



Special Closed and Regular Public Session of June 25, 2024

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Stephen Reed	Chair
Dennis Smith	Vice-chair (<i>via Zoom</i>)
Toby Goddard	Commissioner
Reed Geisreiter	Commissioner
Darren Gertler	Commissioner

SPECIAL PUBLIC SESSION – 5:00 PM

Chair Reed convened the special public session at 5:00 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA.

1. Oral Communication

Vice-chair Smith reported his remote participation under AB 2449 for “just cause” (due to a contagious illness). He disclosed that no other individuals were present in the room at his remote location.

Slip renter Bill Simpkins expressed appreciation to Port Director MacLaurie, staff, and the Commission for facilitating the repairs of the storm-damaged portions of the West Jetty Walkway.

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

At 5:05 PM, Chair Reed announced that the Commission will meet in closed session to discuss agenda item 3.

SPECIAL CLOSED SESSION

3. Conference with Real Property Negotiators
Property: 2222 East Cliff Drive, Suite 100
Agency Designated Representative: H. MacLaurie
Negotiating Parties: Café El Palomar
Under Negotiation: Lease Terms

SPECIAL PUBLIC SESSION

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

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

Chair Reed adjourned the special open session following the closed meeting at 5:19 PM.

REGULAR PUBLIC SESSION – 5:30 PM

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

5. Pledge of Allegiance
6. Oral Communication

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

Vice-chair Smith reported his remote participation under AB 2449 for “just cause” (due to a contagious illness). He disclosed that no other individuals were present in the room at his remote location.

Steve Miller and Foster Anderson of Shared Adventures presented information regarding a future proposal to utilize grant funding for the installation of a wheelchair lift in the harbor to improve accessibility for disabled persons.

CONSENT AGENDA

7. Approval of Minutes
 - a) Special Public Meeting of May 14, 2024
 - b) Special Closed and Regular Public Meeting of May 28, 2024

Discussion: In response to a request made by Commissioner Geisreiter, Port Director MacLaurie stated that a correction to the minutes of May 28, 2024, will be made to reflect that Commissioner Geisreiter (not Goddard) proposed the revision to replace the word "district" with "division" on Item 9.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Geisreiter to approve consent agenda item 7.
- *Motion carried unanimously.*

REGULAR AGENDA

8. Allocation of Unanticipated Revenue (\$630,670)

Discussion: Port Director MacLaurie stated that in May 2023, the Port District received approximately \$630,670 in Public Assistance Grant funding from FEMA and CalOES for damages related to the January 2023 storm events. She stated that this funding has been received and recognized in FY25 as “Grants – Federal & State,” pending Commission review and allocation.

Port Director MacLaurie summarized the funding allocations presented in the staff report and recommended that the Commission allocate the \$630,670 in Public Assistance Grant funding from FEMA and CalOES as follows:

- \$600,000 – Twin Lakes Haul (F047)
- \$30,670 – Barge Purchase (F048), with additional funding allocated in FY26 and FY27.

A discussion ensued regarding the recommendation to haul the dredge for comprehensive inspection and maintenance within the next 1-2 years. The Commission expressed support for prioritizing the haulout of *Twin Lakes* to ensure critical maintenance needs are addressed prior to the 2025-26 dredge season.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Gertler to approve the proposed allocations as presented.
- *Motion carried unanimously.*

9. Award of Contract for West Side Sinkhole Repairs (NTE \$80,000)

Discussion: Port Director MacLaurie stated that informal bids were solicited from contractors who specialize in utilizing the compaction grouting technique. She stated that Osmun Construction provided a bid in the amount of \$76,000.

In response to a question posed by Chair Reed, Facilities Maintenance & Engineering (FME) Manager Wulf stated that work required as part of this project consists, in general, of drilling angled and vertical holes along the void to allow for compaction grouting. He stated that the area will be regraded and paved to facilitate proper drainage in an effort to reduce future runoff.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Geisreiter to authorize the Port Director to execute contract documents with Osmun Construction and authorize a not-to-exceed amount of \$80,000 for sinkhole repairs including a contingency of approximately 5%.
- *Motion carried unanimously.*

10. Public Hearing to Approve Resolution 24-05, Amending the Agency's Conflict-of-Interest Code

Discussion: Port Director MacLaurie recommended approval of resolution 24-05, amending the Port District's conflict-of-interest code to eliminate the former Administrative Services Manager position.

MOTION: Motion made by Commissioner Geisreiter to approve Resolution 24-05, Amending the Agency's Conflict-of-Interest Code. Commissioner Goddard seconded the motion to allow for further discussion.

Discussion: In response to a question posed by Commission Goddard, Port Director MacLaurie stated that in addition to internal record keeping, the Port District's Conflict-of-Interest Code is available on the District's website (District Transparency page).

MOTION: Motion made by Commissioner Geisreiter, seconded by Commissioner Goddard to approve Resolution 24-05, Amending the Agency's Conflict-of-Interest Code.
- *Motion carried unanimously.*

11. California Special Districts Association (CSDA) 2024 Board of Directors Elections

Discussion: Port Director MacLaurie requested that the Commission provide direction to staff on casting the Port District's vote for the CSDA representative Seat A – Coastal Network.

Commissioner Goddard stated that he recommends the incumbent candidate, Elaine Magner, as the Port District's selection.

There was consensus among the Commission to authorize the Port Director to vote for Elaine Magner.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Geisreiter to approve staff on casting the Port District's vote for CSDA representative Seat A – Coastal Network candidate Elaine Magner.
- *Motion carried unanimously.*

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

MOTION: Motion made by Commissioner Gertler, seconded by Commissioner Goddard to approve cash and payroll disbursements for May 2024, in the amount of \$1,090,421.56.
- *Motion carried unanimously.*

INFORMATION

13. Port Director's Report

Port Director MacLaurie stated that the District's recent insurance renewal included a site evaluation by the insurance provider. She stated that the preliminary indications suggest the risk assessment report will be favorable to the District and that the summary of findings will be shared with the Commission upon availability.

Port Director MacLaurie stated that the Port District's 2024 Service and Sphere of Influence Review, which is updated by LAFCO every five years, will be presented to the Port Commission for review at next month's regular meeting.

14. Harbormaster's Report

Harbormaster Anderson stated that visitorship to the harbor has been high as expected for summer weekends. He stated that operational planning is underway for the upcoming Fourth of July weekend.

15. Facilities Maintenance & Engineering Manager's Report

Facilities Maintenance & Engineering (FME) Manager Wulf stated that he is working with the contractor, Anderson Pacific Engineering Construction, to coordinate a timeline for the North Harbor Transformer Replacement Project. He stated that lead times for electrical components are anticipated to be approximately 28 weeks.

Commissioner Goddard commended Port Director MacLaurie and staff for their efforts in facilitating the temporary repairs to restore the storm-damaged portions of the West Jetty Walkway.

16. Overview of Grant Funding Opportunities

In response to a question posed by Commissioner Geisreiter, Port Director MacLaurie stated that she will explore options for the Port District to be included in the County's multi-jurisdictional local hazard mitigation plan, which is typically updated every five years.

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

- a) Comparative Seasonal Revenue Graph
- b) LAIF and CLASS Statements

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

19. Harbor Patrol Incident Response Report – May 2024 (*There was no discussion on this agenda item*)

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

Chair Reed adjourned the regular public session at 6:31 PM.

Stephen Reed, Chair

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



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

TO: Port Commission
FROM: Renee Ghisletta, Administrative Services Officer
DATE: July 15, 2024
SUBJECT: Approval of Adventure Sports Journal Sublease Agreement – 333 Lake Avenue, Suite D (Tenant: Call Me Ishmael, LLC)

Recommendation: Approve Adventure Sports Journal sublease agreement.

BACKGROUND

Logan Smalley, owner of Call Me Ishmael, LLC, a media company, is requesting to sublease office space at 333 Lake Avenue, Suite D. The lease effective date is predated to July 1, 2024, due to a delay in receiving an executed sublease agreement from Adventure Sports Journal (ASJ).

ANALYSIS

The terms of the sublease agreement are below:

Tenant: Call Me Ishmael
Term: Month-to-Month
Rent: \$1,000 / month (\$3.38 / SF)
Area: 333 Lake Avenue, Suite D (296 SF)
Use: Office Space
Insurance: \$1 million, with Santa Cruz Port District named as additional insured

IMPACT ON PORT DISTRICT RESOURCES

The master lease agreement for Adventure Sports Journal states that if the tenant subleases any portion of the premises for any amount in excess of base rent on a per square foot basis, the Port District is entitled to collect no less than 50% of the amount in excess of the base rent.

Subtenant rent is \$0.50/SF in excess of base rent which is currently \$2.88/SF. The Port District will generate an additional \$885.12 in sublet revenue annually.

ATTACHMENTS: A. Adventure Sports Journal Sublease Agreement
B. Premise Map

SUBLEASE AGREEMENT

This Sublease Agreement ("Agreement") is made and entered into as of July 1, 2024, by and between Adventure Sports Journal ("Sublessor") and Call Me Ishmael, LLC ("Sublessee").

Premises:

333 Lake Avenue, Suite D & G (total SF 459). The Sublessor agrees to sublease Suite D, which is approximately 296 square feet and represents 65% of the total office space. Suite D offers harborside views, abundant natural light, and has a separate entrance. The adjoining Suites D & G are divided by a window and a pair of glass doors which are covered with privacy film.

Term

The term of this Sublease shall commence on July 1, 2024, on a month-to-month basis.

Rent

The Sublessee agrees to pay the Sublessor as rent the sum of \$1,000 per month, payable in advance on the first day of each month.

Late Payments

If rent is not paid on the first of the month, there will be a 5-day good faith grace period with no additional fees. Rent paid after the 5th day of the month will be assessed a 3% late penalty up until the 10th day of the month. If rent is not received by the 10th day of the month, the entirety of the Agreement will become null and void, and the Sublessee agrees to vacate immediately. Exception to this stipulation may be had if both parties agree to a written amendment to this Agreement.

Utilities

The costs of utilities for the Premises shall be split proportionally between the Sublessor and the Sublessee. The Sublessee shall be responsible for 65% of the total utility costs, representing the proportion of the office space occupied by the Sublessee.

Security Deposit

Upon the execution of this Agreement, the Sublessee shall deposit with the Sublessor the sum of \$600 as security for the performance of the Sublessee's obligations under this Agreement. The Sublessor may use such deposit to cover any unpaid rent or to repair any damage to the Premises caused by the Sublessee.

Use of Premises

The Sublessee shall use the Premises for office purposes only and shall not use or permit the Premises to be used for any unlawful purpose or for any purpose that will constitute a nuisance or interfere with other tenants in the building.

Compliance with Master Lease

This Sublease is subject and subordinate to the Master Lease between the Sublessor and the Santa Cruz Port District (Landlord). The Sublessee agrees to comply with all terms and conditions of the Master Lease, except as otherwise provided in this Agreement.

Termination

Either party may terminate this Agreement upon thirty (30) days' written notice to the other party. Upon termination, the Sublessee shall vacate the Premises, remove all personal property, and return the Premises to the Sublessor in the same condition as received, reasonable wear and tear excepted.

Indemnity

The Sublessee agrees to indemnify and hold the Sublessor harmless from and against any and all claims, damages, liabilities, and expenses (including reasonable attorney's fees) arising out of or in connection with the Sublessee's use or occupancy of the Premises.

IN WITNESS WHEREOF, the parties have executed this Sublease Agreement as of the day and year first above written.

Sublessor:

Sublessee:

Landlord:

Cathy Claesson

Logan Smalley

Holland MacLaurie, Port Director

Adventure Sports Journal

Call Me Ishmael, LLC

Santa Cruz Port District

Signature: *Cathy Claesson*

Signature: *[Handwritten Signature]*

Signature: _____

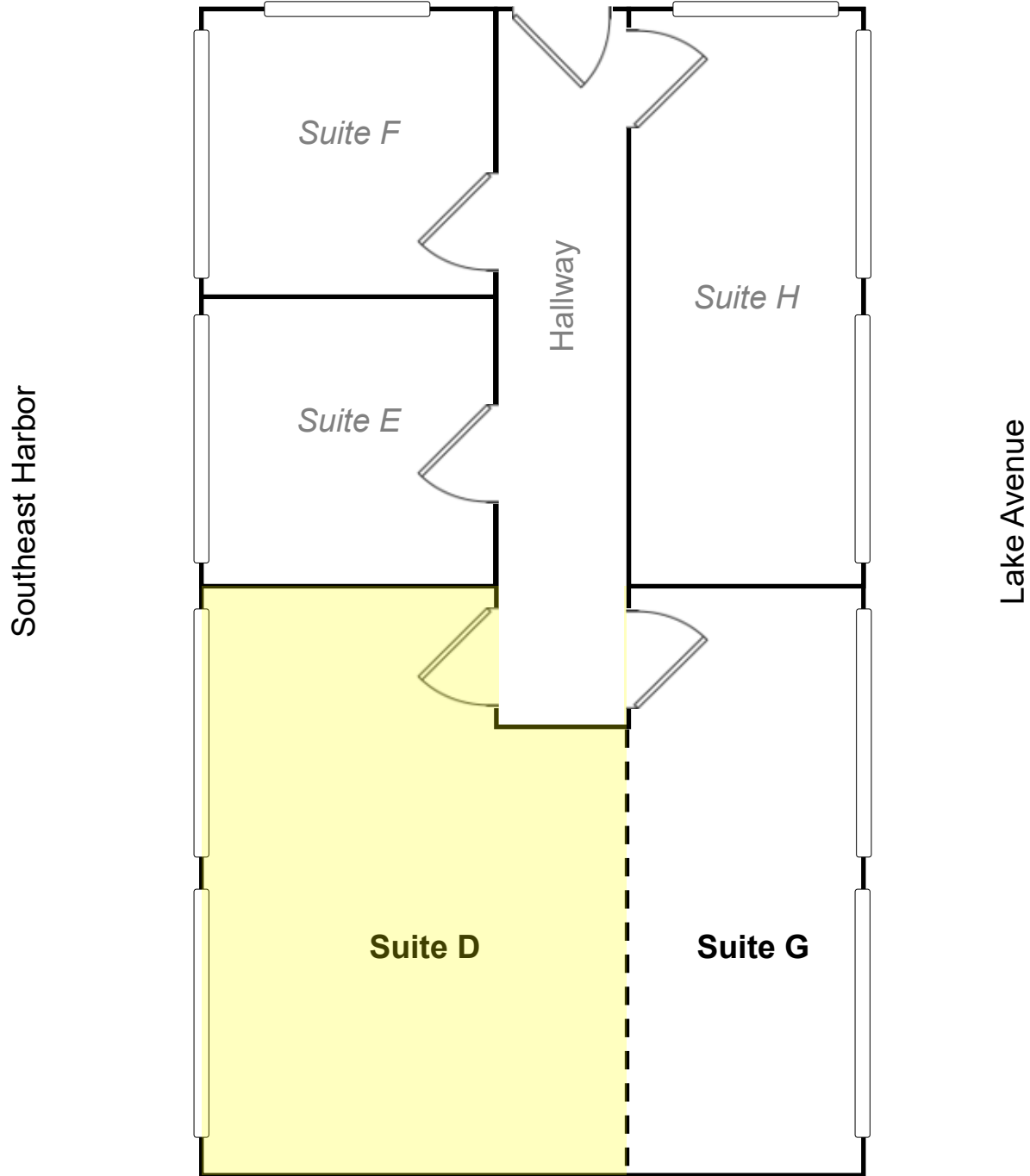
Date: July 1, 2024

Date: July 1, 2024

Date: _____

PREMISE MAP

333 Lake Avenue, Second Floor
Suites D & G



NOT TO SCALE

Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062
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PORT COMMISSIONERS:
Toby Goddard
Dennis Smith
Reed Geisreiter
Stephen Reed
Darren Gertler

TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: July 17, 2024
SUBJECT: LAFCO Service and Sphere of Influence Review

BACKGROUND

The Local Agency Formation Commission (LAFCO) is tasked with completing a Service and Sphere of Influence review for each City and Special District located within Santa Cruz County every five years.

The Port District's last review was completed in August 2019, so LAFCO has prepared a new report that summarizes the District's operation, services, and financial health, and provides recommendations as needed. The Port District's 2024 Service and Sphere of Influence Review is included as Attachment A.

Mr. Joe Serrano, Executive Officer for LAFCO, will attend the regular public session to discuss the report and answer any questions.

ATTACHMENTS: A. LAFCO Service and Sphere of Influence Review (Draft Version)

Santa Cruz Port District

Service and Sphere of Influence Review



July 9, 2024 (Draft Version)

Local Agency Formation Commission of Santa Cruz County

701 Ocean Street, Room 318-D Santa Cruz, CA 95060

Website: www.santacruzlafco.org

Phone: (831) 454-2055



TABLE OF CONTENT

EXECUTIVE SUMMARY2

 Introduction 2

 Service Provision 2

 Key Findings 4

 Recommended Actions 5

DISTRICT OVERVIEW6

 History 6

 Service Area 6

 Services and Operations 6

 Population and Growth..... 11

FINANCES12

 Operating and Non-Operating Revenue 13

 Operating and Non-Operating Expenditure..... 14

 Assets & Liabilities 15

 Fund Balance / Net Position..... 16

GOVERNANCE19

 Legal Authority 19

 Local Accountability & Structure 19

 Management Efficiencies..... 20

 Challenges and Opportunities..... 23

SPHERE OF INFLUENCE24

 Cortese-Knox-Hertzberg Act 24

 Current & Proposed Sphere Boundary 24

DISTRICT SUMMARY27

SERVICE AND SPHERE REVIEW DETERMINATIONS28

 Service Provision Determinations..... 28

 Sphere of Influence Determinations..... 29

APPENDICES30

 Appendix A: “Harbor News” Newsletter (Spring 2024) 30

 Appendix B: Division-Based Election Map (November 2024)..... 30

 Appendix C: Capital Improvement Plan (2024 to 2028) 30

EXECUTIVE SUMMARY

Introduction

This Service and Sphere of Influence Review provides information about the services and boundaries regarding the Santa Cruz Port District (referred to as “SCPD” and “District”). The report will be used by the Local Agency Formation Commission (LAFCO) to conduct a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that LAFCO conduct periodic reviews and updates of Spheres of Influence for all cities and special districts in Santa Cruz County (Government Code Section 56425). It also requires LAFCO to conduct a review of municipal services before adopting sphere updates (Government Code Section 56430). The last service review conducted for SCPD was adopted on August 7, 2019.

