715	\$10,763.82	
TOTAL ANNUAL						\$129,165.84	

(1) Suite numbers for 212 and 216 were switched on 6/11/2009 with approval from Harbor and City of SC

*Month-to-month lease amendment begins 12/15/2021; tenant will resume year-long lease once deck is repaired



TO: Port Commission

FROM: Holland MacLaurie, Port Director

DATE: March 16, 2022

SUBJECT: Approval of Resolution 22-09 – Reauthorizing Virtual Public Meetings in Accordance with Assembly Bill 361

Recommendation: Approve Resolution 22-09.

BACKGROUND

As a result of the continuing impacts of the COVID-19 pandemic, the Santa Cruz Port Commission approved Resolution 22-01 (Attachment B), allowing the legislative body of the Port District to conduct teleconference meetings in accordance with modified rules authorized under Assembly Bill 361 (AB 361).

ANALYSIS

Pursuant to AB 361, once the initial resolution is adopted, a local agency may meet virtually for a maximum period of 30 days. Prior to expiration of the 30 day period, the local agency must renew its resolution in order to continue meeting virtually under the modified rules.

Resolution 22-09 is presented for approval to continue meeting virtually under the modified rules provided for in AB 361.

IMPACT ON PORT DISTRICT RESOURCES

There are no impacts associated with approval of this resolution.

ATTACHMENTS: A. Resolution 22-09
B. Resolution 22-01

Santa Cruz Port District
Resolution 22-09
March 22, 2022

On the motion of _____

Duly seconded by _____

A resolution reauthorizing the Santa Cruz Port Commission to conduct teleconference meetings in accordance with Assembly Bill 361 as a result of the continuing COVID-19 pandemic state of emergency.

WHEREAS, all meetings of the Santa Cruz Port Commission are open and public, as required by the Ralph M. Brown Act (California Government Code Section 54950 – 54963), to ensure that any member of the public may attend, participate, and watch the District’s legislative body conduct business; and,

WHEREAS, on September 16, 2021, Governor Newsom signed into law Assembly Bill 361 (AB 361), which amended Government Code Section 54953 to permit legislative bodies subject to the Brown Act the ability to meet under modified teleconferencing rules if they comply with specific requirements set forth in the statute; and,

WHEREAS, under AB 361, a local agency may teleconference under the modified rules if the legislative body holds a meeting during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on January 13, 2022, the Santa Cruz Port Commission held its initial teleconference meeting under AB 361 and adopted Resolution 22-01, finding that the requisite conditions exist for the Santa Cruz Port Commission to conduct remote teleconference meetings under modified rules.

WHEREAS, after its initial AB 361 teleconference meeting, a legislative body can continue to hold such teleconference meetings if the legislative body has reconsidered the circumstances of the state of emergency and determined that the state of emergency continues to directly impact the ability of the members to meet safely in person and that local officials continue to recommend measures to promote social distancing; and,

WHEREAS, the Santa Cruz Port Commission has reconsidered the circumstances of the current state of emergency and find that the COVID-19 pandemic continues to directly impact the ability of the Commission to meet safely in person and further finds that the Santa Cruz County Public Health Officer continues to recommend measures to promote social distancing; and,

WHEREAS, in the interest of public health and safety, due to the emergency caused by the spread of COVID-19, the Santa Cruz Port Commission deems it necessary to continue utilizing the modified teleconferencing rules set forth in AB 361 and authorizes remote meetings as set forth in the Resolution.

NOW, THEREFORE, the Santa Cruz Port Commission hereby RESOLVES, and ORDERS as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated into this resolution by reference.

Section 2. Acknowledgment of Governor’s Proclamation of a State of Emergency. The Board hereby acknowledges that the Governor of the State of California’s Proclamation of State of Emergency, as related to the COVID-19 pandemic, remains in effect.

Section 3. Remote Teleconference Meetings. The Port Director is authorized and directed to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with the modified teleconferencing rules as set forth in Government Code Section 54953(e) and other applicable provisions of the Brown Act.

Section 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (1) thirty days from adoption of this Resolution, or (2) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the Santa Cruz Port Commission may continue to teleconference without compliance with paragraph 3 of subdivision (b) of Section 54953.

PASSED AND ADOPTED, by the Santa Cruz Port District Commission this 22nd day of March 2022, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

APPROVED BY:

Reed Geisreiter, Chairman
Santa Cruz Port District Commission

Santa Cruz Port District
Resolution 22-01
January 13, 2022

On the motion of Commissioner Smith

Duly seconded by Commissioner Goddard

A resolution authorizing the Santa Cruz Port Commission to conduct teleconference meetings in accordance with Assembly Bill 361 as a result of the continuing COVID-19 pandemic state of emergency.

WHEREAS, all meetings of the Santa Cruz Port Commission are open and public, as required by the Ralph M. Brown Act (California Government Code Section 54950 – 54963), to ensure that any member of the public may attend, participate, and watch the District’s legislative body conduct business; and,

WHEREAS, on September 16, 2021, Governor Newsom signed into law Assembly Bill 361 (AB 361), which amended Government Code Section 54953 to permit legislative bodies subject to the Brown Act the ability to meet under modified teleconferencing rules if they comply with specific requirements set forth in the statute; and,

WHEREAS, under AB 361, a local agency may teleconference under the modified rules if the legislative body holds a meeting during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 4, 2020, in response to the COVID-19 pandemic, Governor Newsom issued a Proclamation of State of Emergency pursuant to California Government Code section 8550 et seq., which remains in effect; and,

WHEREAS, on September 30, 2021, the Santa Cruz County Public Health Officer, Dr. Gail Newel, strongly recommended that legislative bodies in Santa Cruz County engage in physical / social distancing by meeting via teleconference as allowed by AB 361; and,

WHEREAS, after its initial AB 361 teleconference meeting, a legislative body can continue to hold such teleconference meetings if the legislative body has reconsidered the circumstances of the state of emergency and determined that the state of emergency continues to directly impact the ability of the members to meet safely in person and that local officials continue to recommend measures to promote social distancing; and,

WHEREAS, the Port Commission finds that there is a continuing threat of COVID-19 to the community and requiring all members of the legislative body to appear in-person at meetings presents greater risk to the health and safety of the meeting participants resulting from reduced social distancing, increased exposure for those who are immunocompromised or unvaccinated, and challenges associated with fully ascertaining and ensuring compliance with vaccination, face coverings, and other safety measures at such public meetings; and

WHEREAS, in the interest of public health and safety, due to the emergency caused by the spread of COVID-19, the Santa Cruz Port Commission deems it necessary to utilize the modified teleconferencing rules set forth in AB 361.

NOW, THEREFORE, the Santa Cruz Port Commission hereby RESOLVES, and ORDERS as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated into this resolution by reference.

Section 2. Acknowledgement of Governor's Proclamation of a State of Emergency. The Board hereby acknowledges that the Governor of the State of California's Proclamation of State of Emergency, as related to the COVID-19 pandemic, remains in effect.

Section 3. Remote Teleconference Meetings. The Port Director is authorized and directed to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with the modified teleconferencing rules as set forth in Government Code Section 54953(e) and other applicable provisions of the Brown Act.

Section 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (1) thirty days from adoption of this Resolution, or (2) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the Santa Cruz Port Commission may continue to teleconference without compliance with paragraph 3 of subdivision (b) of Section 54953.

PASSED AND ADOPTED, by the Santa Cruz Port District Commission this 13th day of January, by the following vote:

AYES: Geisreiter, Gertler, Smith, Reed, Goddard

NOES: n/a

ABSENT: n/a

Approved by:



Reed Geisreiter, Chairman
Santa Cruz Port District Commission



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: March 15, 2022
SUBJECT: Consideration of 6-Pak Charter Application – Seabright Sportfishing

Recommendation: Consider approval of 6-pak charter application for Jason Collins of Seabright Sportfishing.

BACKGROUND

Jason Collins has been a commercial fisherman and Santa Cruz Harbor slip renter for approximately 20 years. His current vessel, a 21-foot Maritime center console, is berthed on an inside-tie at W-Dock. He maintains a current commercial salmon tag and has an open-access Fish and Wildlife endorsement.

Mr. Collins is requesting authorization to operate his vessel as a 6-pak charter, although the maximum passenger capacity likely won't exceed four passengers per trip.

Mr. Collins has a Merchant Mariner's Credential (Captain's License, 100 Ton) and is currently in the process of obtaining the necessary Coast Guard certifications for the vessel. Staff will ensure that the proper certifications are provided before any charter activity takes place.

ANALYSIS

There is currently one approved charter operating on the north-east side of the harbor; *Go Fish Santa Cruz* in X-07. There is more than enough parking available in the area to satisfy the needs of multiple 6-pak operators.

Mr. Collins stated that he will retain all necessary USCG/CA Dept. of Fish and Wildlife licenses, abide by all Port District regulations, and maintain a safe, clean and professional operation

IMPACT ON PORT DISTRICT RESOURCES

If granted, the Port District will generate an additional \$714 in charter fees annually, and associated visitor parking revenue.

ATTACHMENTS: A. Charter Application
B. Proposed Operating Plan
C. Insurance Certificate

BUSINESS USE OF SLIP / CHARTER PERMIT APPLICATION

CONTACT & BUSINESS INFORMATION

Applicant Name: Jason Collins
Home Address: 124 A Pine St
Email Address: ratboycollins@gmail.com
Phone Number: 831-419-4657
Assigned Slip #: W27A Slip Assigned through Port District Waiting List? YES NO
Vessel Pak Rating: 6'orless Vessel Type: Power Vessel Size: 21'
Vessel Draw: 16" Operating Schedule: Mon-Sun/seasonal

THE FOLLOWING INFORMATION MUST BE SUBMITTED AS PART OF THE APPLICATION PROCESS. THE INFORMATION WILL ASSIST IN THE APPROVAL PROCESS. ADDITIONAL INFORMATION MAY BE SUBMITTED, IF DESIRED.