The service review process does not require LAFCO to initiate changes of organization based on service review conclusions or findings; it only requires that LAFCO make determinations regarding the delivery of public services in accordance with Government Code Section 56430. However, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence.

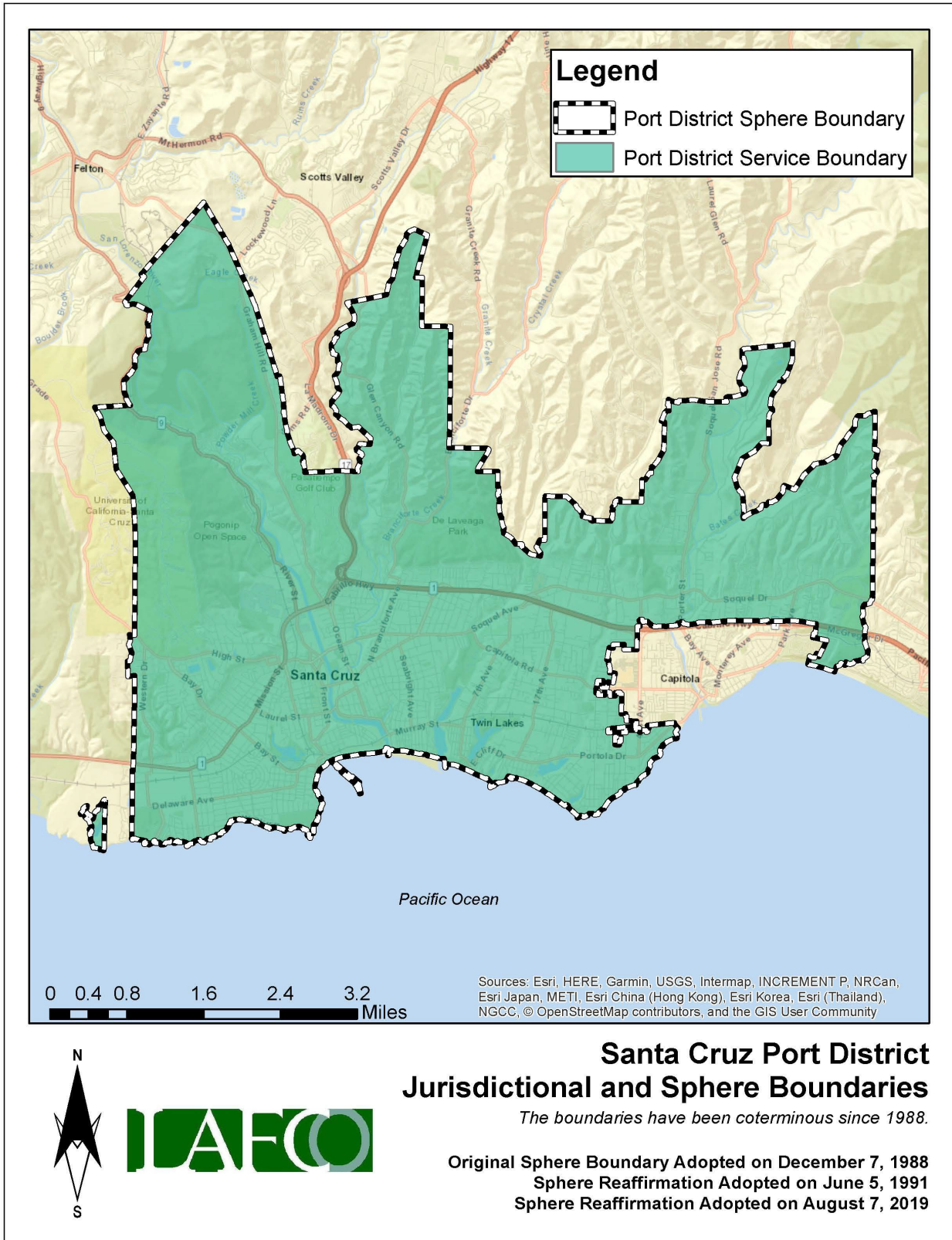
Service and sphere reviews are informational documents and are generally exempt from environmental review. LAFCO staff has conducted an environmental review of the District’s existing sphere of influence pursuant to the California Environmental Quality Act (CEQA) and determined that this report is exempt from CEQA. Such an exemption is due to the fact that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (Section 15061[b][3]).

Service Provision

The Santa Cruz Port District was formed in 1950 by petition of the voters to provide for and manage small craft harbor facilities in Santa Cruz County. The Santa Cruz Port District offers slip renter services including wet berthing and dry storage, as well as visitor services such as visitor berthing, launching and parking. The District also leases space for restaurants, retail, office, and marine commercial businesses. The District’s facilities are in-demand with an extensive wait list for all the slips and most dry storage spaces.

The District’s jurisdictional boundary borders the Pacific Ocean and encompasses a 27.9 square mile area that includes the City of Santa Cruz. The service area for the Santa Cruz Harbor was defined by the United States Army Corps of Engineers after review of data provided by the United States Coast Guard and Collector of Customs. **Figure 1** on page 3 provides a vicinity map showing the location of the District on the central coast of Santa Cruz County.

Figure 1: Vicinity Map



Key Findings

The following are key findings of the 2024 Service and Sphere of Influence Review for the Santa Cruz Port District:

1. The District provides harbor services to a population beyond its borders.

The Santa Cruz Port District encompasses 27.9 square miles consisting of the vast majority of the City of Santa Cruz and surrounding unincorporated territory. However, the District also serves a larger regional area that includes the San Francisco Bay area and the San Joaquin Valley. The Santa Cruz Harbor is considered a regional resource and, per the terms of the original agreement to construct the harbor with use of state and federal funding, the District must provide equal boating opportunities to all residents of the state, not just Port District residents. As a result, there is a constant demand for small craft harbor space. Based on staff's analysis, there will be a continued need for services and facilities offered by the District.

2. The District is financially sound.

The Santa Cruz Port District's financial ability to provide services is well established. The District has successfully kept costs below its revenue stream since 2013. Audited financial statements from Fiscal Years 2013 to 2023 indicate that the increase in net position has ranged from \$170,000 to as high as \$6.6 million. As of March 31, 2023, the District is operating with a net position of approximately \$35 million and current assets (ex. cash and cash equivalents) of approximately \$16 million.

3. The District has an active joint agreement with the County and City of Santa Cruz for over 30 years.

Since 1991, the District has redirected its property taxes towards the cost of municipal services provided by the County and the City of Santa Cruz. In exchange for the property tax redistribution, the two local agencies provide police, fire, traffic control, and street maintenance services within the harbor area. While the agreement is automatically extended on an annual basis, it may be beneficial for the affected agencies to review the agreement and make any necessary updates, if warranted.

4. The District's website is a model of accountability and transparency.

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. It outlines minimum website data requirements agencies must provide including contact information, financial reports, and meeting agendas/minutes. The Santa Cruz Port District maintains a comprehensive website that exceeds the minimum requirements outlined in SB 929. LAFCO recommends that the District include a copy or link of the latest service and sphere review on their website for additional transparency.

5. The District has a coterminous sphere.

LAFCO originally adopted a coterminous sphere for the District in December 1988. The sphere has remained the same without activity for almost 40 years. Based on LAFCO's analysis, the sphere boundary should be amended to address existing discrepancies, including but not limited to small portions of the City of Santa Cruz being excluded in the current sphere. State law prohibits "dividing a municipal corporation" (Harbors and Navigation Code Section 6210). LAFCO recommends amending the sphere to include previously excluded portions of the City of Santa Cruz.

Recommended Actions

Based on the analysis and findings in the 2024 Service and Sphere of Influence Review for the Santa Cruz Port District, the Executive Officer recommends that the Commission:

1. Find that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, LAFCO determined that the sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;
2. Determine, pursuant to Government Code Section 56425, the Local Agency Formation Commission of Santa Cruz County is required to develop and determine a sphere of influence for the Santa Cruz Port District, and review and update, as necessary;
3. Determine, pursuant to Government Code Section 56430, the Local Agency Formation Commission of Santa Cruz County is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
4. Adopt a Resolution (LAFCO No. 2024-15) approving the 2024 Service and Sphere of Influence Review for the Santa Cruz Port District with the following conditions:
 - a. Amend the District's sphere of influence to include the previously excluded portions of the City of Santa Cruz; and
 - b. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the Santa Cruz Port District representatives and any other interested or affected parties, including but not limited to the County and the City of Santa Cruz.



DISTRICT OVERVIEW

History

The Santa Cruz coast area was first surveyed in the early 1900s by the United States Army Corps of Engineers for the purpose of establishing a safe harbor in this portion of the Monterey Bay. The harbor was re-surveyed in the Fall of 1949 and, after extensive field studies and numerous meetings with affected local, state, and federal agencies, it was concluded that the Santa Cruz area was an appropriate location for a harbor. The Santa Cruz Port District was then established in 1951 to provide management during the construction phase of the Santa Cruz Harbor. The south (lower) harbor was completed in 1964 and has 390 designated docking areas for vessels known as “slips.” The north (upper) harbor was completed in 1973 and has 586 slips. The Port District continued to operate after construction was complete. Today, the District provides year-round services and operations, specifically through seven programs: (1) Harbor Patrol, (2) Marina Management, (3) Rescue Services, (4) Parking Services, and (5) Events, (6) Fuel Services, and (7) Boatyard. The District also publishes a free newsletter to inform the public about its ongoing operations, upcoming events, and status reports on a periodic basis. **Appendix A** provides a copy of the latest newsletter (Spring 2024).

Service Area

The District boundaries encompass a 27.9 square mile area that includes the majority of the City of Santa Cruz and unincorporated area to the north and east of the city. The service area for the Santa Cruz Harbor was defined by the United States Army Corps of Engineers after review of data provided by the United States Coast Guard and Collector of Customs. The boundaries of the Port District encompass almost one-sixth the total area of Santa Cruz County. The lower harbor, south of the Murray Street and Southern Pacific Railroad bridges, was completed in 1964. The upper harbor, north of the bridges, was completed in 1973. **Figure 1** shows the District’s jurisdictional and sphere of influence boundaries.

Services and Operations

The Santa Cruz Harbor is a commercial fishing and full-service small craft harbor. It is bordered by Seabright Beach, Harbor Beach and Twin Lakes State Beach southwest and southeast of the jetties, residential development on the east and west, and the Arana Gulch greenbelt, owned by the City of Santa Cruz on the north. Permanent jetties placed along the east and west sides of the Harbor’s entrance channel provide year-round access to the Monterey Bay and Pacific Ocean. At present, the Santa Cruz Port District encompasses approximately 38 acres of land and 52 acres of water area, and offers an array of services including wet berthing, dry storage, visitor berthing, launching, and over 1,000 parking spaces.

The District owns the land within its jurisdictional boundary and leases space for restaurant, retail, office, and marine commercial businesses. The Santa Cruz Port District also accommodates non-profit foundations, such as the O’Neill Sea Odyssey, Save Our Shores, and Clean Oceans International. Though the majority of boat use within the District is for recreational purposes, Santa Cruz Harbor provides berthing for a small

commercial fishing fleet, numerous commercial charter operations, the marine education foundation O'Neill Sea Odyssey, the U.S. Coast Guard, the California Air National Guard, and a commercial vessel towing service. As a result, the District's facilities are in high demand and require maintaining a wait list for all of the slips and most dry storage spaces. **Tables A and B** show the approximate wait time for each harbor slip. Slips can range from 20 to 60-feet long.

Table A – Approximate Wait Time for Harbor Slips

South Harbor	
24-Foot Slip	5 Years
30-Foot Slip	22 Years
40-Foot Slip	23 Years
50-Foot Slip	23 Years
60-Foot Slip	16 Years

Table B – Approximate Wait Time for Harbor Slips

North Harbor	
20-Foot Slip	2 Years
25-Foot Slip	3 Years
30-Foot Slip	3 Years
35-Foot Slip	5 Years
40-Foot Slip	5 Years
45-Foot Slip	5 Years

As of June 1, 2024, the District has over 1,000 names on the wait list. The approximate wait time for a slip to become available varies but on average it takes around 20 years for south harbor locations and around six years for slips in the north harbor area. In addition to harbor slips, there are also approximately 275 dry-stored vessels spaces available and over 200 storage spaces for kayaks and dory-type vessels with minimal wait time. **Table C** on page 8 provides a listing of the District's current fees and rate for all services.



Table C – District Rates and Fees

Rates & Fees	Description
South Harbor	
Single Side	\$15.00/foot
Double Side	\$16.51/foot
AA Dock	\$25.50/foot
ABC Dock	\$30.00/foot
North Harbor	
20' (Including Inside-Ties)	\$13.47/foot
25'/30'	\$14.19/foot
35'/40'	\$14.58/foot
Wide 45'	\$16.74/foot
Dory-Tie	\$72.64/month
Dry Storage	
7th & Brommer Gravel Lot	\$138.36/month
North Harbor Paved Lot	\$148.04; \$178.49; \$193.70/month
Catamaran Storage	\$69.16/month
Kayak Rack Storage	\$65.03/month
Additional Fees	
Gate, Restroom, Shower Key	\$20 (non-refundable for first 3)/\$80 (non-refundable for 4+)
Unattended Electrical Use	\$38 for 30 AMP/\$54 for 50 AMP
Annual Waiting List	\$125/year
Annual Slip Leave Option	\$300/year
Other Fees	
Liveaboard Fees	<p align="center">\$250 application fee; Monthly Per Person Cost (age 16 and older): \$135; Monthly Variable Utilities Fee: 30% of Slip Rent</p> <p align="center">Liveaboard privileges are subject to Harbormaster approval and will not be granted to individuals possessing a temporary one-year slip license agreement. A \$250 application fee is required for all liveaboard applications. Pets are not permitted to liveaboard.</p>
Partnership Fee	<p align="center">Monthly Partnership Fee:</p> <p align="center">1 Partner 5% of Slip Rent 2 Partners 10% of Slip Rent 3 Partners 15% of Slip Rent</p> <p align="center">Vessels held in partnerships or limited liability companies are acceptable as long as the original slip licensee remains financially involved, and personally active in the vessel. Harbormaster approval is required before transferring a vessel into a partnership or limited liability company.</p>
Sublease Fee	<p align="center">Monthly Sublease Fee: South Harbor: 30% of Slip Rent; North Harbor: 15% of Slip Rent</p> <p align="center">Slip licensees are permitted to enter into a sublease agreement for their slip for a maximum period of up to six months. If a sublease agreement is made, both parties must register with the harbor office. The regular slip licensee will be billed monthly as usual and will remain responsible for all bad debts.</p>
Late Fees & Interest Charges	<p align="center">A late fee of \$25 is assessed on balances due after the 20th of each month.</p> <p align="center">Interest in the amount of .833% is assessed to all outstanding balances on the last day of each month. The late fee and interest amounts charged are established and may be changed from time to time by the Port District and as published on the Port District's fee schedule.</p>

Santa Cruz Harbor Patrol

The Harbor Patrol, with the assistance of contract operators, currently provides security and enforcement of Port District ordinances, California Harbors and Navigation Codes, and Penal and Vehicle Codes. Deputy Harbormasters provide site security and traffic control, make arrests, prepare incident reports and provide mutual aid response to other law enforcement agencies if requested. In addition to law enforcement duties, Deputy Harbormasters perform vessel search and rescue services, and a wide range of program management and customer services. In FY 2022-23, 8 full-time employees were assigned to Harbor Patrol with a budget of approximately \$807,000. Staffing levels have remained static under the current fiscal year (FY 2024-25). The District has 8 full-time employees assigned in this program with a current budget of approximately \$884,000.

The County of Santa Cruz does not maintain its own marine search and rescue unit, and instead relies on the Santa Cruz Harbor Patrol vessel and crew to provide first responder marine search and rescue services within the County's jurisdiction. Rescues performed are conducted under the Coastal Incident Response Plan in coordination with City, County and State resources. The County of Santa Cruz provides financial support for the Rescue Services and Harbor Patrol programs which was increased in the County's 2019-20 budget from approximately \$24,000 per year to \$50,000 per year. The United States Coast Guard staffs its Santa Cruz station in the harbor on various weekends between Memorial Day and Labor Day. The Harbor Patrol and Coast Guard coordinate joint efforts on those days.

Marina Management

Deputy Harbormaster and Operations staff manage and assigns berths and dry storage space, monitors docks and dry storage areas for safety, staff the front counter 362 days per year, administer invoicing and payment processes, monitor vessel use and confirm current registration, perform vessel serviceability checks and electrolysis checks on an as needed basis, manage the wait list, develop delinquency reports, conduct lien sales, and provide customer service. In FY 2022-23, 1.5 full-time employees were assigned to Marina Management with a budget of approximately \$543,000. Staffing has remained static under the current fiscal year (FY 2024-25). The District has 1.5 full-time employees assigned in this program with a current budget of approximately \$633,000.

Rescue Services

Rescue services are provided by the Harbor Patrol aboard two patrol vessels. Vessel maintenance and harbor patrol staffing for the marine search and rescue program are funded out of two budget programs: Harbor Patrol and Rescue Services. As noted above, the County of Santa Cruz provides annual financial support for this program. The Port District had previously contracted with the City of Santa Cruz to provide staffing and oversight of the Harbor Beach lifeguard program. The Port District presently contracts with State Parks to provide lifeguard service. In FY 2022-23, full-time harbor patrol staff provided oversight and administration of the Rescue Services program with a budget of approximately \$108,000. Staffing has remained static under the current fiscal year (FY 2024-25), with harbor patrol staff providing oversight of this program with a budget of approximately \$154,000.

Parking Services

Parking services encompass year-round staffing of the concession parking lot serving 2222 East Cliff Drive, the Crow's Nest and its Beach Market (Café el Palomar), the SUP Shack and Harbor Beach; beach parking permit sales; slip licensee and employee parking permits; launch ramp parking and permits; water taxi and shuttle van services, and parking ordinance enforcement. Revenues from parking meters, pay stations, permit sales and concession lot receipts are used to fund parking services. In FY 2022-23, the equivalent of 1.5 full-time employees were assigned to Parking Services with a budget of approximately \$389,000, and up to 20 part-time, seasonal personnel as well. Under the current fiscal year (FY 2024-25), the District has the equivalent 1.5 full-time employees assigned in this program and up to 20 part-time, seasonal personnel with a budget of approximately \$409,000.

Fuel Services

The Port District took over operation and maintenance of the harbor's only fuel dock in July 2010. The program is managed by the Deputy Harbormaster staff. Recurring program costs include full and part-time staff, fuel purchases, taxes, storage tank fees, maintenance and insurance, inspections, training, regulatory compliance and spill prevention equipment and supplies. In FY 2022-23, full and part-time employees were assigned to Fuel Services with a budget of approximately \$806,000. Under the current fiscal year (FY 2024-25), the District has the equivalent of 5 full-time employees assigned in this program with a budget of approximately \$523,000.

Events

This program is jointly managed by the District's Operations and Administrative Department, and comprises permitting, transportation and security for special events such as the Crow's Nest Thursday night beach barbecues, beach volleyball tournaments, regattas, and other community events. In FY 2022-23, the equivalent of .4 full-time employees were assigned to Events with a budget of approximately \$23,000. Under the current fiscal year (FY 2024-25), the District has the equivalent of .4 full-time employees assigned in this program with a budget of approximately \$34,000.

Santa Cruz Harbor Boatyard

The Port District took over operation and maintenance of the boatyard on February 1, 2014 and opened on April 7, 2014 as a *Do-It-Yourself* (DIY) facility. Boaters may perform their own work or hire contractors from a list of registered contractors authorized to work in the yard. Recurring program costs include staff, fuel purchases, taxes, storage tank fees, inspections, permitting and environmental compliance, spill prevent equipment, supplies, stormwater filtration costs, and equipment maintenance. In FY 2022-23, 2 full-time and 1 part-time employees were assigned to the Harbor Boatyard with a budget of approximately \$365,000. Staffing has remained static under the current fiscal year (FY 2024-25). The District has 2 full-time and 1 part-time employees assigned in this program with a budget of approximately \$431,000.

Population and Growth

The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86% and 5.18% for the City of Santa Cruz. While official growth projections are not available for special districts, the population for the City of Santa Cruz, which is located within SCPD, was estimated to be around 64,000 in 2020. Based on staff’s analysis, the population of SCPD in 2020 was approximately 99,000. **Table D** shows the anticipated population within SCPD.

Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for the Santa Cruz Port District. LAFCO staff increased the District’s 2020 population amount by 3.34% each year: the average between the growth rate for the County (0.86%) and the City (5.18%). Under this assumption, our projections indicate that the entire population of SCPD will be approximately 113,000 by 2040.

Table D: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
City of Santa Cruz	64,424	68,845	72,218	75,257	78,828	5.18%
Santa Cruz Port District	98,945	101,964	106,072	109,193	112,853	3.34%

Disadvantaged Unincorporated Communities

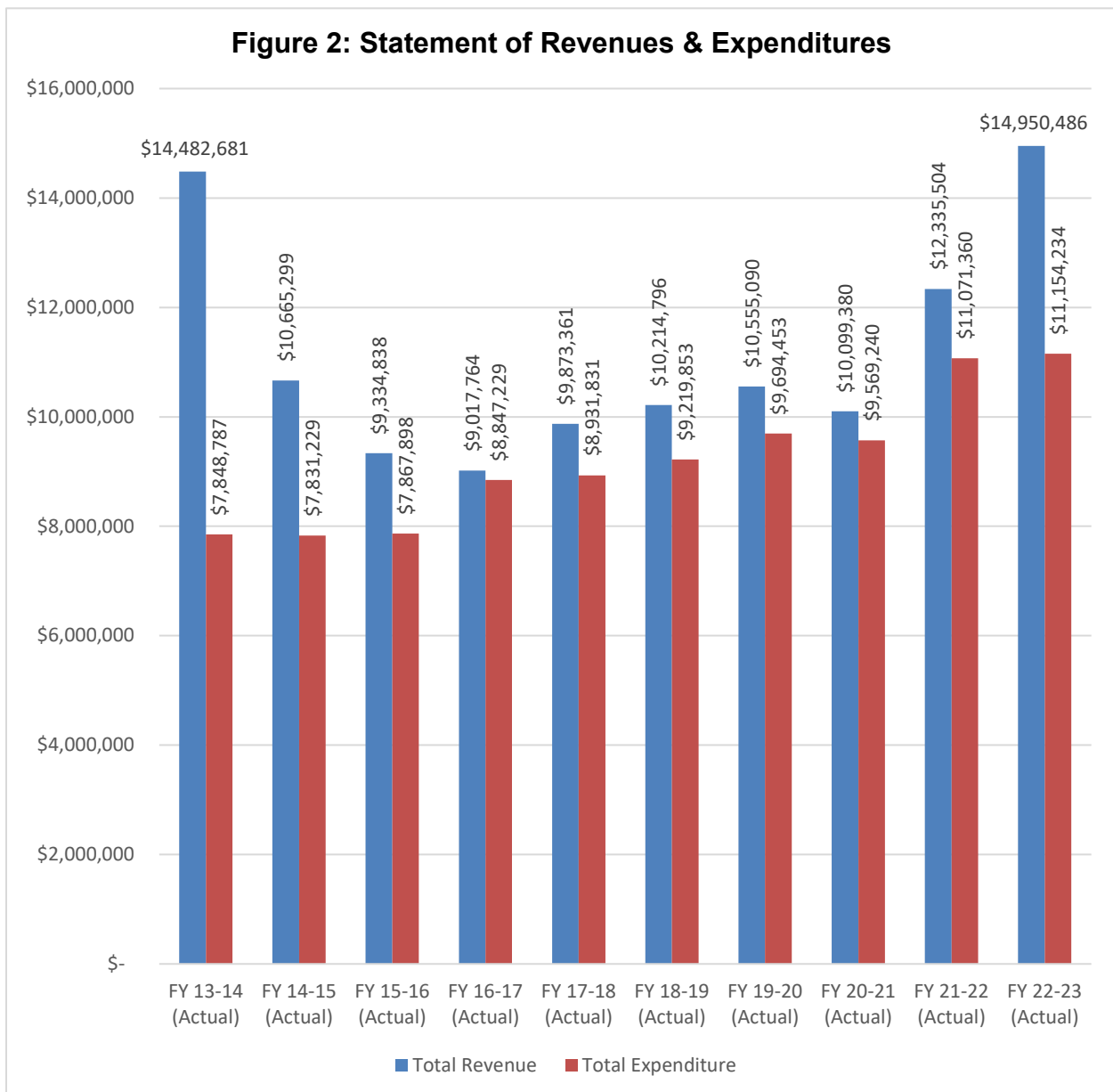
State law requires LAFCO to identify and describe all “disadvantaged unincorporated communities” (DUCs) located within or contiguous to the existing spheres of influence of cities and special districts that provide fire protection, sewer, and/or water services. DUCs are defined as inhabited unincorporated areas with an annual median household income that is 80% or less than the statewide annual median household income.

In 2020, the California statewide annual median household income was \$78,672, and 80% of that was \$62,938. LAFCO staff utilized the ArcGIS mapping program to locate potential DUCs in Santa Cruz County. It is important to note that the Santa Cruz Port District is not subject to SB 244 because it does not provide water, sewer, or fire service, and therefore, no further analysis is required.

FINANCES

This section will highlight the District’s financial performance during the most recent fiscal years. Fiscal Year 2022-23 is the latest audited financial statement available. LAFCO evaluated the District’s financial health from 2013 to 2022. A comprehensive analysis of SCPD’s financial performance during the past 10 years is shown in **Tables G and H** on pages 17-18.

At the end of Fiscal Year 2022-23, total revenue collected was approximately \$15 million, representing a 21% increase from the previous year (\$12 million in FY 21-22). Total expenses for FY 2022-23 were approximately \$11.2 million, which increased from the previous year by 1% (\$11 million in FY 20-21). SCPD has ended with a surplus each year for the past decade, as shown in **Figure 2**. LAFCO staff believes this positive trend may continue as the District mostly relies on charges for services rather than property taxes or other stagnant revenue streams.



Operating and Non-Operating Revenue

Operating Revenue

The Santa Cruz Port District’s primary source of revenue is from Charges for Berthing & Services. The rates for berthing and other harbor-related services are reviewed annually, and any proposed increases are approved through a public process. In FY 2022-23, Charges for Berthing and Services totaled \$9 million, representing approximately 61% of the total revenue stream for that fiscal year. Earnings in Rent and Concessions were estimated at \$2 million, representing 14% of total revenue in FY 2022-23. Overall, operating revenue represents 75% of the District’s entire revenue stream. **Table E** highlights the operating revenue funds for FY 2022-23.

Non-Operating Revenue

In FY 2022-23, the District collected approximately \$3.8 million in non-operating revenue. Non-cash pension income (\$1 million), grants related to the 2022 tsunami damage (\$887,000), and dredging reimbursement (\$525,000) are the largest contributors to the non-operating revenue stream. Federal and state grants for the construction, acquisition, improvement of capital assets, or assistance for dredging costs are recorded as capital contributions. Revenues for reimbursement grants are recorded when allowable expenditures are made. Since 1986, the District has taken over responsibility for maintenance dredging of the federal entrance channel from the United States Army Corps of Engineers (Corps) under a Cooperative Agreement. In November 2015, the District entered into an agreement with the Corps to reimburse the District for a portion of the actual dredging costs, only if federal funds are specifically appropriated for that purpose. The agreement terminates on April 1, 2025. Due to the uncertainty of the availability of federal funding, reimbursement funds are recorded when received. **Table E** highlights the non-operating revenue funds for FY 2022-23.

Table E: Fiscal Year 2022-23 Revenue Breakdown (audited data)

Operating Revenues:	(\$)	(%)
Charges for Berthing & Services	\$9,060,943	60.61%
Rent & Concessions	\$2,111,024	14.12%
Non-Operating Revenues:		
County Revenues for Public Services	\$50,000	0.33%
Grants	\$32,393	0.22%
Grants (Tsunami Damage)	\$887,363	5.94%
Dredging Reimbursement	\$525,000	3.51%
Interest Income	\$668,274	4.47%
Non-Cash Pension Income	\$1,010,262	6.76%
Other Income	<u>\$605,227</u>	<u>4.05%</u>
Total Revenue	\$14,950,486	100.00%

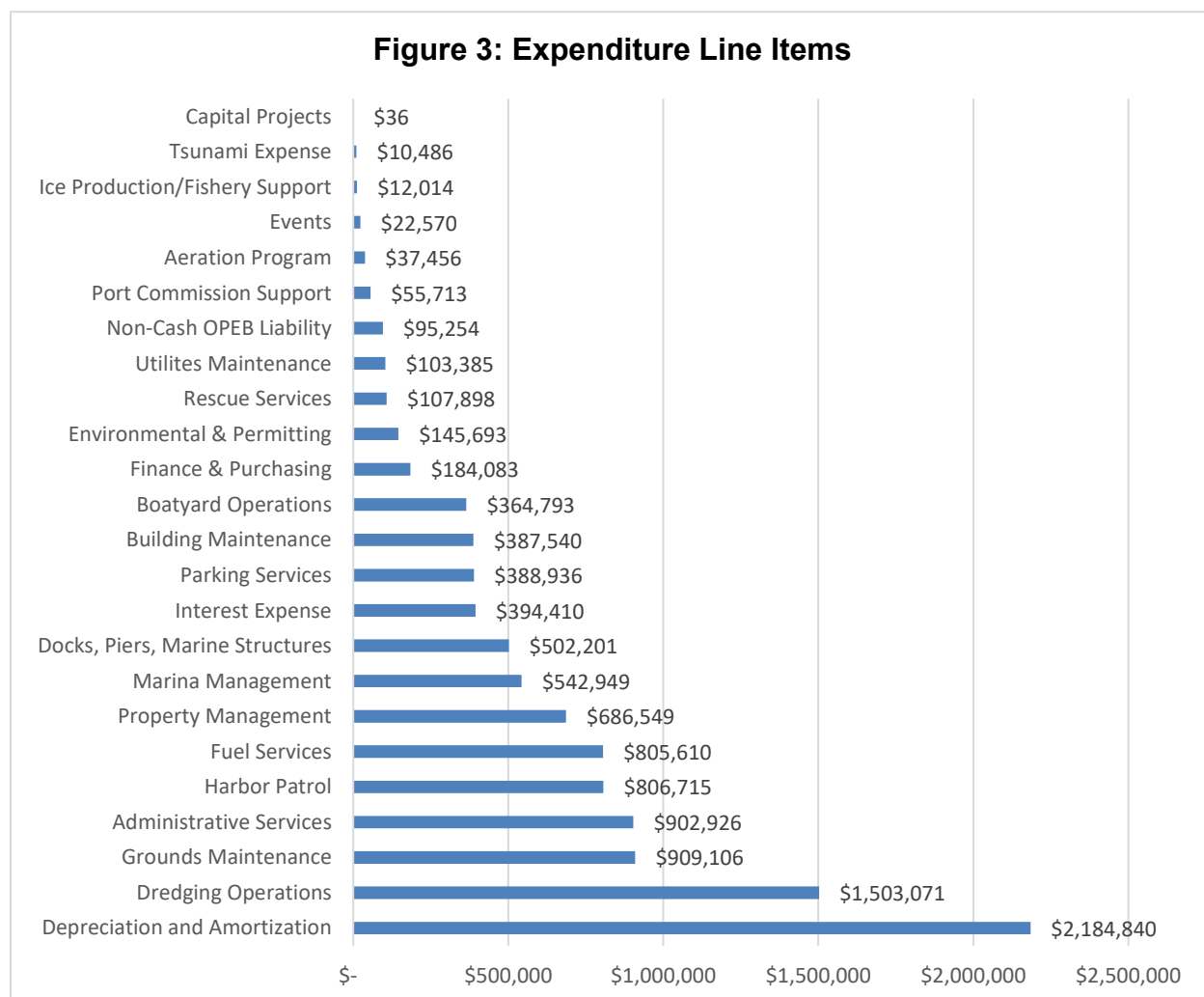
Operating and Non-Operating Expenditure

Operating Expenditure

Total expenditure for FY 2022-23 was approximately \$11 million. Operating expenditures represent 96% of the District's total expenditure with Depreciation & Amortization (\$2.2 million), and Dredging Operations (\$1.5 million) being the top two expenses. The remaining operating expenditures include but are not limited to grounds maintenance, administrative services, harbor patrol, boatyard operations, rescue services, and capital projects. **Figure 3** outlines all operating expenditures for FY 2022-23.

Non-Operating Expenditure

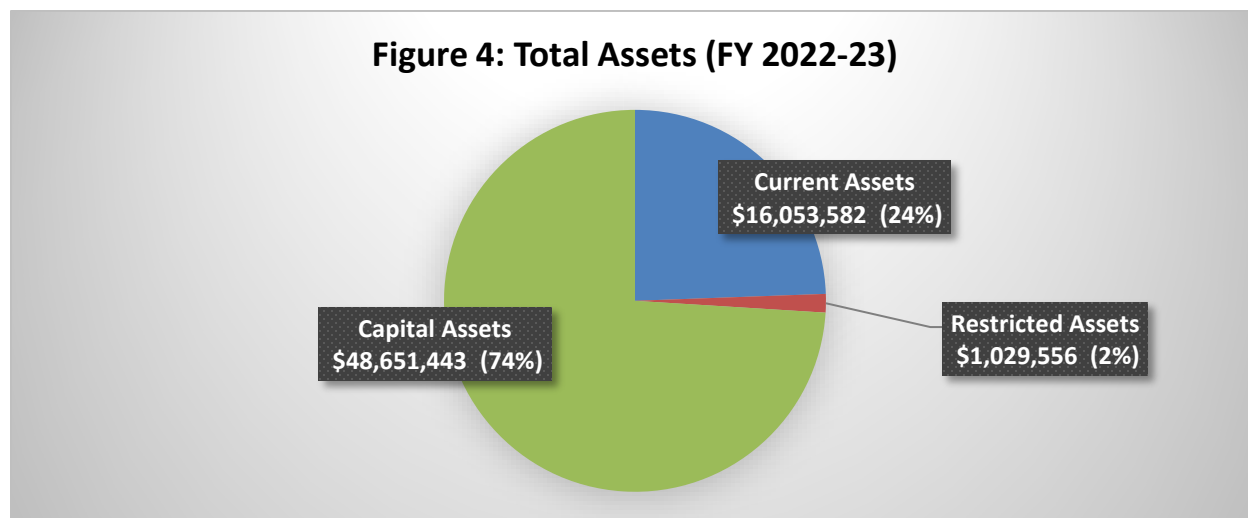
In FY 2022-23, the District's non-operating expenditure only included two expense categories: Tsunami Expense (\$10,500) and Interest Expense (\$394,000). It is important to note that the District previously experienced tsunami expenses totaling \$28,000 and \$17,000 in FY 2015-16 and FY 2016-17 respectively to address the aftermath of the 2011 tsunami. In 2022, tsunami damages and expenses again affected the District's operation, services, and infrastructure. An analysis of the tsunami and other natural disasters will be discussed later in the report.