PROPOSED OPERATING PLAN

Include days, times, and seasons of planned operation. Please note that any changes to the operating plan, including changes to the vessel's pak rating or size, will require additional Port Commission approval.

PROPOSED PARKING PLAN

Parking within the harbor is limited. Please address how parking will be utilized and any steps you will take to minimize parking impacts.

SAFETY PLAN

A comprehensive safety plan, outlining courses, certifications, licensing of each qualified vessel operator and/or skipper.

INSURANCE REQUIREMENTS

Liability insurance, in the amount of \$1 million, naming the Santa Cruz Port District as additional insured, must be provided.

SIGNATURE

Owner hereby agrees that, to the full extent permitted by law, Port District shall not be liable or responsible for any claims, demands, damages, debts, liabilities, obligations, costs, expenses, liens, actions or causes of action of any kind whatsoever, resulting (1) from any collision with any of the dredging equipment or any other boat, (2) from any collision or contact with the bottom of the Harbor or any obstructions on the bottom of the Harbor, (3) from any collision or contact with the jetties or surrounding beaches, or (4) from, or in any way relating to, the dredging operations or the lack of dredging operations, including, but not limited to, the closure of the Harbor entrance for any reason or under any circumstances

NAME: Jason Collins SIGNATURE: [Signature]
SIGNATURE: _____ DATE: 2/25/22
PRIMARY BANKING INSTITUTION: USAA

FOR PORT DISTRICT USE

Application Fee: 250⁰⁰ Paid Insurance Req't (Date Submitted): 3/11/22
Received Date: 3/15/22 Other Special Conditions: _____
Approval Date: _____

Charter Application: Jason Collins – Seabright Sportfishing

Operation Plan:

Mon-Fri and some weekends, trying to focus on the off season (in between my commercial season). So basically Jan-April depending on commercial salmon timeline, then July-December depending on quality of halibut fishing.

Parking Plan:

I'm small operation 20'6" so max anglers are 4 but will be focused on 1-3 people per charter so one parking spot or two max usually so very low impact, also I'm on W dock and parking is usually available north as it's in between V and W docks and restrooms so does not fill up often. Also, there are no other charters on my dock.

Safety Plan:

I've lived in the waters in the Monterey Bay, surfed, fished and boated my whole life.

I know the tides, currents and changing patterns of hazardous marine weather more than most.

I have a Masters USCG 25-Ton license. I'm CPR/first aid certified as well. I've also made dozens of rescues surfing and assisted other boaters on the water as needed.

I have owned my own boat for 30 years and have been a slip renter in the harbor since the early 2000s.

Insurance:

I've got commercial insurance for \$1M through Mike Baxter and Foremost. Port District is AI.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/11/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Michael Baxter 730 Mission Street STE 201 Santa Cruz, CA 95060	CONTACT NAME: Michael Baxter PHONE (A/C, No, Ext): 831-427-0900 E-MAIL ADDRESS: mbaxter@farmersagent.com	FAX (A/C, No): 831-427-0904
	INSURER(S) AFFORDING COVERAGE INSURER A : Great American Insurance Group INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :	
INSURED Jason Collins 124 Pine Street Santa Cruz, CA 95062-3624		

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> Commercial Marine Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ Pollution Liability \$ 5
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Commercial Marine		GFG0002104	03/10/2022	04/24/2023	Liability: \$1,000,000 Pollution Liability: \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
2005 21' Maritime Liability for recreation use, commercial fishing as well as passengers carrying up to 6 People.

CERTIFICATE HOLDER

CANCELLATION

Santa Cruz Port District 135 5th Avenue Santa Cruz, CA 95062	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Michael Baxter</i>
--	--

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
Reed Geisreiter
Stephen Reed
Darren Gertler

TO: Santa Cruz Port Commission
FROM: Toby Goddard, Port Commissioner
DATE: March 17, 2022
SUBJECT: Update on Local Chapter Formation of CSDA – Insurance Requirements

Recommendation: Approve sample certificate for liability insurance coverage.

BACKGROUND

At its regular public session of July 27, 2021, the Port Commission discussed the formation of a local, county-wide chapter of the California Special Districts Association (CSDA). There was general support for moving forward with its organization.

As the formation process progresses, a Chapter Affiliation Agreement (Attachment A), which outlines the relationship between CSDA and the local chapter, will need to be submitted.

One provision of the Chapter Affiliation Agreement regards indemnification and insurance (Section V). A local chapter may purchase a liability insurance policy to cover potential liability to third parties arising from the operation of the chapter, or alternatively, the chapter may assure that the insurance obligation is met by providing documentation that the individual chapter member's insurance policies provide general liability coverage for all such employees participating in chapter activities.

ANALYSIS

CSDA provides a sample certificate for liability coverage when a local chapter wishes to use this alternative to purchasing liability insurance (Exhibit B). The certificate indicates that the governing board of each participating special district has 1) authorized participation in a local chapter, and 2) determined that participation in chapter activities is consistent with the course and scope of the individual's employment or position.

IMPACT ON PORT DISTRICT RESOURCES

There is no impact to Port District resources associated with approving the sample certificate for liability insurance coverage.

ATTACHMENTS: A. CSDA Chapter Affiliation Agreement

CHAPTER AFFILIATION AGREEMENT

THIS AGREEMENT (the "Agreement") is made this _____ day of _____, 2020, by and between **California Special Districts Association**, a 501(c)(6) California nonprofit corporation, with its principal place of business at 1112 I Street, Suite 200, Sacramento, CA 95814 ("CSDA"), and _____, an unincorporated business association, with its principal place of business at _____, CA (hereinafter "Chapter").

RECITALS

A. CSDA is a California nonprofit public benefit corporation representing different types of special districts which provide a wide variety of public services to California communities. The purposes and objectives of the CSDA are to advance the vital public interest in effective, efficient and responsive local government, specifically by providing educational, legislative advocacy, financing, and insurance services to California special districts;

B. Chapter desires to obtain the right to use CSDA's name, logo, membership mailing list, endorsement, technical assistance and staff support and other CSDA Intellectual Property in connection with Chapter's activities including conducting programs for the continuing education of special district officials and employees, research projects on local special district issues of concern to Chapter's member special districts, legislative outreach on legislative issues of importance to individual chapters and their members, and supporting chapter outreach programs to educate the public about the operations of special districts within the jurisdictional boundaries of the Chapter (hereinafter the "Chapter Program");

C. CSDA is willing to provide its endorsement and technical support services to Chapter and permit Chapter to use its name, logo, membership list and other Intellectual Property in connection with the operation of the Chapter Program, on the terms and conditions specified in this Agreement.

D. The Boards of Directors of CSDA and Chapter hereby reaffirm that the relationship of CSDA and Chapter to each other is that of Licensee and Licensor. This agreement is not intended by the parties to create any association, joint venture, partnership, or agency relationship of any kind between CSDA and Chapter. Neither CSDA nor Chapter is authorized to incur any liability, obligation or expense on behalf of the other, to use the other's monetary credit in conducting any activities under this Agreement, or to represent that CSDA is in the business of providing services comprising the Chapter Program, other than CSDA's endorsement and technical support of the Chapter Program. It is the intent of both CSDA and Chapter that the terms and conditions of this Agreement be interpreted to advance the stated intent of the parties to remain autonomous organizations, each seeking to fulfill its respective stated mission and offer programs that accomplish each party's business goals and objectives.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the parties hereby agree as follows:

I. License of Intellectual Property.

A. Definition of Intellectual Property.

1. "Intellectual Property" of CSDA includes, but is not limited to use of its name (to include both "California Special Districts Association" and the "CSDA" acronym), logo, and membership mailing

and electronic mail list with respect to past, current or prospective members of CSDA located within Chapter's geographic area; copyrighted, trademarked or proprietary information and materials prepared by CSDA and provided by CSDA to Chapter pursuant to the provisions of this Agreement; and all other Intellectual Property rights including the know-how, licenses, trade secrets, proprietary programs and processes of CSDA.

B. Limited License of Name, Logo, Membership Mailing List and Intellectual Property.

1. CSDA hereby grants a conditional, revocable, nonexclusive license to Chapter to use its name, acronym, logo, membership mailing list, and other Intellectual Property in connection with Chapter's operation of the Chapter Program. In addition, CSDA hereby agrees to provide its public endorsement of the Chapter Program. Chapter hereby accepts the grant of such license and the endorsement of its Chapter Program.

2. Chapter agrees that the license granted hereunder, the promotion and endorsement of the Chapter Program, and the usage of CSDA's name, logo, membership mailing list, and other Intellectual Property shall be restricted to the operation and promotion of the Chapter Program to existing and potential members of the Chapter. Chapter further agrees to protect the name and goodwill of CSDA throughout the term of this agreement.

3. Chapter agrees that it shall not use, or permit any person or entity other than Chapter members to use, CSDA's name, logo, membership mailing list, and other Intellectual Property, for any purpose without the prior written consent of CSDA. Chapter further agrees to keep CSDA's membership mailing list in strict confidence and to not sell or disclose such mailing list or its contents to any third party in any manner, except with the prior written consent of CSDA.

4. Upon termination or expiration of this Agreement, Chapter shall: (i) immediately cease utilization of CSDA's name, logo, membership mailing list, and other Intellectual Property in connection with the Chapter Program or for any other purpose; (ii) immediately return to CSDA all originals and copies of CSDA's name, logo, membership mailing list, and other Intellectual Property (whether in printed, electronic, recorded, or other tangible form); and (iii) discard or destroy all copies thereof.

C. Review and Approval. In order to protect the reputation and goodwill of CSDA, Chapter shall provide CSDA with the right to review and pre-approve all uses of CSDA's name, logo, membership mailing list, and other Intellectual Property or any portion thereof, by chapter and its member districts and agents. Chapter shall submit to CSDA a copy of the intended use of CSDA's name, logo, membership mailing list, and other Intellectual Property or proposed endorsement materials to CSDA. CSDA shall have ten (10) days to approve or disapprove such use by the Chapter of the proposed materials. If CSDA fails to respond within ten (10) days of receipt of such materials, their silence shall be deemed approval of the Chapter's proposed use.

D. Conditions to Limited License of Intellectual Property.

This Limited License of Intellectual Property is granted by CSDA to Chapter subject to satisfaction of each and all of the following conditions.

1. Chapter must provide copies of its bylaws to CSDA for review and approval for consistency with the Articles of Incorporation and bylaws of CSDA. Receipt and approval of the Chapter's bylaws CSDA is confirmed by execution of this Agreement. Chapter agrees to provide copies of all amendments to the bylaws of the Chapter to CSDA during the term of this Agreement.

2. Chapter agrees to comply with those requirements specified in CSDA bylaws regarding Chapters.

3. Chapter shall comply with all federal, state and local laws, regulations and ordinances.

4. Chapter will establish membership requirements that are based on guidelines established by the CSDA bylaws. (Exhibit A)

5. Chapter agrees to appoint a Communications Liaison to facilitate communication between Chapter and CSDA. The Communications Liaison shall be a member district of both the Chapter and CSDA.

II. Description of Services.

CSDA shall provide the following services to Chapter pursuant to the terms and conditions of this Agreement: (1) provide training and assistance in issues regarding governance and operations of the Chapter and its member districts including but not limited to leadership training, district training certification, and legislative updates. In addition, CSDA shall provide the Chapter access to services of its endorsed business affiliates for supplemental services which may be of value to individual special district Chapter members; (2) CSDA agrees to promote Chapter activities in its regular communications to all CSDA members.

Chapter agrees to provide the following services pursuant to the terms and conditions of this Agreement: (1) conduct educational, outreach and other programs and activities the purposes of which do not conflict with the stated purposes of CSDA; (2) agrees to periodically inform its members of CSDA programs, activities, services and legislative alerts; (3) Chapter agrees to maintain regular communication with CSDA and share general information of interest to both parties; and (4) Chapter agrees that it will not, during the term of this Agreement, represent itself as a Chapter of CSDA and publish a legislative position or a position on a valid initiative that is in opposition to one taken by CSDA. This representation does not preclude individual special district members of the Chapter from taking their own respective positions on pending legislation and/or ballot initiatives affecting special districts.

III. Confidential Information.

A. Both CSDA and Chapter may disclose certain confidential information and trade secrets ("Confidential Information") concerning the operations of their respective businesses in connection with entering into this Agreement and performing their obligations herein. Such Confidential Information includes, but is not limited to the manner and terms under which services are provided or will be provided to their respective members. Each party agrees, on behalf of itself and its members, and other persons to whom disclosure of the Confidential Information is permitted hereunder, to keep confidential, and not use, disclose or publish the Confidential Information other than as permitted under the terms of this Agreement.

B. Each party acknowledges and agrees that the Confidential Information of the other parties is confidential and proprietary, and that any and all Confidential Information shall remain strictly confidential among the parties, and shall not be disclosed, used or published except as specifically permitted under the terms of this Agreement

C. The parties' obligations under this Article shall survive the termination of this Agreement. In addition, upon termination or revocation of the license contemplated hereunder, or upon expiration or earlier termination of this Agreement, all Confidential Information transmitted to the receiving party by the disclosing party and any copies thereof made by the receiving party will be destroyed or, at the disclosing party's written request, promptly returned to the disclosing party.

IV Term and Termination. This Agreement shall be effective as of the date and year first above written and shall remain in full force and effect until terminated at any time by either party, without cause, upon

giving to the other party not less than sixty (60) working days' prior written notice of an election to terminate this Agreement. Failure by Chapter to comply with the conditions for issuance of the limited license specified in Sections 1B, 1C and 1D hereof may lead to suspension or revocation of this license by CSDA. Upon termination of this Agreement, the license granted hereby shall be deemed to have been revoked by CSDA.

V. Indemnification and Insurance.

A. Indemnification.

1. Except as otherwise provided in this Agreement, each party shall indemnify, defend, and hold harmless the other party, and its governing board, officers, employees, agents and representatives, from and against any and all liabilities, obligations, losses, damages, penalties, fines, claims, actions, suits, costs and expenses, (including legal fees and expenses) of any kind whatsoever, asserted against, incurred or suffered by the other party, or its governing board, officers, employees, agents or representatives, by reason of personal injury or property damage resulting in any way from: (a) any negligent or intentional act by it or any of its officers, employees, agents or representatives in the performance of services or obligations hereunder; or (b) any negligent omission or failure to act when under a duty to act on its part or the part of any of its officers, employees, agents or representatives in the performance of services or obligations hereunder.

B. Insurance. In order to assure the indemnity described in this Section both CSDA and Chapter shall, at its sole expense, carry and keep in full force and effect at all times during the Term of this Agreement a liability insurance policy with a single limit of at least 1 million dollars (\$1,000,000) to cover potential liability to third parties arising from the operation of the Chapter Program. Each party shall name the other party as an additional insured on such insurance policy, and such insurance policy shall contain a provision by which the insurer agrees that such policy shall not be cancelled except after thirty (30) days written notice to Association. Each party shall provide to the other, within thirty (30) days of the commencement of the initial Term of this Agreement, a copy of the certificate evidencing such insurance policy. The indemnification under this Agreement shall in no way be limited by the extent of insurance coverage. The provisions of this Section shall survive any termination or expiration of this Agreement.

1. As an alternative to providing an insurance policy pursuant to Section V.B., Chapter may assure the indemnity obligations specified in Section V.A. by providing a written certificate from each member district of Chapter certifying that all employees of such Chapter member district participating in Chapter activities as part of the Chapter Program, are acting within the course and scope of their duties for the individual Chapter member, and that the individual Chapter member's insurance policies provide general liability coverage for all such member district employees participating in Chapter activities. (Exhibit B)

VI. MEDIATION.

(a). The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to the party in any such action.

VII. Warranties. Each party covenants, warrants and represents that it shall comply with all laws and regulations applicable to this Agreement, and that it shall exercise due care and act in good faith at all times in performance of its obligations under this Agreement. The provisions of this Section shall survive any termination or expiration of this Agreement.

VIII. Waiver. Either party's waiver of, or failure to exercise, any right provided for in this Agreement shall not be deemed a waiver of any further or future right under this Agreement.

IX. Governing Law. All questions with respect to the construction, performance and enforcement of this Agreement, and the rights and liabilities of the parties hereunder, shall be determined in accordance with the laws of the State of California. Any legal action taken or to be taken by either party regarding this Agreement or the rights and liabilities of parties hereunder shall be brought only before a federal, state or local court of competent jurisdiction located within the State of California. Each party hereby consents to, and agrees not to contest, the jurisdiction of the federal, state and local courts located within the State of California.

X. Headings. The headings of the various paragraphs hereof are intended solely for the convenience of reference and are not intended for any purpose whatsoever to explain, modify or place any construction upon any of the provisions of this Agreement.

XI. Assignment. This Agreement may not be assigned, or the rights granted hereunder transferred or sub-licensed, by either party without the express prior written consent of the other party.

XII. Heirs, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each party, its subsidiaries, affiliates, related entities, partners, agents, officers, directors, employees, heirs, successors, and assigns, without regard to whether it is expressly acknowledged in any instrument of succession or assignment.

XIII. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one (1) and the same instrument.

XIV. Entire Agreement. This Agreement: (i) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof; (ii) supersedes and replaces all prior agreements, oral and written, between the parties relating to the subject matter hereof; and (iii) may be amended only by a written instrument clearly setting forth the amendment(s) and executed by both parties.

XV. Independent Agreement. This Agreement is an independent agreement which is not in any way contingent upon or related to any other contractual obligations of the parties. The royalties and price discounts provided by Company herein are solely in consideration for the license of Association's name, logo and membership mailing list.

XVI. Severability. All provisions of this Agreement are severable. If any provision or portion hereof is determined to be unenforceable in arbitration or by a court of competent jurisdiction, then the remaining portion of the Agreement shall remain in full effect.

XVII. Notice. All notices and demands of any kind or nature that either party to this Agreement may be required or may desire to serve upon the other in connection with this Agreement shall be in writing and may be served personally, by certified mail, or by commercial overnight courier (e.g., Federal Express), with constructive receipt deemed to have occurred 3 calendar days after the mailing or sending of such notice, to the following addresses:

If to CSDA: California Special Districts Association
 1112 I Street, Suite 200
 Sacramento, CA 95814
 Attn.: Neil McCormick, Executive Director

If to Chapter:

* * * * *

IN WITNESS WHEREOF, the parties hereto have caused duplicate originals of this Agreement to be executed by their respective duly authorized representatives as of the date and year first above written.

California Special Districts Association
Contact: Neil McCormick, Executive Director
1112 I Street, Suite 200
Sacramento, CA 95814
T – 916.442.7887

By: _____
Neil McCormick
Executive Director
Date: _____

By: _____
Date: _____

Exhibit A

ARTICLE VIII – LOCAL CHAPTERS

Section 1. Purpose:

The purpose of local chapters is to provide a local forum of members for the discussion, consideration and interchange of ideas concerning matters relating to the purposes and powers of special districts and the CSDA.

The local chapters may meet to discuss issues bearing upon special districts and the CSDA. The chapters may make recommendations to the CSDA's Board of Directors.

Section 2. Organization:

The regular voting members of CSDA are encouraged to create and establish local chapters. In order to be recognized as a CSDA Chapter, each Chapter must approve and execute a Chapter Affiliation Agreement in order to obtain the right to use the CSDA name, logo, membership mailing list, intellectual property, endorsements, and CSDA staff support and technical assistance in conducting Chapter activities. The terms and conditions of the Chapter Affiliation Agreement are incorporated herein by this reference.

Each chapter formed prior to August 1, 2011, including but not limited to the following chapters must have at least one CSDA member in their membership at all times: Alameda, Butte, Contra Costa, Kern, Marin, Monterey, Orange (ISDOC), Placer, Sacramento, San Bernardino, San Diego, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara and Ventura. Such existing chapters may include as members local organizations, districts and professionals who are not members of CSDA.