Assets & Liabilities

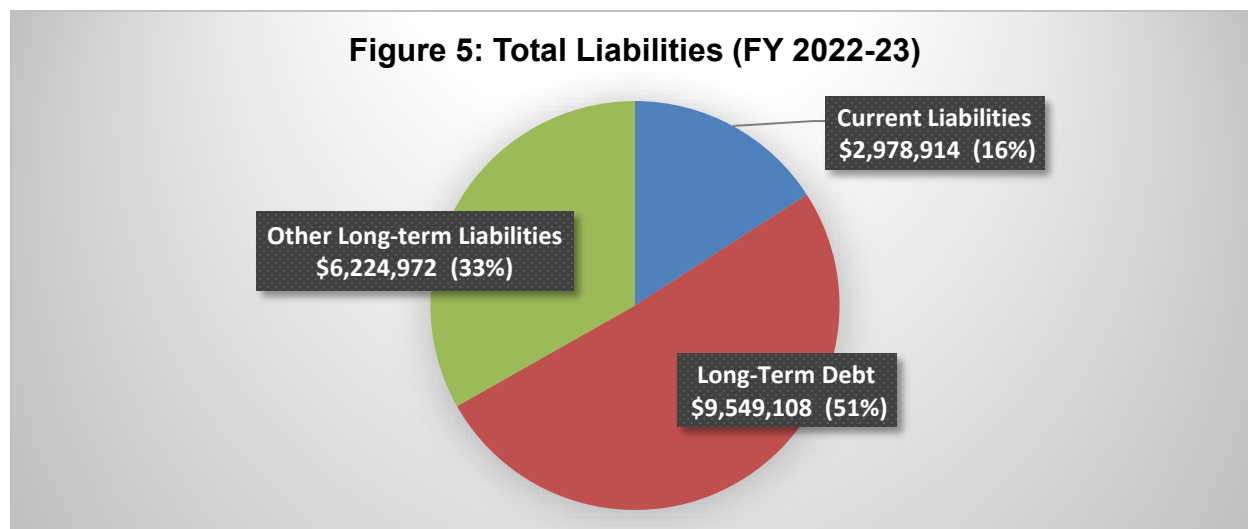
District Assets

As of March 31, 2023, the District has approximately \$66 million in total assets. This represents an increase of approximately \$16 million or 31% from FY 2021-22's total assets of \$52 million. Total assets can be categorized into three types: Current Assets, Restricted Assets, and Capital Assets. In FY 2022-23, current assets were approximately \$16 million, restricted assets were approximately \$1 million, and capital assets were approximately \$49 million (less accumulated depreciation). As shown in **Figure 4**, capital assets represent 74% of total assets.



District Liabilities

As of March 31, 2023, the District had approximately \$19 million in total liabilities. This represents an increase of \$1.1 million or 6% from FY 2021-22's total liabilities of \$18 million. Total liabilities can be categorized into three types: Current Liabilities, Long-term Debt, and Other Long-term Liabilities. In FY 2022-23, current liabilities were approximately \$3 million, long-term debts were approximately \$9.6 million, and other long-term liabilities were approximately \$6 million. As shown in **Figure 5**, long-term debt represents 51% of total liabilities.



Fund Balance / Net Position

As of March 31, 2023, the total fund balance projection was approximately \$35 million. The following table highlights the Fund Balance from 2015 to 2020. As **Table F** shows below, the District has experienced an increase in total reserves each year. On average, total reserves has increased by approximately \$1.6 million or 5% since FY 2018-19.

Table F: Fund Balance / Net Position

	FY 18-19 (Audited)	FY 19-20 (Audited)	FY 20-21 (Audited)	FY 21-22 (Audited)	FY 22-23 (Audited)
Net Position	\$28,714,311	\$29,574,948	\$30,105,088	\$31,369,232	\$35,165,484
Change (\$)		\$860,637	\$530,140	\$1,264,144	\$3,796,252
Change (%)		3%	2%	4%	12%

Reserve funds are not available for use to offset any expenditures that exceed total appropriations. Reserve funds may only be used as approved by the Port Commission. Intended uses and timeframes for reserve funds are summarized as follows:

- Dredge Fund: Funding for dredge equipment and maintenance needs is authorized by the Port Commission as part of the annual budget. Annual spending may fully extinguish the fund balance, or result in a carryover, reducing funding requirements the following year.
- Reserve Fund: Intended to strengthen the financial stability of the District against economic uncertainty, unexpected situations such as natural or man-made disasters, unanticipated drop in revenues, and other unforeseen emergencies or extraordinary circumstances. There is no specified timeframe for expenditure of reserve funds. The Port District strives to hold in reserve an amount equal to 25% of the District's annual operating expenses in the current fiscal year's adopted general budget, though the reserve fund balance may fluctuate.
- Capital Improvement Fund: Funding for capital improvement projects identified in the 5-Year Capital Improvement Plan (CIP), which is reviewed and adopted each year by the Port Commission as part of the annual budget. The timeframe for project-related expenditures is prioritized by the Port Commission as part of the CIP review and adoption.
- Election Fund: Funding is set aside as part of the annual budget adoption to pay the estimated biennial costs billed by the County for Port Commission election costs.
- PNC Reserve Restricted Fund: Restricted reserve fund to satisfy debt covenant requirements of its long-term debt financing with PNC Bank (previously BBVA).

Table G – Total Revenues & Expenditures

Santa Cruz Port District - Financial Review										
(Fiscal Years 2013-14 to 2022-23)										
	FY 13-14 (Actual)	FY 14-15 (Actual)	FY 15-16 (Actual)	FY 16-17 (Actual)	FY 17-18 (Actual)	FY 18-19 (Actual)	FY 19-20 (Actual)	FY 20-21 (Actual)	FY 21-22 (Actual)	FY 22-23 (Actual)
REVENUE										
Operating Revenues:										
Charges for Berthing and Services	\$ 6,323,993	\$ 6,767,201	\$ 6,898,905	\$ 6,799,847	\$ 7,181,501	\$ 7,372,983	\$ 7,920,084	\$ 7,886,323	\$ 8,864,120	\$ 9,060,943
Rent and Concessions	\$ 1,642,193	\$ 1,644,354	\$ 1,732,017	\$ 1,694,869	\$ 1,889,238	\$ 1,838,345	\$ 1,893,576	\$ 1,635,555	\$ 2,023,819	\$ 2,111,024
Sub-total	\$ 7,966,186	\$ 8,411,555	\$ 8,630,922	\$ 8,494,716	\$ 9,070,739	\$ 9,211,328	\$ 9,813,660	\$ 9,521,878	\$10,887,939	\$11,171,967
Non-Operating Revenues:										
County Revenues for Public Services	\$ 12,493	\$ 37,478	\$ 24,985	\$ 11,243	\$ 36,228	\$ 12,493	\$ 49,985	\$ 50,000	\$ 50,000	\$ 50,000
Grants	\$ 364,066	\$ 10,702	\$ 11,164	\$ 65,560	\$ 140,189	\$ 111,403	\$ 37,826	\$ 23,801	\$ 619,189	\$ 32,393
Grants recognized (related to tsunami damage)	\$ 6,055,067	\$ 2,086,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 887,363
OE3 Pension Liability Settlement Adjustment	\$ -	\$ 100,447	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dredging Reimbursement	\$ -	\$ -	\$ 591,000	\$ 400,000	\$ 485,000	\$ 449,000	\$ 385,000	\$ 385,000	\$ 665,000	\$ 525,000
Interest Income	\$ 31,681	\$ 18,360	\$ 30,007	\$ 46,245	\$ 96,293	\$ 242,056	\$ 265,810	\$ 80,131	\$ 30,375	\$ 228,918
Interest Income on Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 439,356
Non-cash Pension Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,010,262
Other Income	\$ 53,188	\$ -	\$ 46,760	\$ -	\$ 44,912	\$ 188,516	\$ 2,809	\$ 38,570	\$ 83,001	\$ 605,227
Sub-total	\$ 6,516,495	\$ 2,253,744	\$ 703,916	\$ 523,048	\$ 802,622	\$ 1,003,468	\$ 741,430	\$ 577,502	\$ 1,447,565	\$ 3,778,519
Total Revenue	\$14,482,681	\$10,665,299	\$ 9,334,838	\$ 9,017,764	\$ 9,873,361	\$10,214,796	\$10,555,090	\$10,099,380	\$12,335,504	\$14,950,486
EXPENDITURE										
Operating Expenses:										
Depreciation and Amortization	\$ 1,430,269	\$ 1,722,204	\$ 1,647,651	\$ 1,781,839	\$ 1,824,754	\$ 1,830,080	\$ 1,954,934	\$ 2,159,280	\$ 2,187,657	\$ 2,184,840
Dredging Operations	\$ 819,751	\$ 852,520	\$ 1,029,556	\$ 1,259,287	\$ 1,234,002	\$ 1,232,182	\$ 1,369,670	\$ 1,357,222	\$ 1,324,630	\$ 1,503,071
Grounds Maintenance	\$ 578,337	\$ 584,124	\$ 590,664	\$ 656,439	\$ 633,063	\$ 750,251	\$ 727,772	\$ 733,457	\$ 790,109	\$ 909,106
Administrative Services	\$ 607,274	\$ 623,503	\$ 784,443	\$ 1,016,517	\$ 632,156	\$ 653,783	\$ 759,880	\$ 753,848	\$ 663,892	\$ 902,926
Harbor Patrol	\$ 498,556	\$ 573,539	\$ 581,583	\$ 621,569	\$ 627,790	\$ 641,569	\$ 683,549	\$ 669,826	\$ 712,258	\$ 806,715
Marina Management	\$ 385,748	\$ 341,554	\$ 366,449	\$ 461,217	\$ 492,804	\$ 544,303	\$ 434,290	\$ 483,428	\$ 495,234	\$ 542,949
Non-Cash Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ 489,486	\$ 313,404	\$ 338,085	\$ 190,116	\$ 805,728	\$ -
Property Management	\$ 412,992	\$ 401,920	\$ 430,550	\$ 429,040	\$ 403,528	\$ 474,209	\$ 480,408	\$ 515,497	\$ 669,573	\$ 686,549
Parking Services	\$ 303,391	\$ 281,834	\$ 294,859	\$ 345,904	\$ 360,565	\$ 357,156	\$ 341,396	\$ 248,637	\$ 352,771	\$ 388,936
Fuel Services	\$ 554,830	\$ 472,246	\$ 342,096	\$ 331,742	\$ 350,664	\$ 413,682	\$ 536,061	\$ 427,765	\$ 740,950	\$ 805,610
Docks, Piers, Marine Structures	\$ 219,302	\$ 208,181	\$ 206,915	\$ 263,642	\$ 317,187	\$ 270,617	\$ 237,013	\$ 269,258	\$ 320,346	\$ 502,201
Building Maintenance	\$ 311,959	\$ 237,033	\$ 223,292	\$ 238,023	\$ 259,087	\$ 322,642	\$ 323,550	\$ 323,175	\$ 321,331	\$ 387,540
Boatyard Operations	\$ 64,561	\$ 280,911	\$ 216,665	\$ 239,953	\$ 221,938	\$ 254,419	\$ 274,979	\$ 303,551	\$ 326,087	\$ 364,793
Finance & Purchasing	\$ 180,263	\$ 178,125	\$ 170,536	\$ 170,809	\$ 165,863	\$ 170,690	\$ 181,208	\$ 194,674	\$ 183,581	\$ 184,083
Environmental & Permitting	\$ 116,999	\$ 147,984	\$ 162,413	\$ 156,750	\$ 131,817	\$ 143,423	\$ 174,318	\$ 139,893	\$ 95,646	\$ 145,693
Utilities Maintenance	\$ 102,937	\$ 98,475	\$ 104,864	\$ 84,314	\$ 107,964	\$ 87,508	\$ 85,665	\$ 86,067	\$ 97,358	\$ 103,385
Rescue Services	\$ 91,876	\$ 66,713	\$ 67,005	\$ 90,519	\$ 97,308	\$ 95,508	\$ 99,549	\$ 84,414	\$ 104,968	\$ 107,898
Port Commission Support	\$ 36,029	\$ 39,303	\$ 39,306	\$ 50,183	\$ 48,164	\$ 45,923	\$ 52,156	\$ 56,586	\$ 107,746	\$ 55,713
Aeration Program	\$ 99,678	\$ 80,991	\$ 39,944	\$ 42,498	\$ 44,900	\$ 36,840	\$ 38,467	\$ 40,795	\$ 49,913	\$ 37,456
Events	\$ 26,392	\$ 64,171	\$ 26,359	\$ 32,531	\$ 32,313	\$ 30,682	\$ 30,440	\$ -	\$ 13,111	\$ 22,570
Capital Projects	\$ 32,600	\$ 8,581	\$ 2,453	\$ 1,024	\$ 9,716	\$ 1,022	\$ 6,812	\$ 1,630	\$ 54	\$ 36
Debt Issuance Costs	\$ 193,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Cash OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,313	\$ 67,186	\$ 81,221	\$ 101,318	\$ 95,254
Ice Production/Fishery Support	\$ 17,418	\$ 6,783	\$ 3,495	\$ 5,042	\$ 2,452	\$ 2,762	\$ 5,680	\$ 5,064	\$ 8,588	\$ 12,014
Sub-total	\$ 7,084,730	\$ 7,270,695	\$ 7,331,098	\$ 8,278,842	\$ 8,487,521	\$ 8,742,968	\$ 9,203,068	\$ 9,125,404	\$10,472,849	\$10,749,338
Non-Operating Expenses:										
Tsunami Expense	\$ -	\$ -	\$ 27,864	\$ 17,088	\$ -	\$ -	\$ -	\$ -	\$ 187,859	\$ 10,486
Interest Expense	\$ 764,057	\$ 558,591	\$ 508,936	\$ 476,817	\$ 444,310	\$ 476,885	\$ 491,385	\$ 443,836	\$ 410,652	\$ 394,410
Other Expense	\$ -	\$ 1,943	\$ -	\$ 74,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 764,057	\$ 560,534	\$ 536,800	\$ 568,387	\$ 444,310	\$ 476,885	\$ 491,385	\$ 443,836	\$ 598,511	\$ 404,896
Total Expenditure	\$ 7,848,787	\$ 7,831,229	\$ 7,867,898	\$ 8,847,229	\$ 8,931,831	\$ 9,219,853	\$ 9,694,453	\$ 9,569,240	\$11,071,360	\$11,154,234
Surplus/(Deficit)	\$ 6,633,894	\$ 2,834,070	\$ 1,466,940	\$ 170,535	\$ 941,530	\$ 994,943	\$ 860,637	\$ 530,140	\$ 1,264,144	\$ 3,796,252
Net Position - Beginning Balance	\$18,136,699	\$24,770,593	\$25,416,357	\$26,883,297	\$27,053,832	\$27,719,368	\$28,714,311	\$29,574,948	\$30,105,088	\$31,369,232
Net Position - Ending Balance	\$24,770,593	\$27,604,663	\$26,883,297	\$27,053,832	\$27,995,362	\$28,714,311	\$29,574,948	\$30,105,088	\$31,369,232	\$35,165,484