New chapters formed after August 1, 2011, are required to have 100 percent of their special district members be current members of CSDA in order to be a chapter affiliate of CSDA. Such local chapters may include members of local organizations and professionals who are not members of CSDA.

Local chapters shall be determined to be affiliates of the CSDA upon approval and execution of the Chapter Affiliation Agreement by the local chapter and approval and ratification of the Chapter Affiliation Agreement by the CSDA Board of Directors. The chapters shall be required to provide updated membership lists to the CSDA at least annually.

CSDA and its local chapters shall not become or be deemed to be partners or joint ventures with each other by reason of the provisions of these Bylaws or the Chapter Affiliation Agreement.

Section 3. Rules, Regulations and Meetings:

Each local chapter shall adopt such rules and regulations, meeting place and times as the membership of such local chapter may decide by majority vote. Rules and regulations of the local chapter shall not be inconsistent with the Articles of Incorporation or Bylaws of CSDA.

Section 4. Financing of Local Chapters:

No part of CSDA's funds shall be used for the operation of the local chapter affiliates. CSDA is not responsible for the debts, obligations, acts or omissions of the local chapters.

Section 5. Legislative Program Participation:

Local chapters may function as a forum in regard to federal, state and local legislative issues. The chapters may assist CSDA in the distribution of information to their members.

Exhibit B

Sample Certificate for Liability Coverage

The undersigned, being duly authorized to execute this Certificate on behalf of the Board of Directors of _____ (name of special district) (hereinafter the "District") hereby affirm the following:

1. That the participation by employees and members of the Board of Directors of District in the meetings and activities conducted by the _____ Chapter of the California Special Districts Association have been authorized by the District's Board of Directors; and that the Board of Directors has found such activities constitute activities in the course and scope of such individual's employment with or position of director with the District.

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
Reed Geisreiter
Stephen Reed
Darren Gertler

TO: Port Commission
FROM: Jillian Ritter, Administrative Services Manager
DATE: March 22, 2022
SUBJECT: Consideration of Hybrid Meeting Format for Port Commission Meetings

Recommendation: *Discuss and provide direction on the desire and feasibility of implementing a hybrid meeting format for Port Commission meetings.*

BACKGROUND

All meetings of the Santa Cruz Port Commission are open and public, as required by the Ralph M. Brown Act (California Government Code Section 54950 – 54963), to ensure that any member of the public may attend, participate, and watch the District’s legislative body conduct business.

Since the onset of the COVID-19 pandemic, many legislative bodies, including the Port District, transitioned to a virtual meeting platform in the interest of protecting public health and safety. Under Assembly Bill 361, which temporarily amends Government Code Section 54953, legislative bodies subject to the Brown Act may continue to meet under modified teleconferencing rules during a proclaimed state of emergency if they comply with specific requirements set forth in the statute. The Port District has been conducting virtual meetings under the provisions of AB 361 since January 2022. The provisions of AB 361 are set to expire on January 1, 2024.

As the future of COVID-19 (and its impacts) remain unknown, many legislative bodies are interested in maintaining the ability to meet virtually, with modified teleconferencing rules, on a permanent basis. As a result, Assembly Bill 1944 (AB 1944) is new legislation that is currently being considered, and if signed into law, would require all open and public meetings of a legislative body that elects to use teleconferencing to provide a video stream accessible to members of the public and an option for members of the public to address the body remotely during the public comment period through an audio-visual or call-in option.

Additionally, the bill will specify that if a member of a legislative body elects to teleconference from a location that is not public, the address would not need to be identified in the notice and agenda or be accessible to the public when the legislative body has elected to allow members to participate via teleconferencing.

ANALYSIS

The Commission may wish to consider whether this hybrid meeting style, which would permit meeting participation from members of the public and members of the Commission to occur both in person and virtually, is of interest.

In order to implement hybrid meetings, the public meeting room would need to be outfitted with the following:

- Updated television or other large screen to display remote participants.
- A wireless camera to capture participants (Commissioners and members of the public) who choose to attend in-person.
- A microphone and speaker system, including various cables and adapters.
- iPad to connect devices (Port District currently has iPads which may be used)
- Zoom meeting subscription (Port District currently has an active subscription).

Other local agencies, including the County of Santa Cruz and the Central Coast Chapter of the American Red Cross, have successfully implemented hybrid meetings. The County has provided preliminary information regarding potential software applications and equipment that could assist our transition if hybrid meetings are desired.

IMPACT ON PORT DISTRICT RESOURCES

The costs associated with acquiring and implementing a streamlined system adequate for the District's needs is approximately \$2,000 to \$4,000. A larger, more sophisticated system can be purchased for \$5,000 to \$10,000, but is likely excessive for our needs.

Any costs associated with transitioning to a hybrid meeting format would be an unanticipated expenditure in the current FY22 or future FY23 budget.

Santa Cruz Port District
Accounts Payable Monthly Check Register
February 2022

Date	No.	Vendor	Description	Amount
2/3/2022	56240	CA Regional Water Quality Control Board	Annual 401 Dredge Certification Permit Fee	\$ 4,000.00
	56241	VOID		
2/10/2022	56242	Employee # 1905	Final Pay	797.83
2/11/2022	56243	Amerigas	Ancillary Equipment Fuel	58.04
2/11/2022	56244	Associated Right of Way Services, Inc.	Appraisal Services: Murray Street Bridge Project	12,000.00
2/11/2022	56245	Bay Building Janitorial, Inc.	Janitorial Services, Refuse Collection	9,192.00
2/11/2022	56246	Big Creek	Fuel Dock Lumber	210.11
2/11/2022	56247	Citi Cards	Flood Remediation Consultation, Tsunami Repair Emergency Permit, Face Masks, Sanitizing Wipes, Hand Soap, Bottled Water, Breakroom Supplies	862.11
2/11/2022	56248	Copart, Inc.	Credit Balance Refund (Boatyard)	319.00
2/11/2022	56249	FedEx Office	Shipping	86.91
2/11/2022	56250	Flyers Energy, LLC	Ancillary Equipment Fuel	630.81
2/11/2022	56251	Grainger	Rubber Boots, Barricade Lights	816.66
2/11/2022	56252	Gsolutionz	Telephone System Maintenance	228.95
2/11/2022	56253	Henderson Marine Supply, Inc.	Dock Cleats	314.33
2/11/2022	56254	Lee & Associates Rescue	Confined Space Safety Equipment	301.63
2/11/2022	56255	Linde Gas & Equipment, Inc.	Welding Gas	510.14
2/11/2022	56256	Mesiti-Miller Engineering, Inc.	2022 Tsunami Damage Evaluation	4,085.60
2/11/2022	56257	Mid County Auto Supply	Maintenance Vehicle Battery	127.18
2/11/2022	56258	Mission Uniform Service	Uniform Service	438.55
2/11/2022	56259	RDO Equipment Co.	Squirt Engine Overhaul Parts	2,194.02
2/11/2022	56260	Red Hills Environmental, LLC	2021-2022 Sampling Analysis & Dredge Plan	15,400.00
2/11/2022	56261	SC Fuels	Fuel Dock Gas & Diesel	27,000.57
2/11/2022	56262	Santa Cruz Municipal Utilities	Utilities	5,048.21
2/11/2022	56263	S Tech Consulting LLC	Restroom Building Asbestos Survey (Prior to Tsunami Repairs)	3,200.00
2/11/2022	56264	Summit Uniforms	Deputy Harbormaster Uniform Shirt	64.53
2/11/2022	56265	Triton Construction	Designated Operator Service	400.00
2/11/2022	56266	U.S. Bank Equipment Finance	Copier Lease	151.31
2/11/2022	56267	West Marine Pro	Dock Line, Boat Cleaner	194.43
2/25/2022	56268	ACCO Engineered Systems	2222 East Cliff Drive Quarterly Boiler Maintenance	875.00
2/25/2022	56269	Ace Portable Services	O-Dock Portable Toilet Rental	205.93
2/25/2022	56270	Allied Administrators for Delta Dental	Dental Insurance	3,667.57
2/25/2022	56271	Allied Universal	Security Patrol	7,157.88

Santa Cruz Port District
Accounts Payable Monthly Check Register
February 2022

Date	No.	Vendor	Description	Amount
2/25/2022	56272	American Textile & Supply, Inc.	Oil Absorbent Pads & Booms	3,953.72
2/25/2022	56273	AmeriDyn	Dynamics Support	13.50
2/25/2022	56274	A Sign ASAP!	Parking Signage	274.38
2/25/2022	56275	AT&T	Telephone	1,187.91
2/25/2022	56276	CIT	Telephone System Lease	323.09
2/25/2022	56277	B AND B Small Engine	Grounds Power Tool, Pruner, Chainsaw Chain, Sprayer Extension, Pruning Saw, Lopper, Gloves	928.07
2/25/2022	56278	Barnes, John	Security Deposit Refund	485.62
2/25/2022	56279	Batteries + Bulbs	Parking Machine Battery	195.09
2/25/2022	56280	Bay Plumbing Supply, Inc.	493 Lake Avenue Pipe Fittings, Shower Valve, Hose Bibs, F-Dock Water Line Fitting, J-Dock Restroom Water Heater Supply Line, D-Dock Restroom Sink, V-Dock Restroom Sink	1,094.24
2/25/2022	56281	Bayside Oil II, Inc.	Almar Fuel Removal, Waste Oil Disposal	387.65
2/25/2022	56282	Big Creek	Dredge Passing Signage Lumber, G-Dock Fish Table Lumber, Yamaha Engine Crate Lumber, Boatyard Paint Shaker Table Lumber & Hardware, 790 Mariner Park Way Drywall, U-Dock Kayak Rack Lumber, X-Dock Brow Pier Lumber & Hardware	2,355.20
2/25/2022	56283	Brass Key Locksmith, Inc.	Key Blanks	10.98
2/25/2022	56284	Cale America, Inc.	Parking Machine Service Call	270.00
2/25/2022	56285	Carpi & Clay	Washington Representation	800.00
	56286	VOID		
2/25/2022	56287	Central Coast Systems	Quarterly Fire Alarm Monitoring	210.00
2/25/2022	56288	Central Electric	Transformer Inspection & Repairs (Tsunami)	22,724.90
2/25/2022	56289	Colombotos, James	Security Deposit Refund	123.94
2/25/2022	56290	Comcast	Business Internet	393.87
2/25/2022	56291	Complete Mailing Service	Statement Mailing & Postage	684.94
2/25/2022	56292	Computer Technical Specialists, Inc.	E-mail Scanning & Backup	732.24
2/25/2022	56293	County of Santa Cruz Auditor	Citation Tax (November - December)	2,550.50
2/25/2022	56294	Crystal Springs Water Co.	Boatyard Drinking Water	17.75
2/25/2022	56295	Data Ticket, Inc.	Citation Processing (September)	300.00
2/25/2022	56296	Elevator Service Company	Monthly Service (\$223.60 Tenant Reimbursable)	430.00
2/25/2022	56297	Ewing Irrigation Products, Inc.	Fittings, Valves, Cement, Hose Bibs, Pruners, Nozzle	261.34
2/25/2022	56298	Garda CL West, Inc.	Deposit Courier Service	501.46
2/25/2022	56299	Grainger	Disposable Gloves, Safety Glasses, Ice Scraper	487.77
2/25/2022	56300	Haro Kasunich & Associates, Inc.	Engineering Services: 7th Avenue & Brommer Street Northwest, East Access Road Embankment Assessment	994.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
February 2022