Table H – Total Assets & Liabilities

Santa Cruz Port District - Assets & Liabilities (Fiscal Years 2013-14 to 2022-23)										
	FY 13-14 (Actual)	FY 14-15 (Actual)	FY 15-16 (Actual)	FY 16-17 (Actual)	FY 17-18 (Actual)	FY 18-19 (Actual)	FY 19-20 (Actual)	FY 20-21 (Actual)	FY 21-22 (Actual)	FY 22-23 (Actual)
CURRENT ASSETS										
Cash and Cash Equivalents	\$ 8,330,788	\$ 8,712,223	\$ 7,969,968	\$ 7,952,713	\$ 9,737,760	\$ 13,095,489	\$ 10,070,823	\$ 10,991,416	\$ 12,526,327	\$ 14,712,539
Trade Receivables	\$ 132,762	\$ 176,018	\$ 177,408	\$ 148,668	\$ 138,015	\$ 110,480	\$ 245,550	\$ 180,128	\$ 193,065	\$ 370,963
Grants Receivables	\$ 108,188	\$ 9,356	\$ 9,356	\$ 39,776	\$ 129,666	\$ 48,639	\$ -	\$ -	\$ -	\$ -
Interest Receivable	\$ 4,668	\$ -	\$ -	\$ -	\$ 32,411	\$ 75,887	\$ 48,223	\$ 10,841	\$ 8,896	\$ 90,362
Interest Receivable, Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,735
Inventory	\$ -	\$ -	\$ -	\$ 4,597	\$ 7,256	\$ 6,944	\$ 10,263	\$ 8,781	\$ 16,324	\$ 15,832
Lease Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 704,378
CalEMA Receivable	\$ 3,331,369	\$ 2,392,054	\$ 1,328,812	\$ -	\$ 51,916	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Expenses	\$ 23,522	\$ 28,476	\$ 33,469	\$ -	\$ -	\$ 27,784	\$ 34,577	\$ 45,562	\$ 91,525	\$ 122,773
Total Current Assets	\$11,931,297	\$11,318,127	\$ 9,519,013	\$ 8,145,754	\$ 10,097,024	\$ 13,365,223	\$ 10,409,436	\$ 11,236,728	\$ 12,836,137	\$16,053,582
RESTRICTED ASSETS										
Cash and Cash Equivalents	\$ 3,350,140	\$ 706,444	\$ 725,384	\$ 725,685	\$ 726,601	\$ 1,015,386	\$ 1,016,571	\$ 1,017,050	\$ 1,017,008	\$ 1,029,556
Total Restricted Assets	\$ 3,350,140	\$ 706,444	\$ 725,384	\$ 725,685	\$ 726,601	\$ 1,015,386	\$ 1,016,571	\$ 1,017,050	\$ 1,017,008	\$ 1,029,556
CAPITAL ASSETS										
Lease Receivable, Net of Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,210,399
Nondepreciable Assets:										
Land	\$ 1,349,360	\$ 1,349,360	\$ 1,349,360	\$ 1,349,360	\$ 1,349,360	\$ 1,349,360	\$ 1,349,360	\$ 1,349,360	\$ 2,201,360	\$ 2,201,360
Construction in Progress	\$ 2,775,421	\$ 3,152,161	\$ 3,581,567	\$ 484,401	\$ 605,977	\$ 874,128	\$ 3,197,517	\$ 570,268	\$ 574,372	\$ 998,052
Depreciable Assets:										
Structures and Improvements	\$26,401,652	\$26,546,747	\$ 29,244,137	\$ 29,336,818	\$ 29,405,675	\$ 29,477,120	\$ 29,668,008	\$ 30,057,168	\$ 30,705,762	\$30,720,555
Docks	\$19,502,369	\$21,562,506	\$ 21,562,506	\$ 21,562,506	\$ 21,562,506	\$ 22,600,115	\$ 24,113,526	\$ 27,023,464	\$ 27,122,552	\$27,161,298
Equipment	\$ 6,362,594	\$ 6,518,939	\$ 6,999,115	\$ 10,977,716	\$ 10,873,439	\$ 11,335,516	\$ 11,864,219	\$ 10,884,518	\$ 11,510,070	\$11,361,555
Office Equipment	\$ 110,452	\$ 138,565	\$ 134,833	\$ 140,960	\$ 140,960	\$ 153,680	\$ 153,680	\$ 73,114	\$ 63,621	\$ 54,374
Sub-total	\$56,501,848	\$59,268,278	\$ 62,871,518	\$ 63,851,761	\$ 63,937,917	\$ 65,789,919	\$ 70,346,310	\$ 69,957,892	\$ 72,177,737	\$85,707,593
Less Accumulated Depreciation	\$23,723,951	\$25,329,848	\$ 26,945,428	\$ 27,203,247	\$ 28,746,000	\$ 30,532,350	\$ 32,425,173	\$ 33,304,731	\$ 35,269,591	\$37,056,150
Total Capital Assets	\$32,777,897	\$33,938,430	\$ 35,926,090	\$ 36,648,514	\$ 35,191,917	\$ 35,257,569	\$ 37,921,137	\$ 36,653,161	\$ 36,908,146	\$48,651,443
TOTAL ASSETS	\$48,059,334	\$45,963,001	\$ 46,170,487	\$ 45,519,953	\$ 46,015,542	\$ 49,638,178	\$ 49,347,144	\$ 48,906,939	\$ 50,761,291	\$65,734,581
Deferred Outflows of Resources										
Deferred Amount from Pension Plans	\$ 56,292	\$ -	\$ 656,139	\$ 1,129,715	\$ 1,242,383	\$ 948,686	\$ 927,507	\$ 897,876	\$ 829,012	\$ 2,146,081
Deferred Amount from OPEB Plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,883	\$ 10,797	\$ 174,391	\$ 207,298	\$ 191,486
Total Deferred Outflows of Resources	\$ 56,292	\$ -	\$ 656,139	\$ 1,129,715	\$ 1,242,383	\$ 952,569	\$ 938,304	\$ 1,072,267	\$ 1,036,310	\$ 2,337,567
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$48,115,626	\$45,963,001	\$ 46,826,626	\$ 46,649,668	\$ 47,257,925	\$ 50,590,747	\$ 50,285,448	\$ 49,979,206	\$ 51,797,601	\$68,072,148
CURRENT LIABILITIES										
Accounts Payable and Accrued Expenses	\$ 656,922	\$ 296,249	\$ 247,820	\$ 186,999	\$ 286,052	\$ 395,293	\$ 169,131	\$ 213,884	\$ 300,949	\$ 316,941
Accrued Interest	\$ 198,370	\$ 113,906	\$ 106,610	\$ 99,012	\$ 91,117	\$ 101,615	\$ 92,380	\$ 82,466	\$ 72,508	\$ 62,257
Payroll Liabilities	\$ 174,606	\$ 188,124	\$ 259,146	\$ 310,493	\$ 315,187	\$ 219,891	\$ 210,982	\$ 229,613	\$ 239,105	\$ 284,338
Line of Credit	\$ 511,629	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Portion of Long-term Debt	\$ 3,452,851	\$ 949,245	\$ 982,015	\$ 1,015,120	\$ 1,048,837	\$ 1,254,451	\$ 1,299,163	\$ 1,274,163	\$ 1,329,940	\$ 1,366,974
Current Portion of Unearned Revenue	\$ 66,544	\$ 66,544	\$ 66,544	\$ 66,544	\$ 66,544	\$ 66,544	\$ 66,544	\$ 66,544	\$ 66,544	\$ 278,546
Tsunami CalEMA Advance Liability	\$ 422,550	\$ 422,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Slip Rents	\$ 137,377	\$ 159,474	\$ 167,629	\$ 154,165	\$ 181,220	\$ 189,780	\$ 191,985	\$ 258,639	\$ 251,346	\$ 246,859
Deposits	\$ 354,392	\$ 401,429	\$ 388,002	\$ 414,913	\$ 437,363	\$ 431,179	\$ 438,411	\$ 445,946	\$ 455,603	\$ 422,999
Total Current Liabilities	\$ 5,975,241	\$ 2,597,521	\$ 2,217,766	\$ 2,247,246	\$ 2,426,320	\$ 2,658,753	\$ 2,468,596	\$ 2,571,255	\$ 2,715,995	\$ 2,978,914
LONG-TERM DEBT										
Long-term Debt, less current portion	\$16,478,578	\$14,963,538	\$ 13,981,522	\$ 12,965,317	\$ 11,917,360	\$ 13,858,644	\$ 12,563,188	\$ 11,292,731	\$ 10,912,376	\$ 9,549,108
Total Long-Term Debt	\$16,478,578	\$14,963,538	\$ 13,981,522	\$ 12,965,317	\$ 11,917,360	\$ 13,858,644	\$ 12,563,188	\$ 11,292,731	\$ 10,912,376	\$ 9,549,108
OTHER LONG-TERM LIABILITIES										
Unearned Revenue, less current portion	\$ 848,436	\$ 781,892	\$ 715,348	\$ 648,804	\$ 582,260	\$ 515,718	\$ 449,174	\$ 382,630	\$ 316,086	\$ -
Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 484,557	\$ 483,228	\$ 728,518	\$ 776,506	\$ 807,791
Net Pension Liability	\$ -	\$ -	\$ 2,745,051	\$ 3,509,957	\$ 4,052,992	\$ 3,990,879	\$ 4,338,392	\$ 4,674,819	\$ 2,908,996	\$ 5,417,181
Total Other Long-term Liabilities	\$ 848,436	\$ 781,892	\$ 3,460,399	\$ 4,158,761	\$ 4,635,252	\$ 4,991,154	\$ 5,270,794	\$ 5,785,967	\$ 4,001,588	\$ 6,224,972
TOTAL LIABILITIES	\$23,302,255	\$18,342,951	\$ 19,659,687	\$ 19,371,324	\$ 18,978,932	\$ 21,508,551	\$ 20,302,578	\$ 19,649,953	\$ 17,629,959	\$18,752,994
DEFERRED INFLOW OF RESOURCES										
Tsunami CalEMA deferred admin allowance	\$ 42,778	\$ 15,387	\$ 10,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Amounts from OPEB	\$ -	\$ -	\$ -	\$ -	\$ 2,434	\$ 73,078	\$ 65,263	\$ 136,821	\$ 165,758	\$ -
Deferred Amounts from Leases / Rent	\$ -	\$ -	\$ 56,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,527,701
Deferred Amounts from Pension Plans	\$ -	\$ -	\$ 216,973	\$ 224,512	\$ 283,631	\$ 365,451	\$ 334,844	\$ 158,902	\$ 2,661,589	\$ 460,211
Total Deferred Inflows of Resources	\$ 42,778	\$ 15,387	\$ 283,642	\$ 224,512	\$ 283,631	\$ 367,885	\$ 407,922	\$ 224,165	\$ 2,798,410	\$14,153,670
NET POSITION										
Net Investment in Capital Assets	\$11,931,488	\$17,177,211	\$ 20,180,661	\$ 21,952,729	\$ 21,576,916	\$ 19,562,212	\$ 23,543,068	\$ 23,637,093	\$ 24,283,200	\$24,246,416
Restricted for Debt Service	\$ 3,350,140	\$ 706,444	\$ 725,384	\$ 725,685	\$ 726,601	\$ 1,015,386	\$ 1,016,571	\$ 1,017,050	\$ 1,017,008	\$ 1,029,556
Unrestricted	\$ 9,488,965	\$ 9,721,008	\$ 5,977,252	\$ 4,375,418	\$ 5,691,845	\$ 8,136,713	\$ 5,015,309	\$ 5,450,945	\$ 6,069,024	\$ 9,889,512
Total Net Position	\$24,770,593	\$27,604,663	\$ 26,883,297	\$ 27,053,832	\$ 27,995,362	\$ 28,714,311	\$ 29,574,948	\$ 30,105,088	\$ 31,369,232	\$35,165,484
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$48,115,626	\$45,963,001	\$ 46,826,626	\$ 46,649,668	\$ 47,257,925	\$ 50,590,747	\$ 50,285,448	\$ 49,979,206	\$ 51,797,601	\$68,072,148

GOVERNANCE

Legal Authority

The Santa Cruz Port District is governed by the California Harbors and Navigation Code. Code Section 6290-6311 outlines the District’s powers, which include but are not limited to, the ability to acquire, purchase, takeover, construct, maintain, operate, develop, and regulate wharves, docks, warehouses, grain elevators, bunkering facilities, belt railroads, floating plants, lighterage, lands, towage facilities, and any and all other facilities, aids, or public personnel, incident to, or necessary for, the operation and development of ports, waterways, and the district.

In 1987, following the enactment of Senate Bill 947, the California Harbors and Navigation Code also added specific language for the Santa Cruz Port District:

“The Legislature finds and declares that this section is necessary to meet a serious danger to the public safety within the Santa Cruz Port District caused by surfriding activities within the harbor entrance area (HNC 6302.5[a]). No person shall swim or surfride, or use any watercraft or device to surfride, on ocean waters within a harbor entrance area, as prescribed by the Santa Cruz Port District by ordinance (HNC 6302.5[b]). For the purposes of this section, “surfride” includes traveling to or from a surfriding staging area and activities in the staging area which are preparatory or preliminary to, or connected with, riding the surf (HNC 6302.5[c]). Every person who violates this section is guilty of a misdemeanor, and shall be punished by a fine not to exceed five hundred dollars (HNC 6302.5[d]).”

Local Accountability & Structure

The first port commissioners were elected in 1950. The five present commissioners are shown below. The chairmanship rotates annually. The commissioners do not receive financial compensation for their services. The District has transitioned from at-large to division-based elections, effective with the November 2024 election.

Table I – Current Commissioners

Commissioner	Term of Office	Years of Service:
Reed Geisreiter	2022-2026	14 years (since 2009)
Darren Gertler	2020-2024	8 years (since 2016)
Toby Goddard	2022-2026	18 years (since 2006)
Stephen Reed	2020-2024	12 years (since 2012)
Dennis Smith	2020-2024	16 years (since 2008)

The District is maintained under the direction of Holland MacLaurie, Port Director. The district office is staffed seven days a week, 24 hours per day. Current employees are staffed throughout three primary departments: (1) Administration, (2) Operations, and (3) Facilities Maintenance & Engineering. Regular meetings of the commission are scheduled for 5:30 p.m. on the fourth Tuesday of each month.

Management Efficiencies

As part of this service and sphere review, LAFCO staff analyzed the internal operations of the Santa Cruz Port District. The following is a summary of several key management efficiencies currently in place.

Transition to District-Based Elections

The Santa Cruz Port District has transitioned from at-large to district-based elections for its commissioners commencing with the General Election in November 2024. After a robust and deliberate public process, SCPD selected a final map indicating where the District’s boundary will be split into five geographic divisions (districts) for future elections.

Appendix B illustrates the adopted division map. Voters within the identified divisions will vote only for candidates residing within the same division. Voters will not be able to vote for candidates outside of their own division. This transition was a result of multiple public hearings, outreach efforts, and extensive evaluation. More information about the entire transition process is available online: <https://www.santacruzharbor.org/transition-to-district-based-elections>

Capital Improvement Plan

In February 2024, the District adopted its latest 5-Year Capital Improvement Plan (CIP). **Appendix C** provides a copy of the latest CIP Plan. The previous plan was adopted in 2019. The CIP is updated as part of each budget adoption cycle. Funding for the projects is derived primarily from the operating budget. CIP projects are budgeted and reported within the Capital Improvement Fund. The vast majority of expenses within the Capital Improvement Fund are capitalized upon project completion and include force account labor where applicable.

The latest CIP lists projects for the current fiscal year (FY 2024-25) and provides capital needs forecasts extending out through 2028. The plan identifies over 30 different projects, which are assigned under one of six categories: (1) Docks, Piers & Marine Structures, (2) Buildings, (3) Landslide Infrastructure, (4) Utility Systems, (5) Planning Projects & Studies, and (6) Other/Miscellaneous. **Table J** showcases the anticipated costs for the capital improvement projects by category.

Table J: Five-Year Capital Improvement Plan (Proposed Cost Breakdown)

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Total
Docks, Piers & Structures	\$500,000	\$155,000	\$250,000	\$585,000	\$150,000	\$1,640,000
Buildings	\$80,000	\$365,000	\$150,000	\$165,000	\$125,000	\$885,000
Landside Infrastructure	\$125,000	\$85,000	\$100,000	\$130,000	\$80,000	\$520,000
Utility Systems	\$280,000	\$185,000	\$220,000	\$120,000	\$90,000	\$895,000
Planning Projects/Studies	\$95,000	\$85,000	\$110,000	\$5,000	\$5,000	\$300,000
Misc. Projects	\$340,000	\$212,000	\$200,000	\$12,000	-	\$764,000
Total Cost	\$1,420,000	\$1,087,000	\$1,030,000	\$1,017,000	\$450,000	\$5,009,004

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 identifies several components that must be found within an agency’s website. Additionally, the Special District Leadership Foundation (SDLF), an independent, non-profit organization formed to promote good governance and best practices among California’s special

districts, has also outlined recommended website elements as part of its District Transparency Certificate of Excellence. This program was created as an effort to promote transparency in the operations and governance of special districts to the public. LAFCO conducted a thorough review of the District’s website based on SB 929’s criteria and the recommendations set by the SDLF. **Table K** summarizes staff’s findings on whether their website is meeting the statutory requirements. At present, SCPD meets all benchmarks. Overall, the District has a transparent website filled with useful information and resources that are easily accessible, which is why it has maintained its Certificate of Excellence from the Special District Leadership Foundation since 2016.

Table K: Website Transparency

Website Components	Status (Yes = ✓)
Required Items (SB 929 Criteria and SDLF Benchmarks)	
1. Names and Contact Information of Board Members*	✓
2. Board Member Term Limits	✓
3. Names of Key Staff, including General Manager	✓
4. Contact Information for Staff	✓
5. Election/Appointment Procedure & Deadlines	✓
6. Board Meeting Schedule*	✓
7. Mission Statement	✓
8. Description of District's Services/Functions and Service Area	✓
9. Authorizing Statute/Enabling Act	✓
10. Adopted District Budgets*	✓
11. Financial Audits*	✓
12. Archive of Board Meeting Agendas & Minutes*	✓
13. Link to State Controller's Webpages for District's reported Board Member and Staff Compensation	✓
14. Link to State Controller's Webpages for District's reported Financial Transaction Report	✓
15. Reimbursement & Compensation Policy / Annual Policies	✓
16. Home Page Link to Agendas/Board Packets	✓
17. SB 272 - Compliance-Enterprise Catalogs	✓
18. Machine Readable/Searchable Agendas	✓
19. Recipients of Grant Funding or Assistance	✓
20. Link or Copies of LAFCO’s Service & Sphere Reviews	✓
Total Score (out of a possible 20)	20 (100%)

Marine Rescue Service Program

The County of Santa Cruz has provided annual monetary support to the Santa Cruz Harbor's marine rescue service since the early-1990's. In 1991, the Port District, the County and City of Santa Cruz entered into a Joint Administrative Agreement which resulted in 45% of the Port District's property tax funding being distributed to the County, while the remaining 55% went to the City of Santa Cruz. In exchange for the property tax redistribution, the two local agencies agreed to provide police, fire, traffic control, and street maintenance services within the harbor area. This agreement is automatically extended on an annual basis. While the annual funding contribution remained at \$24,000 for many years, the County, in recognition of both its responsibility to provide services and the public benefits that derive from the Port District's existing marine rescue service program, increased its annual contribution to \$50,000 in 2019. The annual contribution has not been adjusted since that time.

The Santa Cruz Harbor Patrol vessel and crew support other maritime emergency agencies and are an integral part of the County of Santa Cruz' Coastal Incident Response Plan. Agencies supported by the Port District's marine rescue service include the U.S. Coast Guard, the County of Santa Cruz Sheriff's Department and other local law enforcement agencies, Santa Cruz County Office of Emergency Services, City of Santa Cruz Lifeguard Service / Marine Rescue Unit, State Parks lifeguards and rangers, Capitola City lifeguards, Santa Cruz County Fire marine rescue swimmers, Central Fire District (formally Aptos-La Selva Fire District) marine rescue swimmers, and others.

As noted in the County's Coastal Incident Response Plan, "The Santa Cruz Harbor Patrol has no jurisdictional responsibility in Santa Cruz County other than the Small Craft Harbor itself. The Harbor Patrol receives funding from Santa Cruz County to perform search and rescue missions within the three nautical mile line, which extends in Santa Cruz County to three nautical miles offshore including the Monterey Bay. If needed, the Harbor Patrol may extend beyond that boundary." Despite having no jurisdictional responsibility, the Santa Cruz Harbor Patrol performed 33 marine search and rescue missions from 2020 to 2023 and saved 219 lives.

If the County Sheriff Department or another local agency had to provide this marine rescue program, it would need to bear the full cost and responsibility for acquiring a patrol vessel and year-round crew available 24/7, ongoing crew training, acquiring and maintaining lifesaving equipment, vessel and equipment maintenance and replacement, fuel, berthing costs, dispatch, insurance, liability, and program administration.

LAFCO Staff Recommendation: *LAFCO encourages the District to coordinate with the County to determine if the annual reimbursement amount of \$50,000 is aligned with the marine rescue services being provided.*

Challenges and Opportunities

The Santa Cruz Port District is significantly affected by changes in State laws and regulations that can arise from time to time and add complexities and/or costs. For example, changes in California's Clean Water Act's list of impaired water bodies, maintained by the State Water Resources Control Board, may result in the development of Total Maximum Daily Load (TMDL) requirements. TMDL's are intended to improve and restore impaired water bodies. Regulations related to fishing and other ocean resources can also affect commercial and recreational fishing, with potential impacts to District activities. Sea level rise, predicted as a result of climate change, may also force the District to make expensive adaptations in the near future. In 2015, the California Legislature passed AB 691 requiring trustees of granted public lands to assess the impacts of sea level rise on these lands and to provide this assessment to the State Lands Commission by July 1, 2019.