Date	No.	Vendor	Description	Amount
2/25/2022	56301	Healy, Mary	Credit Balance Refund	250.00
2/25/2022	56302	Henderson Marine Supply, Inc.	Dock Coating	953.67
2/25/2022	56303	Home Depot Credit Services	UCSC Sailing Office Drywall, Utility Blades, Drill Bits, Joint Compound, Spacers, Corner Bead, Light Bulbs, Switches, Switch Plates, Electrical Outlets, Bolts, Baseboard, Public Hoist Bolts & Brackets, Cable Ties, Nut Driver, Space Heaters, Combination Locks	1,570.19
2/25/2022	56304	Horizon Water and Environment, LLC	Consulting Services: Regional General Permit Application	567.50
2/25/2022	56305	Hose Shop	Travelift Hydraulic Hose Replacement, Boatyard Air Compressor Repair, X-Dock Water Line Assembly	684.73
2/25/2022	56306	Irons, Dewayne	Security Deposit Refund	47.00
2/25/2022	56307	King's Paint & Paper, Inc.	790 Mariner Park Way Paint & Supplies (Tsunami)	294.62
2/25/2022	56308	Lawson	<i>Twin Lakes</i> Flanges	300.25
2/25/2022	56309	Leonard, Jeremy	Security Deposit Refund	255.88
2/25/2022	56310	Lockton Insurance Brokers, LLC	Vessel Liability Insurance Premium (Moose Patrol Boat & Maintenance Workboat)	689.00
2/25/2022	56311	Longley, Chuck	Security Deposit Refund	280.00
2/25/2022	56312	Matheson Tri-Gas, Inc.	Welding Gas	63.36
2/25/2022	56313	MBS Business Systems	Copier Usage Charges	1,860.60
2/25/2022	56314	Mid County Auto Supply	Brake Cleaner, Hydraulic Fluid, Equipment Oil Filter, Hydraulic Line Wrapping Tape, Trailer Lights	446.19
2/25/2022	56315	Mission Uniform Service	Uniform Service	384.55
2/25/2022	56316	Moffat & Nichol	Boatyard Ways Inspection	2,580.00
2/25/2022	56317	MPress Digital Inc.	Business Cards	259.51
2/25/2022	56318	Mutual of Omaha	Life/LTD/AD&D Insurance	851.26
2/25/2022	56319	Myers, Charlotte	Credit Balance Refund	276.50
2/25/2022	56320	Niess, Robert	Security Deposit Refund	144.40
2/25/2022	56321	Operating Engineers Local Union No. 3	Union Dues (Payroll Deductible)	335.00
2/25/2022	56322	Pacific Crest Engineering, Inc.	Consulting Services: Boatyard Stormwater Pollution Prevention Plan Update	315.00
2/25/2022	56323	Pacific Gas & Electric Company	Utilities	22,222.55
2/25/2022	56324	Palace Business Solutions	Office Supplies	286.89
2/25/2022	56325	Peninsula Diesel Inc.	Standby Generator Fan Belt	62.59
2/25/2022	56326	Peterson	Dozer Air Conditioning Repairs	101.57
2/25/2022	56327	Premo Roofing	Maintenace Building Roof Replacement	55,840.00
2/25/2022	56328	Quadient, Inc.	Postage	500.00
2/25/2022	56329	Romano, Ben	Security Deposit Refund	117.00
2/25/2022	56330	San Lorenzo	Yamaha Engine Crate Hardware, Circular Saw Blades	952.72

Santa Cruz Port District
Accounts Payable Monthly Check Register
February 2022

Date	No.	Vendor	Description	Amount
2/25/2022	56331	Santa Cruz Electronics, Inc.	Network Connectors	8.67
2/25/2022	56332	Santa Cruz Tire & Auto Care	Patrol Vehicle Oil Change, Maintenance Vehicle Water Pump Repair	957.65
2/25/2022	56333	SC Fuels	Fuel Dock Gas & Diesel	30,267.35
2/25/2022	56334	Scheidt & Bachmann	Concession Lot Parking Equipment Monthly Warranty, New User Addition	2,695.87
2/25/2022	56335	Santa Cruz Municipal Utilities	Utilities	15,019.39
2/25/2022	56336	Scott, Evan	Security Deposit Refund	530.27
2/25/2022	56337	SPI/Mobile Pulley Works, Inc.	Dredge Pipe Freight	373.36
2/25/2022	56338	Staples Credit Plan	Office Supplies	287.76
2/25/2022	56339	Summit Uniforms	Senior Deputy Harbormaster Uniform	274.53
2/25/2022	56340	US Relay	Webcam Service	484.00
2/25/2022	56341	WEX Bank	Fleet Fuel	2,619.51
2/25/2022	56342	Verizon Wireless	Cell Phone & Tablet Service	343.68
2/25/2022	56343	Vitas, Steve	Security Deposit Refund	186.25
2/25/2022	56344	West Coast Wire Rope	Sling Straps	928.79
2/25/2022	56345	West Marine Pro	Patrol Boat Lines, Strobes, Wheel Knob, VHF Radio & Mic, Corrosion Inhibitor Spray	884.29
2/25/2022	56346	West Marine Pro	Boatyard Retail Items	423.41
2/25/2022	56347	Gottlieb, Landon	Training Expense Reimbursement (Grant Reimbursable)	1,424.42
2/4/2022	Various	Various Employees	1/16/22-1/31/22 Payroll	10,555.53
2/18/2022	Various	Various Employees	2/1/22-2/15/22 Payroll	9,630.17
2/1/2022	EFT	Merchant Services	Online Billpay Credit Card Fees	333.91
2/1/2022	EFT	Merchant Services	CALE Credit Card Fees	740.45
2/1/2022	EFT	Merchant Services	Boatyard Credit Card Fees	486.01
2/1/2022	EFT	Gravity Payments	Front Desk Credit Card Fees	2,577.03
2/1/2022	EFT	Windcave, Inc.	Concession Lot Credit Card Fees	1,995.83
2/1/2022	EFT	ElectronicPayments	Fuel Dock Credit Card Fees	247.56
2/1/2022	EFT	Transaction Express	Online Billpay ACH Fees	626.24
2/4/2022	EFT	PAYCHEX	1/16/22-1/31/22 Payroll Direct Deposit	64,379.73
2/4/2022	EFT	PAYCHEX	1/16/22-1/31/22 Payroll Taxes	33,354.97
2/4/2022	EFT	Empower Retirement	457 Contributions (Payroll Deduction)	4,330.36
2/4/2022	EFT	CalPERS	Health Insurance	47,604.72
2/4/2022	EFT	CalPERS	Retirement Contributions (Employee & Employer)	7,215.53
2/4/2022	EFT	CalPERS	Retirement Contributions (Employee & Employer)	6,107.93

Santa Cruz Port District
Accounts Payable Monthly Check Register
February 2022

Date	No.	Vendor	Description	Amount
2/4/2022	EFT	CalPERS	Retirement Contributions (Employee & Employer)	1,851.24
2/4/2022	EFT	PAYCHEX	Payroll Service Fees	318.78
2/7/2022	EFT	Comerica Commercial Card Services	Marine Corrosion Certification, Commissioner Name Plates, Zoom Subscription, Tax Forms, Commission Meeting Refreshments, Maintenance Vehicle Towing, Key Copies, Workplace App Subscription, Prosper Forms, Total Compensation Reporting Tool, Mass Text/Call Services, Nut Wrench Set, Dredge Staff Crane Training Deposit, Breakroom Supplies, Refuse Receptacles, Circular Saw, Dock Gate Hinges, VHF Radio Mount, Gloves, Power Tool Batteries, Patrol Boat Key Blanks, Maintenance Vehicle Fuel Pump Repair, 497 Lake Avenue Carpet, Maintenance Vehicle Fuel, Backflow Repair Kit	9,079.70
2/9/2022	EFT	Comerica Bank	Service Charges	644.42
2/10/2022	EFT	Gravity Payments	Front Desk Credit Card Gateway Fee	17.66
2/18/2022	EFT	PAYCHEX	2/1/22-2/15/22 Payroll Direct Deposit	63,713.19
2/18/2022	EFT	PAYCHEX	2/1/22-2/15/22 Payroll Taxes	32,513.87
2/18/2022	EFT	Empower Retirement	457 Contributions (Payroll Deduction)	4,152.68
2/18/2022	EFT	CalPERS	Unfunded Accrued Liability	29,384.50
2/18/2022	EFT	CalPERS	Unfunded Accrued Liability	3,169.17
2/18/2022	EFT	CalPERS	Unfunded Accrued Liability	601.17
2/18/2022	EFT	CalPERS	Retirement Contributions (Employee & Employer)	7,282.58
2/18/2022	EFT	CalPERS	Retirement Contributions (Employee & Employer)	6,209.41
2/18/2022	EFT	CalPERS	Retirement Contributions (Employee & Employer)	2,346.25
2/18/2022	EFT	PAYCHEX	Payroll Service Fees	374.12
2/20/2022	EFT	PAYCHEX	Time & Attendance Fees	109.00
Total February 2022 Reimbursements				\$ 646,386.90



TO: Port Commission
 FROM: Blake Anderson, Harbormaster
 DATE: March 15, 2022
 SUBJECT: Harbormaster's Report

Salmon Meeting

Staff remotely attended a Salmon Information Meeting on March 2, 2022. The annual meeting is hosted by the CA Department of Fish and Wildlife and is generally the first overview and analysis of the predicted salmon abundance for the year. The Monterey management zone will see a season structure similar to last year, with stock abundance forecasted to be improved over 2021. The northern management zone will likely see their seasons constrained due to low stock abundance and diminished returns in protected runs.

The season alternatives are as follows:

<i>Fishery Zone (Monterey)</i>	<i>Alternative 1</i>	<i>Alternative 2</i>	<i>Alternative 3</i>
Recreational	April 2 – October 2*	April 2 – October 2*	April 2 – October 2*
Commercial	May 1-15 June 1-12 July 1-10 August 1-10	May 1-9 May 23-31 June 1-15 July 1-8	May 1-12 & 20-27 June 1-15 July 1-11 August 1-12

**Indicates 20" length after May 15, down from 24" total length.*



Corrosion Class

Staff completed a three-week Marine Corrosion Technician Course. The remote learning course, hosted by the American Boat and Yacht Council (ABYC), was a comprehensive overview of marine corrosion issues. It covered electrochemical reactions, properties and characteristics of metals, the galvanic series, cathodic protection systems, electrolytic stray current, testing methods, and

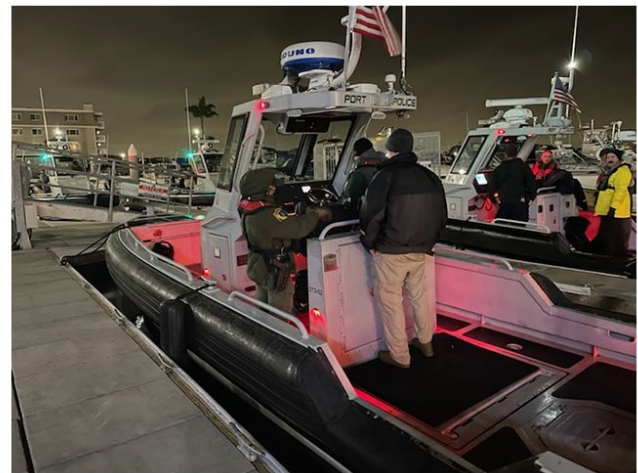
corrosion mitigation strategies. With the knowledge gained in the class, staff will be better prepared to protect District-owned equipment in addition to identifying corrosion issues elsewhere in the harbor.

Patrol Vessel Training

Staff continues to train with partner agencies on the new patrol vessel. Rotations with Central Fire Department and State Parks have included personal rescue watercraft interface and victim extrication. Rescue swimmers are being introduced to the vessel and are being made aware of the differences between the old *Almar* patrol vessel and the new Moose patrol vessel.

Marine Law Enforcement Training

Three Deputy Harbormaster staff attended a boating course at the Maritime Law Enforcement Training Center in Long Beach. The two-week long course trains boating officers in boat operation, boating law, use of safety equipment, navigation, search and rescue, low-light operations, basic accident investigation, and air operations.



Marine Protected Areas (MPA) Training

Staff attended an in-person training hosted by the MPA Collaborative Network. The training included representatives from partner agencies involved in marine and coastal law enforcement including CA Fish and Wildlife, NOAA Office of Law Enforcement, MBNMS, State Parks, and the Santa Cruz County District's Attorney's Office. The training provided an overview of MPA's current regulations and recent enforcement issues.

(Fisheries report and landings data continued on 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.

February 2022 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Dungeness Crab	22,432.85	\$6.89	\$154,652.10
Total Reported:	22,432.85 lbs.	Total Ex-Vessel:	\$154,652.10

Species also landed* - Halibut, Rock Crab, Lingcod, Rockfish (various)

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

February 2022 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Dungeness Crab	18,529.65	\$7.00	\$129,707.55
Rock Fish	310.00	\$3.00	\$930.00
Halibut	21.75	\$6.00	\$130.50
Lingcod	44.10	\$3.00	\$132.30
Rock Crab	1,269.45	\$3.00	\$3,808.35
Total Reported:	20,174.95 lbs.	Total Ex-Vessel:	\$134,708.70

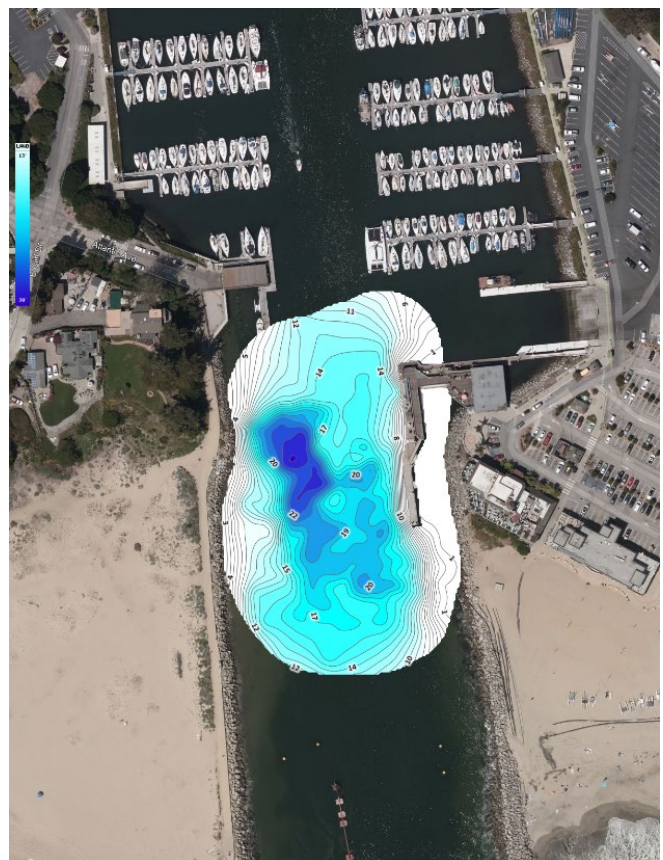
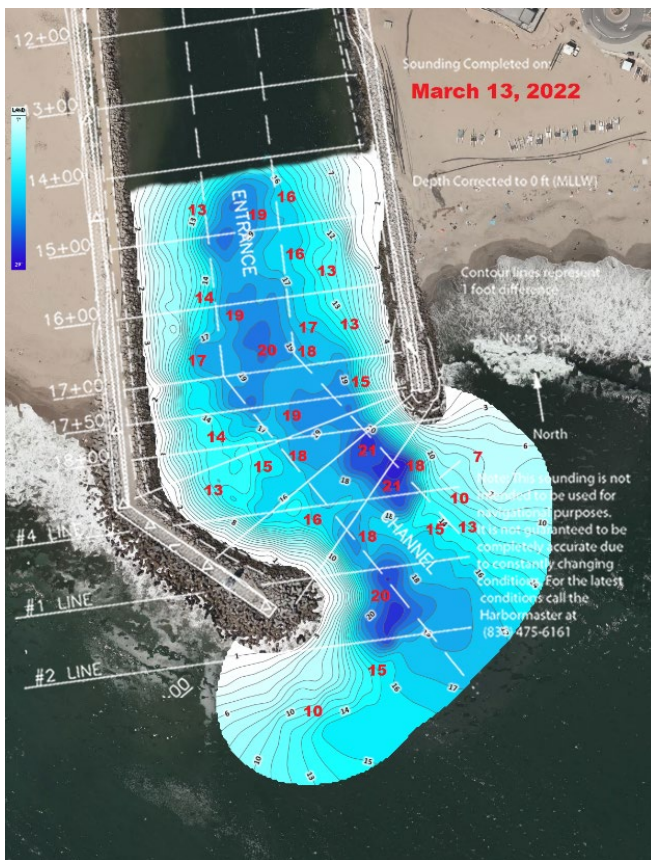


TO: Port Commission
FROM: Carl Wulf, Facilities Maintenance & Engineering Manager
DATE: March 22, 2022
SUBJECT: Facilities Maintenance & Engineering Manager's Report

Dredging Operations:

Twin Lakes

After dredging the area around the fuel dock extension and AA-dock for a few weeks, *Twin Lakes* has been repositioned to continue dredging along the main channel and the mouth of the entrance.



Squirt

Extended maintenance continues on *Squirt* in the dredge yard, as time permits. The dredge crew has completed the work of rebuilding the main pump, fabricating a new cover over the engine bay, and painting the bottom of the hull.

Maintenance:

790 Mariner Park Way, Suite B

Maintenance staff completed work to repair water damage caused by the tsunami at Pacific Yachting & Sailing's charter office. The tenant has moved back into the office space.

Parking Lot Striping

Parking spaces in the main parking lot (long spaces) will receive new line striping this month in preparation for the upcoming salmon season.

Electrical Repairs

Repairs were performed to restore parking lot lighting on the east side of the north harbor (tsunami damage).