Another challenge that the District has faced and may experience again is the aftermath of natural disasters. On March 11, 2011, a tsunami that originated in Japan destroyed the District's "U" dock and severely damaged docks throughout the harbor. The destruction brought on by the tsunami resulted in a Major Disaster Declaration by then President Obama. The estimated repair cost for all tsunami-related damages to the District was approximately \$19.7 million. State and federal government grant funding covered approximately 94% of the total tsunami-related costs. The final recovery project related to the tsunami disaster, replacing the south harbor electrical service at an approximate cost of \$2.6 million, was completed in April 2015.

Unfortunately, another tsunami hit the Santa Cruz Port District in 2022. The Tonga Hunga-Tonga Ha'apai volcano erupted on January 14, 2022, and generated tsunami waves that impacted the west coast of the United States on the morning of January 15, 2022¹. At that time, the District estimated that \$6.5 million would be needed to fix the damaged infrastructure.

During these types of occurrences, the District should continue to consider partnering with neighboring agencies and businesses to address unpredictable yet inevitable natural disasters. Historically, the District has collaborated with agencies and organizations within the Harbor to repair seawalls and other infrastructure. In 2015, the District partnered with Aldo's Harbor Restaurant to address needed repairs to a failing seawall. This collaboration allowed the restaurant to continue operating in temporary quarters on the harbor's west side while a long-term plan was developed to replace the seawall.

¹ USGC Website: <https://www.usgs.gov/data/observations-tsunami-and-runup-heights-santa-cruz-harbor-and-surrounding-beaches-2022-hunga>

SPHERE OF INFLUENCE

Cortese-Knox-Hertzberg Act

City and special district spheres of influence define the probable physical boundaries and service area of a local agency, as determined by the Commission (Government Code Section 56076). The law requires that spheres be updated at least once every five years either concurrently or subsequently to the preparation of Municipal Service Reviews. Spheres are determined and amended solely at the discretion of the Commission. In determining the sphere of influence for each local agency, the Commission is required by Government Code Section 56425(e) to consider certain factors, including:

- The present and planned uses in the area, including agricultural and open-space lands;
- The present and probable need for public facilities and services in the area;
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency; and
- For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Current & Proposed Sphere Boundary

LAFCO originally adopted a coterminous sphere for the District in 1988, as shown in **Figure 6** on page 25. Prior to the sphere reaffirmation in the early-1990s, an agreement among the County, City of Santa Cruz, and the District resulted in all three parties supporting a coterminous sphere boundary with the notion that the District would eventually become a full enterprise district by foregoing property tax revenue. Today, the District relies on enterprise (business-related) revenue sources to fund operations and has fulfilled its commitment to the 1991 agreement. For the past 36 years, the sphere boundary has remained unchanged.

Based on LAFCO's analysis, the sphere should be amended to address existing discrepancies, specifically small portions of the City of Santa Cruz being excluded from the current sphere. State law prohibits "dividing a municipal corporation" (Harbors and Navigation Code Section 6210). The proposed amendment would result in added clarity and consistency among the existing jurisdictional boundaries. Therefore, staff is recommending that the sphere be amended to include the previously excluded portions of the City of Santa Cruz, as shown in **Figure 7** on page 26. Such inclusion does not automatically trigger annexation. Further analysis would be required if annexation is considered and initiated by the affected parties.

Figure 6: Current Sphere Map

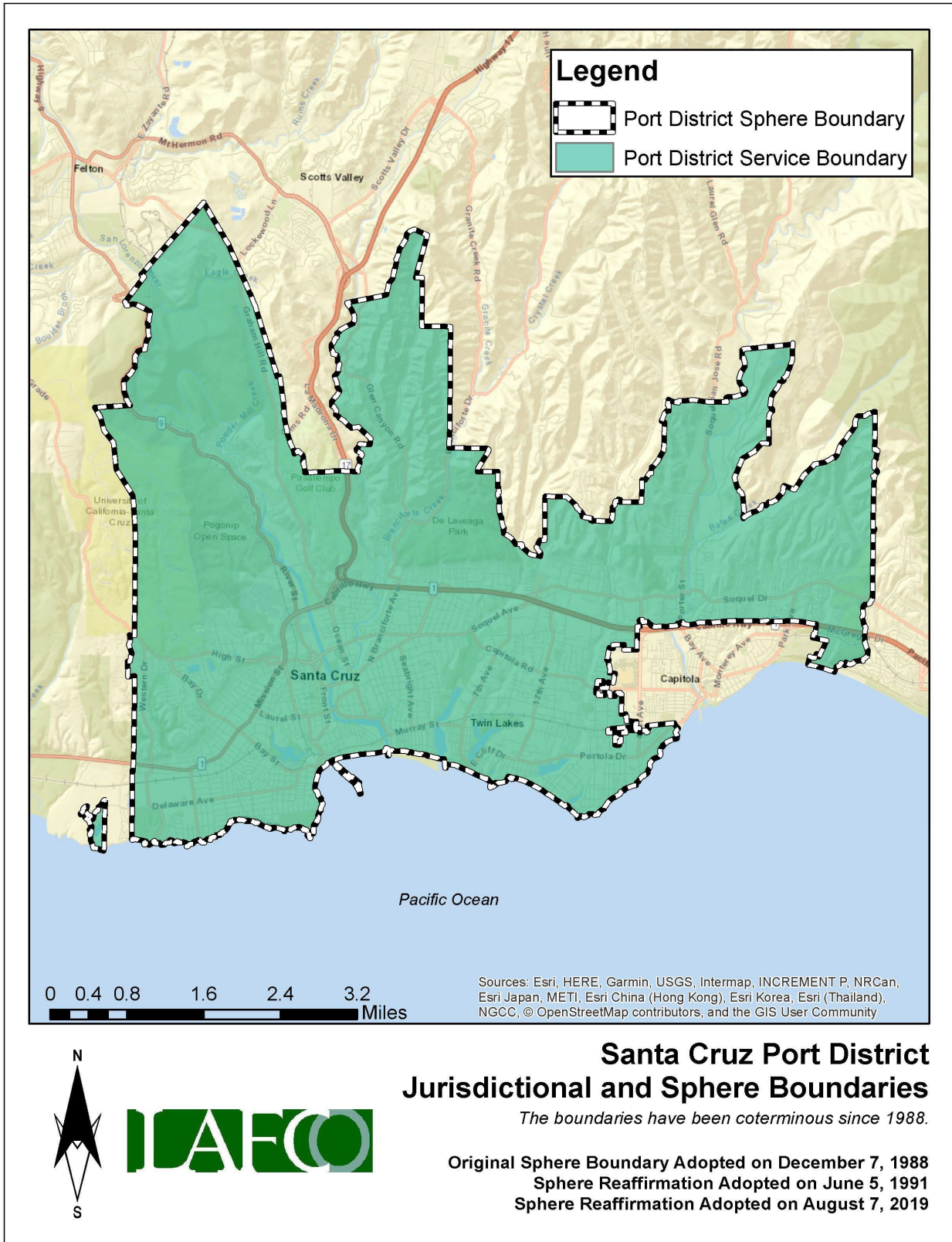
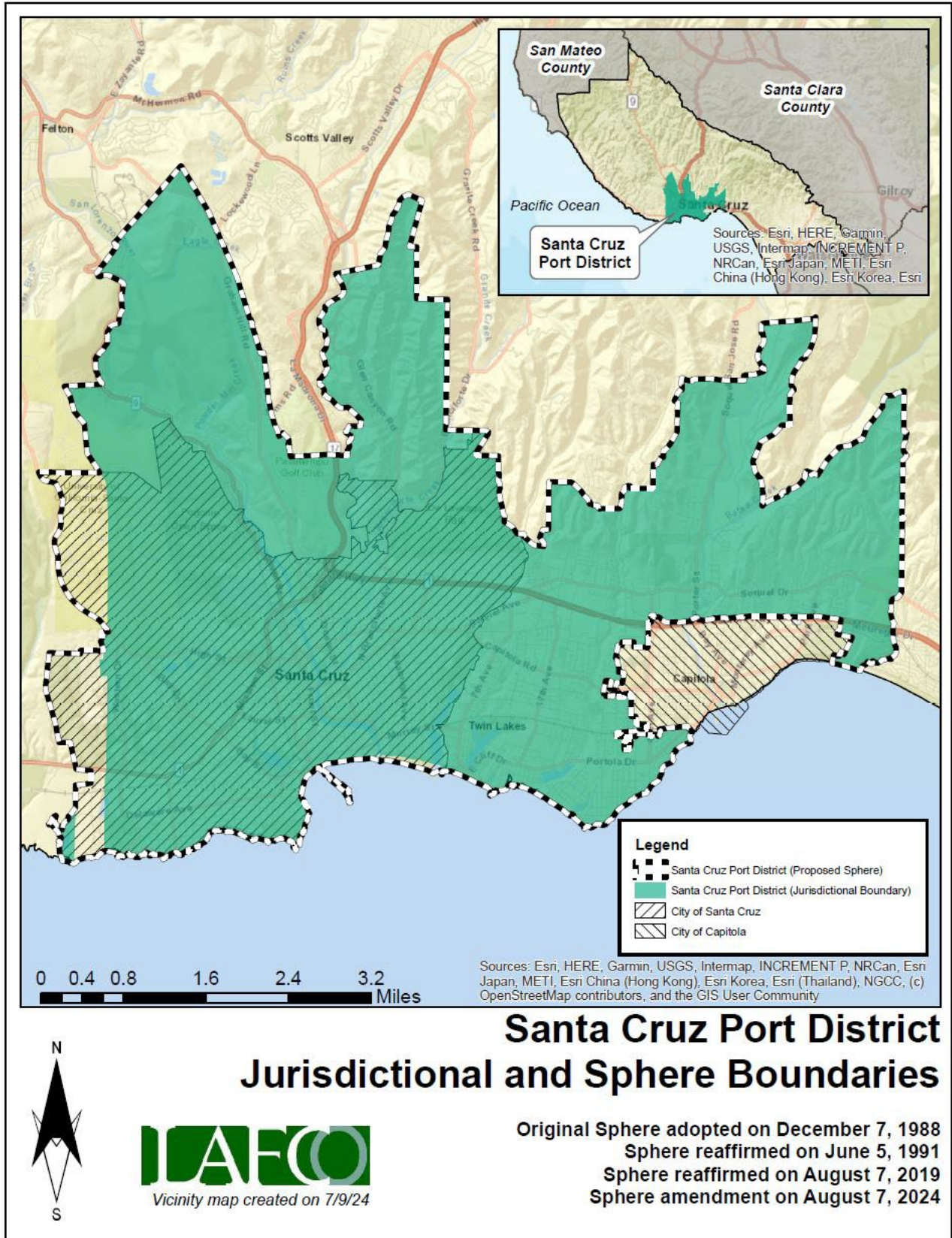


Figure 7: Proposed Sphere Map



DISTRICT SUMMARY

Santa Cruz Port District	
Formation	California Harbors and Navigation Code, section 6000 et seq.
Board of Directors	Five members, elected at-large to four-year terms <i>(Transition to division-based election starting in November 2024)</i>
Port Director	Holland MacLaurie
Employees	29 Full-Time Employees
Facilities	Appx. 1,200 wet berths; 275 dry-stored vessels; visitor berthing; and launching
District Area	27.9 square miles
Sphere of Influence	<u>Current Sphere:</u> Coterminous with Service Area <i><u>Proposed Sphere:</u> Larger than Service Area</i>
FY 2022-23 Audit	Total Revenue = \$14,950,486 Total Expenditure = \$11,154,234 Projected Net Position (Beginning Balance) = \$35,165,484
Contact Information	Mailing Address: 135 5 th Avenue, Santa Cruz CA 95062 Phone Number: (831) 475-6161 Email Address: scpd@santacruzharbor.org Website: www.santacruzharbor.org
Public Meetings	Meetings are typically held on the fourth Tuesday of each month at 5:30 p.m.
Mission Statement	The primary mission of the Santa Cruz Port Commission is to ensure that Santa Cruz Harbor is a viable operational and financial entity, providing a full array of boating and marine related opportunities for the public.

SERVICE AND SPHERE REVIEW DETERMINATIONS

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

The District encompasses unincorporated county territory as well as the vast majority of the City of Santa Cruz. It is estimated that approximately 99,000 residents currently live within the District's jurisdiction. Based on LAFCO's projections, the District's population may reach 113,000 by the year 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

In 2020, the California statewide median household income was \$78,672, and 80% of that was \$62,938. Based on LAFCO's analysis, there are no disadvantaged unincorporated communities within or contiguous to the District's sphere boundary.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District does not provide water, sewer, or fire protection within its service area.

4. Financial ability of agencies to provide services.

The District operates with revenues covering expenditures on an annual basis. As of March 31, 2023, the District is operating with a net position of approximately \$35 million and total assets of approximately \$66 million. The District is funded primarily through service charges. The District does not receive any tax revenue.

5. Status of, and opportunities for, shared facilities.

The District provides emergency ocean rescue and law enforcement services when requested to assist the US Coast Guard, local marine rescue agencies, and law enforcement agencies within the County. The District is part of a Joint Powers Authority with the California Maritime Infrastructure Authority and has MOUs with the US Army Corps of Engineers for dredging and the City and County for tax reallocation.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

The Santa Cruz Port District is governed by a five-member board. The District has transitioned from at-large to division-based elections, effective with the November 2024 election.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

State law limits the square miles of the Santa Cruz Port District such that it does not include the entire County and there can only be one municipal corporation in the District (Harbors and Navigation Code Section 6210). The District's boundary contains the vast majority of the City of Santa Cruz and an area of unincorporated land. This area includes a wide range of land uses, including but not limited to, agriculture, community commercial, parks and open space, and residential.

2. The present and probable need for public facilities and services in the area.

The District experiences an ongoing need for harbor services, which is demonstrated by the current wait list for harbor slips. The longest approximate wait time ranges from 1 year for a 20-foot slip up to 23 years for a 40-foot slip. All slip assignments are based on chronological precedence of requests. Only one size slip may be requested. The District provides a monthly waiting list report which can be accessed on their website.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District has consistently demonstrated a capacity to provide harbor services to the large population it serves. A strong local demand for harbor services is effectively constrained by the spatial limitations of the harbor's physical site.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

There are no District-relevant social or economic communities of interest in the area served. Staff's analysis does highlight that District's recent transition from at-large to division-based elections. This transition will provide more equal representation within the District's jurisdictional boundary and on its governing board.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The Santa Cruz Port District does not provide services related to sewers, municipal and industrial water, or structural fire protection. Therefore, this determination is not applicable.

APPENDICES

Appendix A: “Harbor News” Newsletter (Spring 2024)

Appendix B: Division-Based Election Map (November 2024)

Appendix C: Capital Improvement Plan (2024 to 2028)



Santa Cruz Port District
Accounts Payable Monthly Check Register
June 2024

Date	No.	Vendor	Description	Amount
6/6/2024	60106	Employee #262	Final Pay	\$ 1,469.99
6/11/2024	60107	The Law Offices of Geoffrey Rawlings	Claim Settlement - Case No. 22CV02701	\$ 25,000.00
6/13/2024	60108	Ace Portable Services	Portable Toilet Rental	\$ 214.67
6/13/2024	60109	Allied Administrators for Delta Dental	Dental Insurance	\$ 3,214.46
6/13/2024	60110	Amazon Capital Services	Patrol Boat Flags, U-Bolts	\$ 47.97
6/13/2024	60111	AmeriDyn	Dynamics Support	\$ 157.50
6/13/2024	60112	Amerigas	Ancillary Equipment Fuel	\$ 99.17
6/13/2024	60113	Calvin Anderson-Nakagawa	Security Deposit Refund	\$ 268.98
6/13/2024	60114	A Sign ASAP!	Hand Launch Signage	\$ 625.58
6/13/2024	60115	AT&T	Telephone	\$ 876.73
6/13/2024	60116	A Tool Shed Rentals	Dump Truck Rental	\$ 1,109.60
6/13/2024	60117	Bay Building Janitorial, Inc.	Refuse Collection, Janitorial Services	\$ 12,918.66
6/13/2024	60118	Bay Plumbing Supply, Inc.	Faucet Replacement	\$ 208.46
6/13/2024	60119	Big Creek	Maintenance Yard Plywood	\$ 63.38
6/13/2024	60120	Bow Wow Pet Waste Products	Pet Waste Station Bags	\$ 210.88
6/13/2024	60121	Brass Key Locksmith, Inc.	D-Dock Restroom Deadbolts	\$ 261.21
6/13/2024	60122	Will Burson	Credit Balance Refund	\$ 25.83
6/13/2024	60123	Cale America, Inc.	Monthly Parking Machine Service	\$ 1,305.72
6/13/2024	60124	Carpi & Clay	Washington Representation	\$ 800.00
6/13/2024	60125	Complete Mailing Service	Statement Mailing & Postage	\$ 580.16
6/13/2024	60126	County of Santa Cruz Auditor	Citation Tax (April)	\$ 1,918.00
6/13/2024	60127	Crystal Springs Water Co.	Boatyard Drinking Water	\$ 54.25
6/13/2024	60128	Department of Industrial Relations	493 Lake Avenue Elevator Inspection	\$ 225.00
6/13/2024	60129	Ewing Irrigation Products, Inc.	Irrigation Pipe & Fittings	\$ 61.39
6/13/2024	60130	Robert Franks	Security Deposit Refund	\$ 341.70
6/13/2024	60131	Garda CL West, Inc.	Deposit Courier Service	\$ 838.14
6/13/2024	60132	Grainger	Disposable Gloves	\$ 209.50
6/13/2024	60133	Gsolutionz	Telephone System Maintenance	\$ 262.85
6/13/2024	60134	HD Supply Facilities Maintenance, Ltd.	Janitorial Supplies	\$ 2,200.02
6/13/2024	60135	Eric Henn	Security Deposit Refund	\$ 413.36
6/13/2024	60136	Josh Wagoner	Travel Expense Reimbursement: Crane Training	\$ 338.49
6/13/2024	60137	Kimball Midwest	Boatyard Retail Items	\$ 497.60