Available Spaces and Waiting List Status 2021

Wait Size/Rate Type	A	B	C	D	E	F	FF	L	M	N	O	P	Q	R	S	T	Total Spaces	% Vacant
SH 2X																	5	0%
SH1.7X																	5	0%
SH 60																	12	0%
SH 50																	32	0%
SH 40																	78	0%
SH 30								1									142	1%
SH 24																	78	0%
MULTI	1																24	4%
SH Total	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	376	1%

Wait Size/Rate Type	# on Wait List	Approx. Years Wait	# Waiters vs. Total Slips	Total Offers - to 12/31/21	Slips Accepted - to 12/31/21	Average Offers per Accept
SH 2X	8	5	220%	1	1	1.0
SH1.7X	6	2	120%	1	1	1.0
SH 60	13	13	108%	0	0	0.0
SH 50	39	21	122%	0	0	0.0
SH 40	92	23	118%	6	4	1.5
SH 30	123	19	87%	11	6	1.8
SH 24	37	6	47%	4	3	1.3
MULTI	8	3	33%	8	4	2.0
SH Total	326		87%			

Wait Size/Rate Type	# on Wait List	Approx. Years Wait	# Waiters vs. Total Slips	Total Offers - to 12/31/21	Slips Accepted - to 12/31/21	Average Offers per Accept
NH 45	18	3	64%	8	5	1.6
NH 40	23	6	135%	8	2	4.0
NH 35	46	6	135%	13	4	3.3
NH 30	105	3	56%	63	31	2.0
NH 25	84	3	74%	40	24	1.7
NH 20	45	2	63%	20	15	1.3
NH Total	321		37%			

Wait Size/Rate Type	A	B	C	D	E	F	FF	L	M	N	O	P	Q	R	S	T	Total Spaces	% Vacant
NH 45																	28	0%
NH 40	1																17	6%
NH 35						1											34	3%
NH 30																	188	0%
NH 25																	113	0%
NH 20		1															72	1%
NH Total	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	452	1%

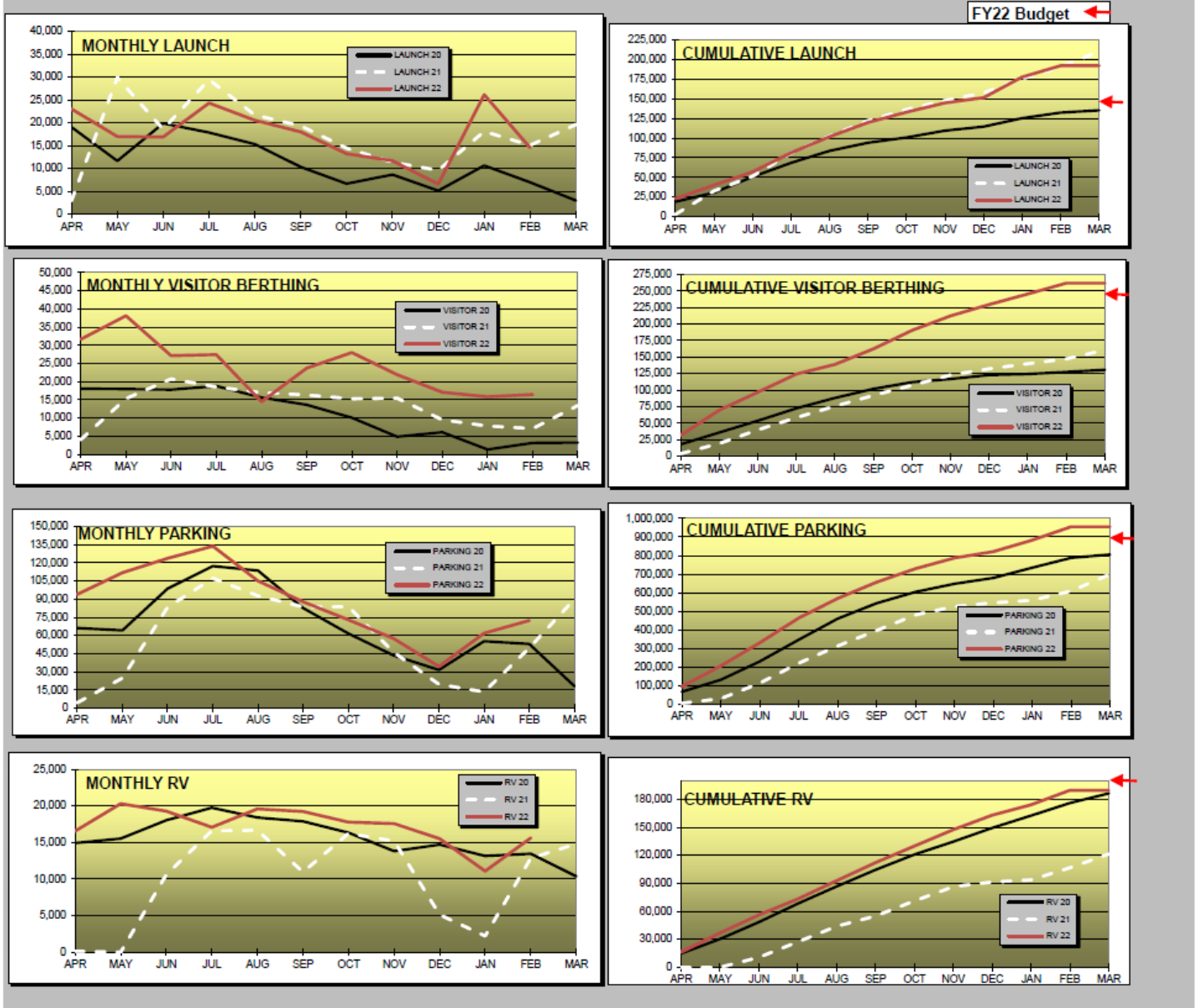
*vacant slips are currently out to offer

Standby - 628
Total Waitlist - 1306 (including YCDS)

YCDS	31	4	29%
Inside Ties	6	2	15%
Dory Ties	2	1	3%
AA-Dock Racks	66	2	94%
U-Dock Racks	57	2	190%
J-Dock Racks	75	0	114%
Rowing Racks	49	3	74%
7th & Brommer	89	2	35%
NHDS	129	3	43%

YCDS	0	106	0%
Inside Ties	0	41	0%
Dory Ties	0	69	0%
AA-Dock Racks	1	70	1%
U-Dock Racks	1	30	3%
J-Dock Racks	2	66	3%
Rowing Racks	0	66	0%
7th & Brommer	2	82	2%
NHDS	1	101	1%

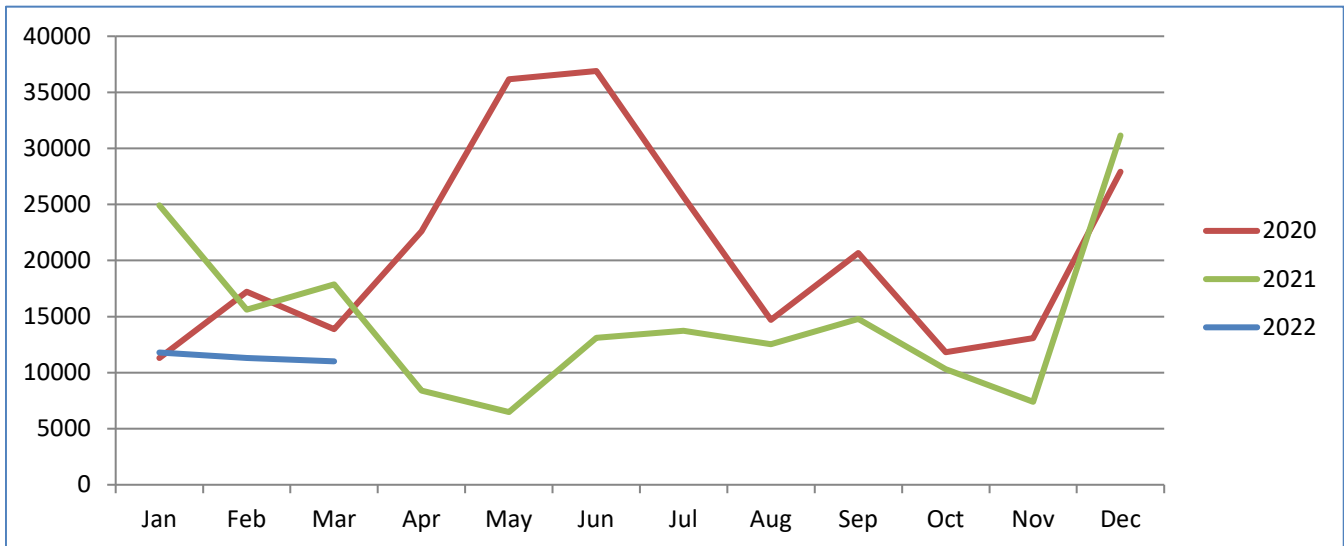
SEASONAL INCOME



Santa Cruz Port District
60 DAY DELINQUENT ACCOUNTS

The following accounts have balances 60 days delinquent as of March 15, 2022

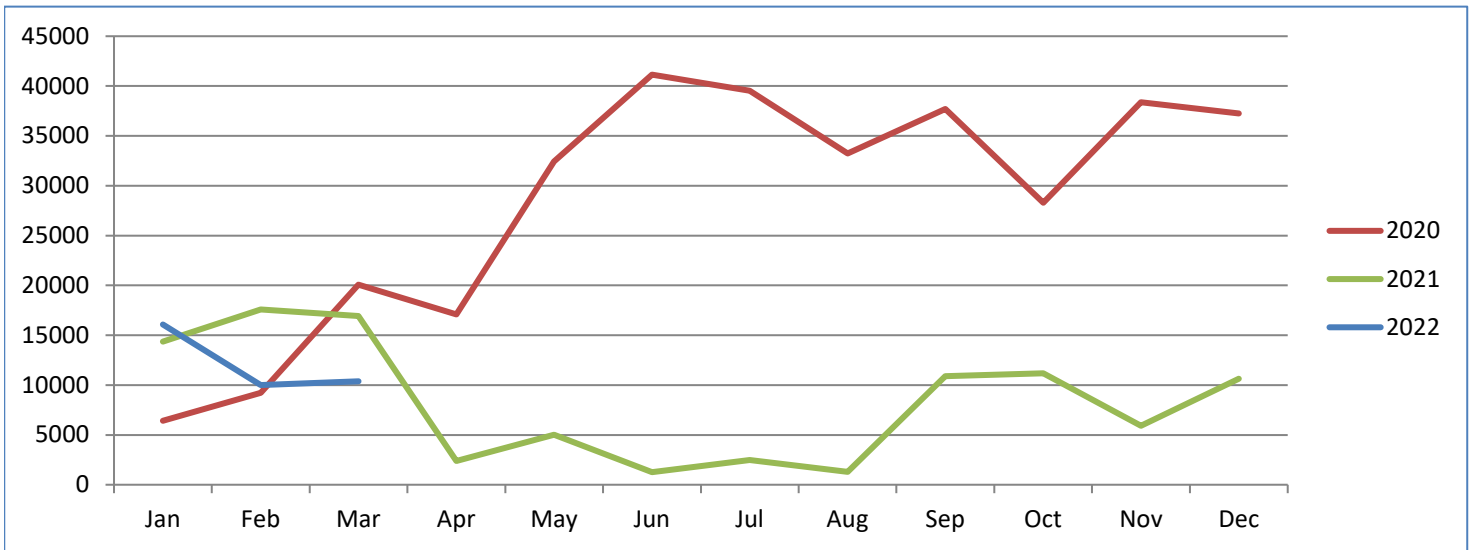
Account Number	Current Month	30 Day Balance	60 Day Balance	90 Day Balance	Total Balance
46238	534.63	529.63	600.46	0.00	1,664.72
57834	500.76	496.03	567.14	0.00	1,563.93
46359	491.16	486.51	288.49	0.00	1,266.16
55494	520.35	484.89	30.47	0.00	1,035.71
55293	471.18	467.01	93.93	0.00	1,032.12
55852	509.32	509.32	0.32	0.00	1,018.96
58110	502.34	481.01	8.03	0.00	991.38
55439	445.45	441.30	81.30	0.00	968.05
57912	445.39	441.59	75.00	0.00	961.98
48544	200.87	199.42	105.00	0.00	505.29
Total:	4,621.45	4,536.71	1,850.14	0.00	11,008.30



Santa Cruz Port District
90+ DAY DELINQUENT ACCOUNTS

The following accounts have balances 90 days delinquent or greater as of March 15, 2022

Account Number	Current Month	30 Day Balance	60 Day Balance	90+ Day Balance	Total Balance	Commercial Slip	Action
1057	55.64	689.32	689.31	1,431.50	2,865.77	X	Revoke
57413	-	740.41	789.97	996.10	2,526.48		Bad Debt
56783	-	-	-	1,045.22	1,045.22		Bad Debt
58160	-	-	-	859.81	859.81		Bad Debt
59325	28.25	28.25	28.25	730.90	815.65		Bad Debt
57958	202.89	201.44	200.00	173.55	777.88		Revoke
3863	88.78	88.27	87.75	119.03	383.83		Revoke
58302	88.52	26.03	87.49	123.94	325.98		Revoke
46644	84.73	84.24	83.76	58.27	311.00		Revoke
48170	84.73	84.24	83.76	58.27	311.00		Revoke
56146	-	-	-	149.96	149.96		Bad Debt
TOTAL:	633.54	1,942.20	2,050.29	5,746.55	10,372.58		





TO: Port Commission
FROM: Sean Rothwell, Assistant Harbormaster
DATE: March 10, 2022
SUBJECT: Harbor Patrol Incident Response Report – February 2022

Search and Rescue, Patrol Boat Response

- 2/5/22 Harbor Patrol responded to a report of a capsized kayak in the area of Seabright State Beach. Upon arrival, Harbor Patrol located the victim in the water and brought them on board the patrol vessel. Harbor Patrol transported the victim back to the harbor. No injuries reported.
- 2/6/22 Harbor Patrol responded to a report of two capsized kayaks in the area of Harbor Beach. Upon arrival, Harbor Patrol located the victims in the water and brought them on board the patrol vessel. Harbor Patrol transported the victims back to the harbor. No injuries reported.
- 2/12/22 Harbor Patrol responded to a report of a swimmer in distress in the area of Manresa State Beach. Prior to arrival, the swimmer had self-rescued. Harbor Patrol returned to the harbor without incident.
- 2/13/22 Harbor Patrol responded to a report of two subjects in the water under the Santa Cruz Municipal Wharf. Harbor Patrol conducted a search of the area. No signs of distress were found. Harbor Patrol returned to harbor without incident.
- 2/27/22 Harbor Patrol responded to a report of a swimmer in distress in the area of Manresa State Beach. Prior to arrival, the swimmer was assisted to shore by State Parks Lifeguards. Harbor Patrol returned to the harbor without incident.

Crime Reports, Assist Outside Department and Incident Reports

- 2/1/22 Harbor Patrol responded to a report of a domestic disturbance in the area of F-dock. Once on scene, Harbor Patrol requested assistance from Santa Cruz County Behavioral Health, as it was determined that one of the subjects involved in the disturbance was experiencing a mental health crisis. The subject was admitted to the Psychiatric Health Facility for further evaluation.
- 2/1/22 Harbor Patrol took an accident report after a bicyclist followed a car through the automated concession lot exit gate and was struck by the lowering gate arm. Minor injuries were reported, but medical attention was declined.

- 2/2/22 Harbor Patrol took an incident report after a storage / conex container located near Mariner Park Lawn was tampered with. Upon inspection, the container door was damaged, but entry was not gained. No suspect information is available.
- 2/3/22 Harbor Patrol responded to a report of suspicious activity in the area of the V-dock restrooms. Upon arrival, two subjects were cited for illegally gaining access to the shower facilities (*Port Ordinance 206 - Obedience of Authorized Signs, Buoys, Etc.*).
- 2/4/22 Harbor Patrol conducted a traffic enforcement detail. Seven bicyclists were cited for CVC 22450 - *Failure to Stop at a Stop Sign.*
- 2/4/22 Harbor Patrol took an accident report after a bicyclist followed a car through the automated concession lot exit gate and was struck by the lowering gate arm. Minor injuries were reported, but medical attention was declined.
- 2/5/22 Harbor Patrol responded to a report of a vessel taking on water in the area of E-dock. Upon arrival, the vessel was sitting visibly low in the water. Harbor Patrol dewatered the vessel with assistance from TowBoatUS. The vessel owner was notified.
- 2/7/22 Harbor Patrol responded to a report of a vessel fire in the area of X-dock. Central Fire extinguished the electrical fire and the vessel was hauled out for disposal by the owner. Damage was contained to the vessel only.
- 2/11/22 Harbor Patrol responded to a vessel taking on water in the launch ramp. The vessel became swamped after the owner stepped on the transom while disembarking. Harbor Patrol dewatered the vessel. No injuries reported.
- 2/12/22 Harbor Patrol took three incident reports after vessels struck the cross-channel dredge pipe during a minus tide. Minor damage reported.
- 2/13/22 Harbor Patrol took an accident report after a bicyclist followed a car through the automated concession lot exit gate and was struck by the lowering gate arm. Minor injuries were reported, but medical attention was declined.
- 2/25/22 At the request of the Santa Cruz Police Department (SCPD), Harbor Patrol responded to a disturbance in the area of the Santa Cruz Boardwalk. Harbor Patrol assisted SCPD in taking a subject into custody for 647 (F) PC – *Public Intoxication.*

February Parking Citations: 406

Port Commission Review Calendar 2022-23

2022

January-March

- ✓ H&H Fresh Fish Lease Exp. 01/31/2022
2 (3) year options to extend
- ✓ Bayside Marine Lease Exp. 01/31/2022
no option to extend
- ✓ Committee Assignments for 2022
- ✓ Sea Scouts' Biannual Report
- ✓ FY 23 Budget
- ✓ Review 5-year CIP
- Santa Cruz Yacht Club Lease Exp. 03/31/2022
no option to extend
- Slip Vacancy Biannual Report / Waiting List Statistics
- Form 700 Filing (due by 03/31 each year)

April-June

- Chardonnay Lease Exp. 05/31/2022
1 (5) year option to extend
- PY&S Lease Exp. 05/31/2022
1 (5) year option to extend
- Dredge Report 2022-23
- Annual Vessel Use List Review
- Biennial Update to Conflict-of-Interest Code

July-September

- Annual O'Neill Sea Odyssey Report (review slip rent reduction / charter fee. PC action of 07/07)
- Sea Scouts' Biannual Report
- Slip Vacancy Biannual Report / Waiting List Statistics
- Nexus Wealth Advisors Lease Rent Review at Option Period Ending 11/30/2022

October-December

- Annual Review of Business Use of Slips
- Ethics Training Update (due by year end)
- Mid Fiscal Year Review of CIP
- Port Commission Officers for 2023

Committee Review Items (timeline not specified)

- Comprehensive Review of Charter Fees
- Public Benefit Discount Policy

Key

- Pending
- In process
- ✓ Done

2023

January-March

- Committee Assignments for 2023
- Sea Scouts' Biannual Report
- Slip Vacancy Biannual Report / Waiting List Statistics
- FY 24 Budget
- Review 5-year CIP
- Form 700 Filing (due by 03/31 each year)
- Biennial Anti-Harassment/Anti-Discrimination Training
- Crow's Nest Beach Market Rent Review at Option Period Ending 4/30/2023
- Intero Real Estate Lease Exp. 05/31/2022
no option to extend

April-June

- Dredge Report 2023-24
- Annual Vessel Use List Review

July-September

- Annual O'Neill Sea Odyssey Report (review slip rent reduction / charter fee. PC action of 07/07)
- Sea Scouts' Biannual Report
- Slip Vacancy Biannual Report / Waiting List Statistics

October-December

- Annual Review of Business Use of Slips
- Ethics Training Update (due by year end)
- Mid Fiscal Year Review of CIP
- Port Commission Officers for 2024

Future Calendar

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