Santa Cruz Port District
Accounts Payable Monthly Check Register
June 2024

Date	No.	Vendor	Description	Amount
6/13/2024	60138	Lessin, Eric	Credit Balance Refund	\$ 1,018.35
6/13/2024	60139	Linde Gas & Equipment, Inc.	Welding Gas & Rods	\$ 379.09
6/13/2024	60140	Lockton Insurance Brokers, LLC	Crime, Inland Marine, 1st & 2nd Layer Excess Liability, Marine General Liability, Marine Operators Liability Insurance Premiums	\$ 1,171,462.20
6/13/2024	60141	Melrose, Rick	Employee Expense Reimbursement: Golf Cart Battery	\$ 31.67
6/13/2024	60142	Mesiti-Miller Engineering, Inc.	Engineering Services: Westside Seawall	\$ 4,162.40
6/13/2024	60143	Mission Uniform Service	First Aid Supply, Uniform Service	\$ 506.88
6/13/2024	60144	Nathen Castro	Travel Expense Reimbursement: Crane Certification	\$ 266.49
6/13/2024	60145	Operating Engineers	Union Dues (Payroll Deduction)	\$ 276.00
6/13/2024	60146	Pacific Gas & Electric Company	Utilities	\$ 455.60
6/13/2024	60147	Pagoda Technologies Inc	IT & Cyber Security Services (June)	\$ 3,270.00
6/13/2024	60148	Peterson	Dozer Rear Camera Repair, Dozer Seals	\$ 5,319.51
6/13/2024	60149	Brendan Pini	Security Deposit Refund	\$ 1,463.00
6/13/2024	60150	Peace Officers Research Association of California	Association Dues (Payroll Deduction)	\$ 72.00
6/13/2024	60151	Peace Officers Research Association of California Legal Defense Fund	Association Dues (Payroll Deduction)	\$ 336.00
6/13/2024	60152	RDO Equipment Co.	<i>Squirt</i> Engine Overhaul Kit	\$ 1,384.82
6/13/2024	60153	Red Wing Shoe Store	Maintenance Staff Work Boots	\$ 356.68
6/13/2024	60154	Resa Power LLC	<i>Twin Lakes</i> Spare Main Breaker	\$ 21,577.64
6/13/2024	60155	Riverside Lighting & Electric	Light Fixtures, Parking Machine Electrical Supplies, Aerator Fuses	\$ 1,085.68
6/13/2024	60156	Rory Stipanovich	Travel Expense Reimbursement: Crane Certification	\$ 440.21
6/13/2024	60157	Royal Wholesale Electric	Aerator Starter & Fuses	\$ 322.39
6/13/2024	60158	San Lorenzo	Concession Lot Pay Station Kiosk Lumber & Siding, 2222 East Cliff Drive Suite 130 Door, Tire Chock Lumber	\$ 1,875.09
6/13/2024	60159	Santa Cruz Tire & Auto Care	Patrol Vehicle Oxygen Sensor Replacement	\$ 584.66
6/13/2024	60160	SC Fuels	Fuel Dock Gasoline & Diesel	\$ 27,163.26
6/13/2024	60161	Scheidt & Bachmann	Monthly Service, Technical Support	\$ 2,918.66
6/13/2024	60162	Santa Cruz Municipal Utilities	Utilities	\$ 700.32
6/13/2024	60163	Special District Risk Management Association	Worker's Compensation Insurance	\$ 127,348.13
6/13/2024	60164	Staples Business Advantage	Dredge Yard Printer	\$ 606.50
6/13/2024	60165	Svendsen's Marine & Industrial Supply	Anodes	\$ 983.20
6/13/2024	60166	Triton Construction	Underground Storage Tank Testing	\$ 3,080.00
6/13/2024	60167	U.S. Bank Equipment Finance	Copier Lease	\$ 304.36

Santa Cruz Port District
Accounts Payable Monthly Check Register
June 2024

Date	No.	Vendor	Description	Amount
6/13/2024	60168	Verizon Wireless	Cell Phone & Tablet Service	\$ 299.36
6/13/2024	60169	West Coast Wire Rope	Wire Rope, Pike Poles	\$ 4,510.89
6/13/2024	60170	West Marine Pro	Water Taxi Replacement Fenders, Parking Cart Antenna	\$ 285.01
6/13/2024	60171	West Marine Pro	Boatyard Retail Items	\$ 565.70
6/28/2024	60172	Amazon Capital Services	Power Tool Battery, Fish Table Hoses, Utility Fan	\$ 502.74
6/28/2024	60173	Anna-Liza Anderson	Event Security Deposit Refund	\$ 1,000.00
6/28/2024	60174	Tom Armstrong	Security Deposit Refund	\$ 116.54
6/28/2024	60175	Atchison Barisone Condotti & Kovacevich	Legal Consultation	\$ 6,918.10
6/28/2024	60176	First-Citizens Bank & Trust Co.	Telephone System Lease	\$ 323.09
6/28/2024	60177	Batteries + Bulbs	Meter & Parking Machine Batteries	\$ 215.36
6/28/2024	60178	Bay Plumbing Supply, Inc.	2222 East Cliff Drive Suite 100 Pipe & Fittings, Primer & PVC Cement, Wash Rack Fittings, Hose Bibs	\$ 240.06
6/28/2024	60179	Bayside Oil II, Inc.	Waste Fuel Disposal, Dredge Engine Oil	\$ 1,475.71
6/28/2024	60180	Big Creek	Concession Lot Parking Machine Kiosk Trim & Fasteners, X-Dock Lumber, Saw Blades	\$ 405.31
6/28/2024	60181	Central Home Supply	West Jetty Walkway Base & Fill Rock	\$ 3,754.95
6/28/2024	60182	Citi Cards	Breakroom Supplies, California Marine and Navigation Conference Travel Expense	\$ 954.03
6/28/2024	60183	Comcast	Business Internet	\$ 573.49
6/28/2024	60184	Core & Main LP	Offshore Disposal Pipe & Flanges	\$ 7,746.66
6/28/2024	60185	Darco Printing & Paper	Slip License Agreement Forms	\$ 607.16
6/28/2024	60186	Downey Brand	Legal Consultation	\$ 5,670.00
6/28/2024	60187	Dredging Supply Company, Inc.	<i>Twin Lakes</i> Jet Pump Motor Starter Electrical Assembly	\$ 427.15
6/28/2024	60188	Elevator Service Company	Monthly Service	\$ 500.00
6/28/2024	60189	Halley Finkel	Security Deposit Refund	\$ 242.88
6/28/2024	60190	Flyers Energy, LLC	Ancillary Equipment Fuel	\$ 734.76
6/28/2024	60191	Fresno Pipe & Supply	Pipe Couplers	\$ 708.19
6/28/2024	60192	Grainger	Oxygen Sensor, Hand Ratchet, Safety Goggles, Dust Caps, 2222 East Cliff Drive Restroom Changing Station	\$ 1,211.42
6/28/2024	60193	HD Supply Facilities Maintenance, Ltd.	Janitorial Supplies	\$ 2,599.19
6/28/2024	60194	Home Depot Credit Services	Duct Tape, Wet/Dry Vacuum, Hose Clamps, Wall Outlets & Covers, Shower Curtain & Hooks, Shovel	\$ 357.53
6/28/2024	60195	Edgar Lopez	Security Deposit Refund	\$ 229.80
6/28/2024	60196	Marina Ware	Quarterly Software & Key Access System Support	\$ 1,700.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
June 2024

Date	No.	Vendor	Description	Amount
6/28/2024	60197	Mayberry, Jarrett	Security Deposit Refund	\$ 303.90
6/28/2024	60198	McDermott, Dick	497 Lake Avenue Installment Payment	\$ 4,535.45
6/28/2024	60199	McMaster-Carr Supply Company	Dredge Paint, Plastic Funnels	\$ 309.71
6/28/2024	60200	Mission Uniform Service	First Aid Supply, Uniform Service	\$ 460.39
6/28/2024	60201	Mutual of Omaha	Life/LTD/AD&D Insurance	\$ 918.87
6/28/2024	60202	Nigro & Nigro, PC	FY24 Financial Audit Progress Payment	\$ 10,000.00
6/28/2024	60203	Capital One Trade Credit	333 Lake Avenue Suite A Door Fasteners	\$ 17.51
6/28/2024	60204	Pacific Gas & Electric Company	Utilities	\$ 36,435.33
6/28/2024	60205	Palace Business Solutions	Office Supplies	\$ 163.71
6/28/2024	60206	Peninsula Welding & Medical Supply	Welding Machine Repair, Stainless Steel Welding Rods	\$ 525.31
6/28/2024	60207	Public Sector Personnel Consultants	Consulting Services: Class & Compensation Study	\$ 1,500.00
6/28/2024	60208	Ramos Oil Inc.	<i>Twin Lakes</i> Fuel	\$ 31,025.51
6/28/2024	60209	Red Hills Environmental, LLC	Annual Dredge Report	\$ 2,530.00
6/28/2024	60210	Riverside Lighting & Electric	Parking Station Electrical Cable	\$ 353.81
6/28/2024	60211	Steve Romig	Security Deposit Refund	\$ 127.90
6/28/2024	60212	Royal Wholesale Electric	Aerator Starter	\$ 171.97
6/28/2024	60213	Santa Cruz Sentinel	I-Dock Restroom Rehabilitation Project Legal Advertising	\$ 217.60
6/28/2024	60214	Santa Cruz Municipal Utilities	Utilities	\$ 27,112.28
6/28/2024	60215	Shields, Harper & Co.	FuelMaster Upgrades	\$ 13,650.42
6/28/2024	60216	Kai Slawinski	Security Deposit Refund	\$ 67.15
6/28/2024	60217	Southland Printing	Concession Lot Parking Machine Tickets	\$ 4,889.49
6/28/2024	60218	Annie Thatcher	Canceled Volleyball Reservation Refund	\$ 255.00
6/28/2024	60219	VOID		
6/28/2024	60220	US Relay	Webcam Hosting	\$ 484.00
6/28/2024	60221	Mark Larsen DBA: Viking	2222 East Cliff Drive Window Screens, Window Cleaning	\$ 460.00
6/28/2024	60222	West Marine Pro	Boatyard Retail Items	\$ 433.47
6/28/2024	60223	Wex Bank	Fleet Fuel	\$ 2,709.66
6/28/2024	60224	County of Santa Cruz	Public Meeting Room Reservation Refund	\$ 120.00
6/5/2024	Various	Various Employees	5/16/24-5/31/24 Payroll	\$ 8,923.46
6/20/2024	Various	Various Employees	6/1/24-6/15/24 Payroll	\$ 9,296.90
6/1/2024	EFT	Merchant Services	Online Billpay Credit Card Fees	\$ 317.67
6/1/2024	EFT	Merchant Services	CALE Credit Card Fees	\$ 1,576.19

Santa Cruz Port District
Accounts Payable Monthly Check Register
June 2024

Date	No.	Vendor	Description	Amount
6/1/2024	EFT	Merchant Services	Boatyard Credit Card Fees	\$ 521.27
6/1/2024	EFT	Gravity Payments	Front Desk Credit Card Fees	\$ 2,563.40
6/1/2024	EFT	Windcave, Inc.	Concession Lot Credit Card Fees	\$ 2,867.86
6/1/2024	EFT	ElectronicPayments	Fuel Dock Credit Card Fees	\$ 677.45
6/1/2024	EFT	Cardconnect	RV Park Credit Card Fees	\$ 863.44
6/1/2024	EFT	Transaction Express	Online Billpay ACH Fees	\$ 835.48
6/5/2024	EFT	PAYCHEX	5/16/24-5/31/24 Payroll Direct Deposit	\$ 72,113.40
6/5/2024	EFT	PAYCHEX	5/16/24-5/31/24 Payroll Taxes	\$ 37,544.96
6/5/2024	EFT	PAYCHEX	Payroll Service Fees	\$ 724.79
6/5/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 10,417.93
6/5/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,530.98
6/5/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,892.42
6/5/2024	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 4,241.92
6/5/2024	EFT	CalPERS	Health Insurance	\$ 53,301.06
6/5/2024	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 650.89
6/5/2024	EFT	California State Disbursement Unit	Wage Garnishment (Payroll Deduction)	\$ 125.00
6/7/2024	EFT	Comerica Commercial Card Services	WhenIWork Subscription, Body Worn Camera Mount, Replacement Harbor Patrol Badge, Harbor Patrol Training Ammunition, Zoom Subscription, Water Taxi Flags, Office Supplies, Harbor Visitor Map & Guides, Building Trim, 333 Lake Avenue Door Parts, Batteries, <i>Patrol Boat Kinnamon</i> Bottom Paint, Golf Cart Keys, Active911 Subscription, Rangemaster Training Lodging, Water Taxi Bumpers, Crane Certification Lodging, Environmental Monitor Vehicle Rear Window Replacement, Power Tool Batteries, Bandsaw Switch, First Aid Supplies, Wash Rack Solenoid Valves, Abrasive Wheels, <i>Twin Lakes</i> DC Panel Components, Parking Staff Uniform Shirts & Outerwear, Recruitment Advertising, Parking Staff Uniform Hats, Commission Meeting Refreshments, Annual BioBase Sounding Software Subscription, Trash Compactor Switch, Maintenance Vehicle Delivery	\$ 13,382.60
6/10/2024	EFT	Campspot	RV Park Reservation System Monthly Fee	\$ 351.90
6/11/2024	EFT	Comerica Bank	Service Charges	\$ 709.61
6/13/2024	EFT	Gravity Payments	Front Desk Credit Card Gateway Fee	\$ 20.00
6/20/2024	EFT	PAYCHEX	6/1/24-6/15/24 Payroll Direct Deposit	\$ 69,883.56
6/20/2024	EFT	PAYCHEX	6/1/24-6/15/24 Payroll Taxes	\$ 34,658.48
6/20/2024	EFT	PAYCHEX	Payroll Service Fees	\$ 719.80
6/20/2024	EFT	PAYCHEX	Time & Attendance Fees	\$ 119.90

Santa Cruz Port District
Accounts Payable Monthly Check Register
 June 2024

Date	No.	Vendor	Description	Amount
6/20/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 9,747.19
6/20/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,528.76
6/20/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,703.25
6/20/2024	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 4,343.30
6/20/2024	EFT	Empower Retirement	457 Loan Repayments (PR Ded)	\$ 650.89
6/30/2024	EFT	Windcave, Inc.	Concession Lot Credit Card Gateway Fees	\$ 761.54
Total June 2024 Disbursements				\$ 1,982,790.81



TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: July 16, 2024
SUBJECT: Port Director's Report – July 23, 2024

FY25 Federal Appropriations – Dredge Reimbursement

Earlier this month, the House Appropriations Committee approved the FY25 Energy & Water Appropriations Report, which includes \$881,000 for Santa Cruz Harbor O&M dredging reimbursement. This amount was recommended in the President's FY25 Budget Proposal to Congress and includes the Port District's annual \$525,000 reimbursement, as well as additional administrative funding for the Corps to complete the renewal of a new Memorandum of Agreement. It is anticipated that the Senate report will reflect the same and that the Senate will likely move forward with their FY25 Energy & Water process later this month.

Dredge Reimbursement

The Port District received reimbursement from the U.S. Army Corps of Engineers in the amount of \$131,250 for Q1 of calendar year 2024. Q2 has been invoiced and payment is anticipated soon.

Concessionaire Audits

An overview of recent concessionaire audits is below:

- Crow's Nest Beach Market – Audit Complete (*no significant findings*)
- Chardonnay Sailing Charters – Audit Complete (*no significant findings*)
- Johnny's Harborside – Audit Scheduled (*Summer 2024*)

By-Division Election Update - Terminology

With the Port District's recent transition from at-large to division-based elections, staff has confirmed with the County Clerk that the five newly formed geographic voting areas located within the Port District's boundary will be referred to as "divisions." The County Clerk has confirmed that all election material has been updated accordingly.

Dredging – Sampling and Analysis Plan

Each year prior to the commencement of dredging operations, the Port District submits its annual Sampling and Analysis Plan to the regulatory agencies for review and approval. For the upcoming 2024-25 season, the Port District will not be conducting inner harbor dredging, so no areas are proposed for Tier II (physical and chemical analyses) or Tier III (biological analyses) testing. The Federal Navigation Channel is the only area proposed for dredging during the upcoming season, and since biennial testing for Tier II physical analyses occurred in 2023, no testing of entrance channel sediment is required this year. As a result, savings of approximately \$75,000 will be achieved in the FY25 operating budget.



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: July 15, 2024
SUBJECT: Harbormaster's Report

4th of July Holiday

The weather over the 4th of July holiday brought the crowds and kept staff busy as people were escaping the heat wave. Parking lots were full, and the channel was extremely busy with boaters, kayakers, and paddlers enjoying the water. From July 4, 2024, to July 7, 2024, patrol staff responded to four search and rescue calls, towed three disabled vessels, and took two reports for vessel accidents.

Big Brothers Big Sisters (BBBS) Annual Day on the Bay Regatta

The Santa Cruz Yacht Club (SCYC) will host the 32nd Annual Day on the Bay Regatta benefiting BBBS on August 11, 2024. This large-scale fundraising event benefits local youth and features a regatta race, catered dinner, live music, and raffle. Registration information can be found on SCYC's website.

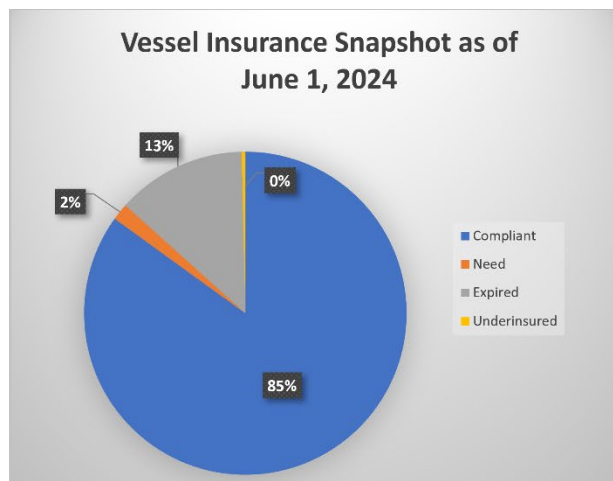
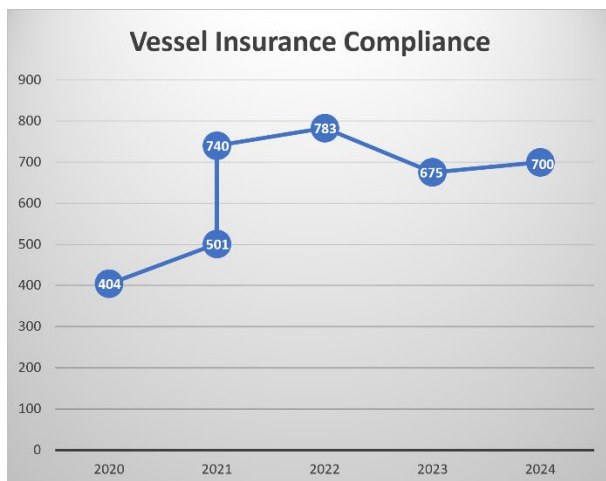
Vessel Disposal

Staff are preparing for vessel disposal day scheduled for July 31, 2024. There are currently ten vessels ranging in size from twenty to thirty-seven feet in length awaiting demolition. Vessels will have to be cleared of fuel and any other hazardous material prior to disposal day.

Vessel Insurance Snapshot

As of June 1, 2024, vessel insurance statistics are as follows:

- In-Compliance: 700
- Currently Expired Insurance: 107
- No Insurance: 17
- Underinsured (\$100k): 3



Monterey Bay Search and Rescue (SAR) Council Meeting

Deputy Harbormaster staff attended a Monterey Bay SAR Council Meeting on July 12, 2024, at the NOAA Southwest Fisheries Center in Santa Cruz. The SAR Council was developed to strengthen the partnership between marine first responders in the Monterey Bay region. Participants include Coast Guard, fire department personnel, law enforcement, lifeguards, and other marine partners. The meetings are a forum to discuss recent SAR cases, logistics, communication, departmental changes, capabilities, and other issues relating to marine search and rescue. Topics at the July meeting consisted of staffing and capability updates, debriefing of recent SAR cases, and updates to the Coastal Incident Response Plan (CIRP) for Santa Cruz and Monterey Counties.

Fishery Update

The halibut and rock fishing continues to draw anglers to our local waters, and despite the lack of a salmon season the launch ramp activity remains steady. The commercial halibut fishery has seen a high landing volume, but with that comes a decrease in ex-vessel prices going to the fishers making it tougher in an already strained industry.

Unfortunately, there has been little movement on the highly anticipated relief payments for the 2023 salmon fishery closure and it is unknown when direct payments will be made to affected businesses. Currently the relief package is with the President's Office of Management and Budget (OMB) and once approved will go to the Pacific States Marine Fisheries Commission (PSMFC) for disbursement. A second fishery disaster declaration, for the 2024 season closure, has been requested by the State of California and is currently awaiting approval from the United States Secretary of Commerce.

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.

Landings continued on the next page.

June 2024 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
CA Halibut	16,895.01	\$6.22	\$105,148.47
Jack Mackerel	13,042.40	\$1.25	\$16,372.30
Sablefish (Blackcod)	4,709.10	\$3.15	\$14,877.85
Lingcod	110.10	\$2.54	\$280.25
Rockfish (various)	5,932.50	\$1.97	\$11,723.88
Petrale Sole	52.10	\$2.51	\$130.95
White Croaker	4,447.00	\$1.24	\$5,540.27

Total Reported: 45,188.21 lbs. Total Ex-Vessel: \$154,073.97

Species also landed* - Rock Crab, Dungeness Crab, Pacific Mackerel, Pacific Pompano, Northern Anchovy, Thresher Shark, Pacific Halibut, Starry Flounder

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

June 2024 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Dungeness Crab	9,814.00	\$5.00	\$49,070.00
Rock Crab	1,124.00	\$3.00	\$3,372.00
Rockfish (various)	4,670.45	\$2.50	\$11,676.12
CA Halibut	2,889.10	\$6.00	\$17,334.60
Sablefish (Blackcod)	1,649.10	\$3.00	\$4,947.30
Lingcod	68.10	\$3.00	\$204.30
Mackerel	80.10	\$3.00	\$240.30
Petrale Sole	33.50	\$2.00	\$67.00
Flounder	5.35	\$2.00	\$10.70
Smelt	8.40	\$1.00	\$8.40

Total Reported: 20,342.10 lbs. Total Ex-Vessel: \$86,930.72



TO: Port Commission
FROM: Carl Wulf, Facilities Maintenance & Engineering Manager
DATE: July 23, 2024
SUBJECT: Facilities Maintenance & Engineering Manager's Report

Dredging Operations:

Twin Lakes

Off-season maintenance tasks are underway. The clean out tee, coolant heat exchangers, Christmas tree, east pipe connector, dredge cans, snorkel elbow, snorkel frame, and anchor buoys have been moved to the dredge yard for repairs. The last remaining black steel hydraulic lines will be replaced with stainless steel tube in the engine room of Twin Lakes.



Squirt

Extended maintenance continues on *Squirt*. *Squirt* will not be utilized during the 2024-25 dredge season, as no inner harbor dredging is proposed.

Dredge Yard

Crews cleaned up and restacked the stored items in the dredge yard, including clearing out a significant amount of overgrown ivy.



Maintenance:

East Side Embankment and Crane Pad

Mesiti-Miller Engineering continues to work on a solution to restore the crane pad area.

West Side Sinkhole Repairs

Osmun Construction has finished the temporary repairs for the sinkhole that developed on the west side in the parking lot adjacent to FF-Dock. The contractor crawled inside the void to take a close look and relayed concerns about the condition of the sheet pile. There were four holes rusted through the steel sheeting, which were patched to prevent further erosion. It took twice as much concrete (13 cubic yards) to fill.

Transformer Project Timeline

- Project commencement – July 15, 2024
- Mobilization – July 15-19, 2024
- Begin utility potholing and trench layout – July 22-26, 2024
- Begin trenching – July 29-August 2, 2024
- Submittals and approvals are ongoing

Additional Security Cameras

Maintenance staff installed six additional security cameras throughout the harbor.

Fuel Dock

Maintenance staff replaced a fuel supply hose on pump #4 that had failed.



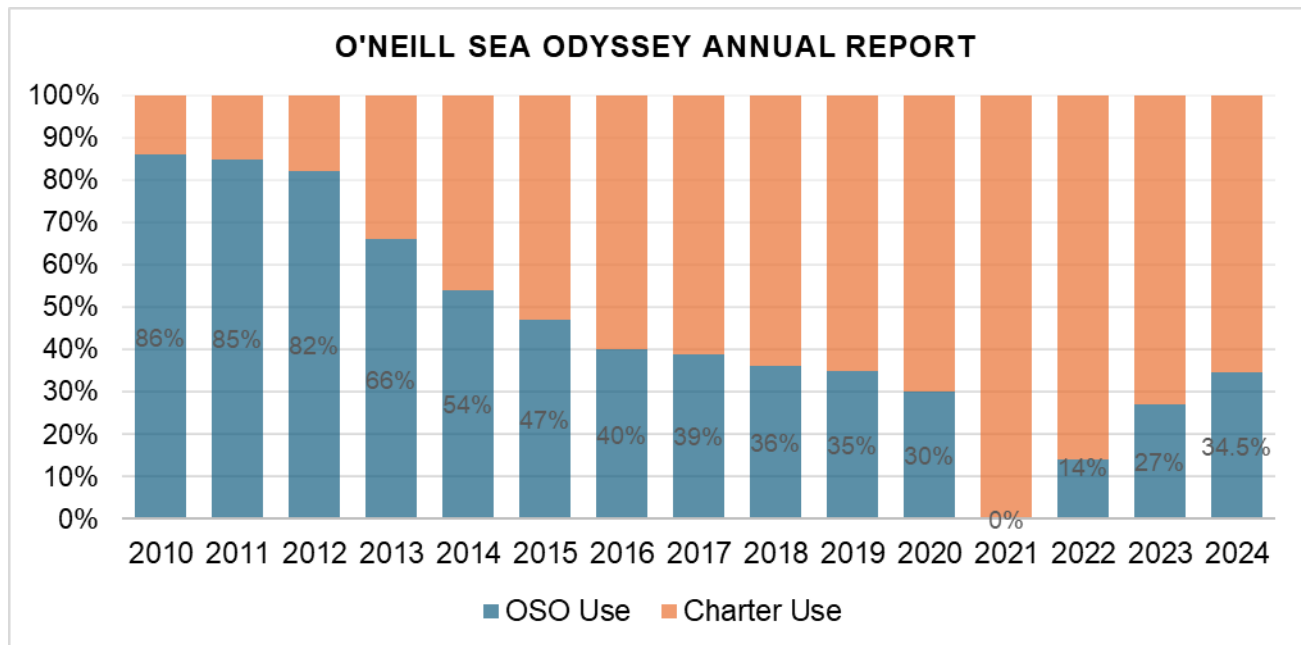
TO: Port Commission
 FROM: Holland MacLaurie, Port Director
 DATE: July 16, 2024
 SUBJECT: O'Neill Sea Odyssey Annual Report

BACKGROUND:

In 2007, the Commission approved a modification to the slip rent and charter fee structure for O'Neill Sea Odyssey (OSO), which provides a percentage discount to the slip rent and charter fee, in an amount equal to the percentage of time the *Team O'Neill* catamaran is used for the OSO program.

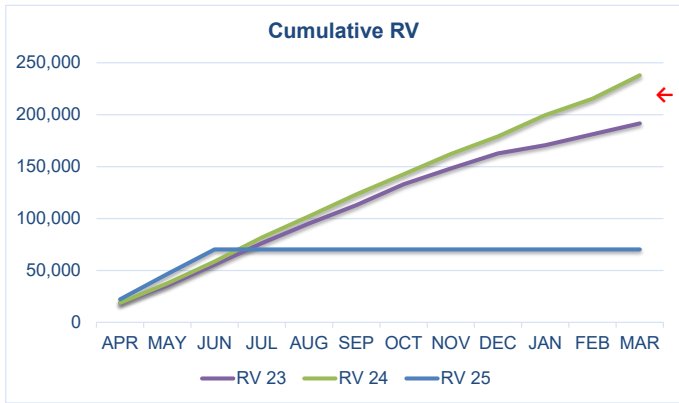
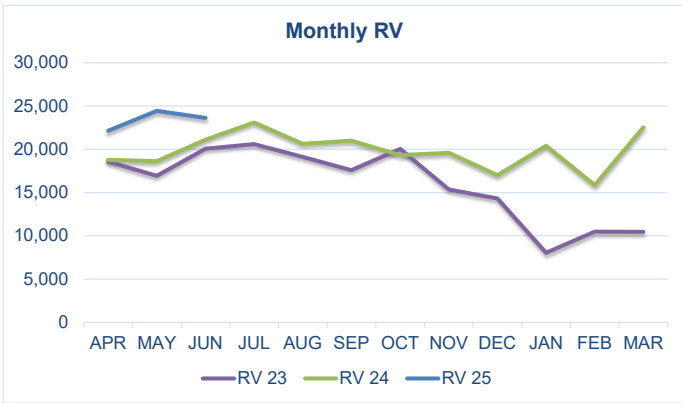
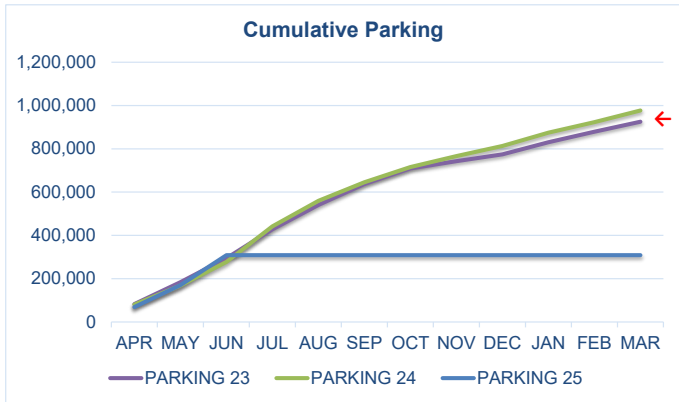
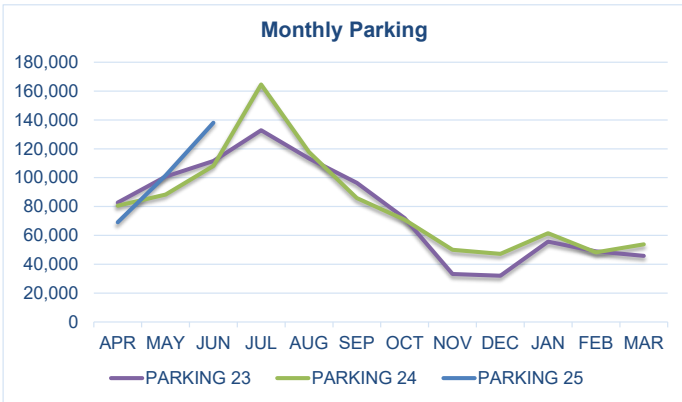
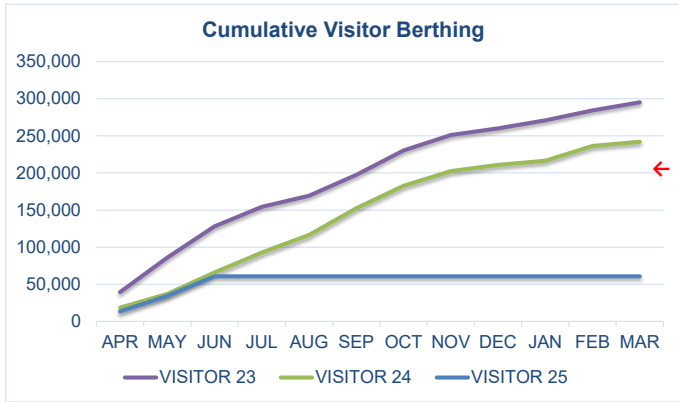
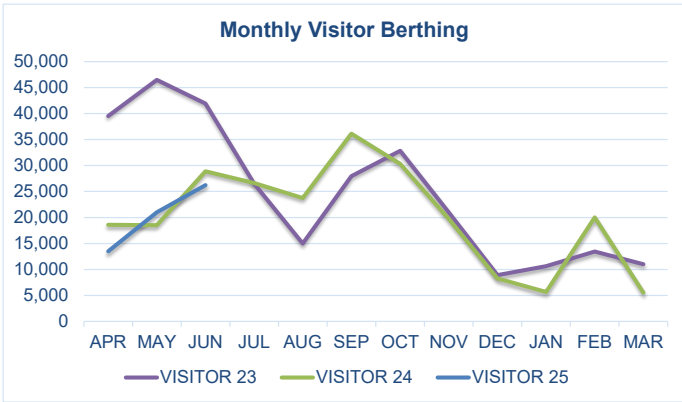
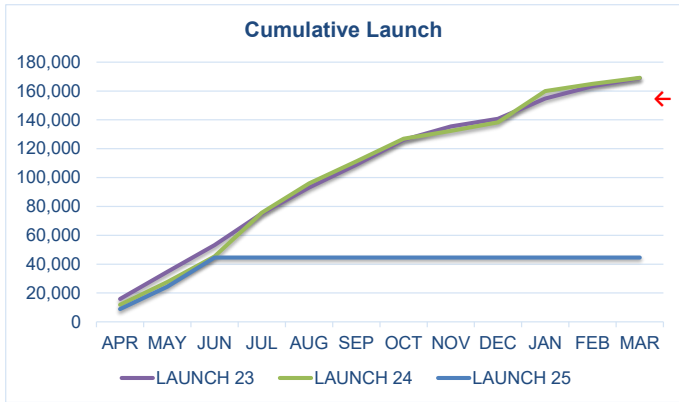
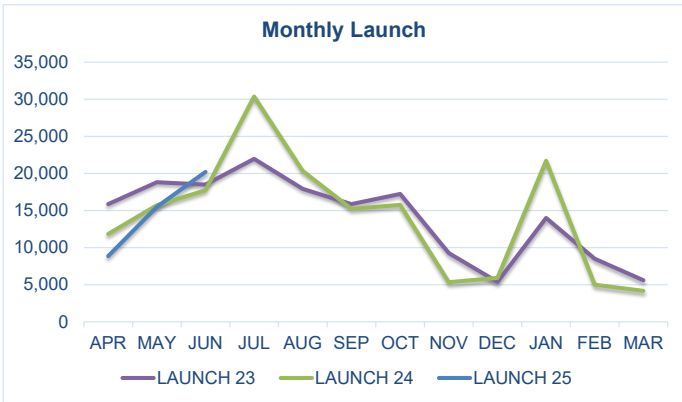
This modified rent structure is intended to reflect the public benefit offered by the OSO program. The annual report submitted by OSO covers the period July 1, 2023, to June 30, 2024, and shows the use as 65.5% charter and 34.5% OSO.

Slip fees have been adjusted, effective July 1, 2024.



Santa Cruz Port District
SEASONAL INCOME
 For the Three Months Ending June 30, 2024

FY25 Budget ←



Santa Cruz Port District
Comparative Budget Report
For the Three Months Ending June 30, 2024

Account	Description	YTD	FY25 BUDGET	% BUDGET	FY24 YTD	Variance
OPERATING INCOME						
000-000-000-0000-4000	Slip Rent Permanent	\$1,294,742	\$5,181,621	25%	\$1,245,965	\$48,777
000-000-000-0000-4002	Slip Rent Visitors	\$60,719	\$215,000	28%	\$66,028	(\$5,309)
000-000-000-0000-4003	Annual Slip Rent Discount	(\$452)	(\$1,225)	37%	(\$295)	(\$157)
000-000-000-0000-4006	Tenant Concession Rent	\$468,329	\$2,097,000	22%	\$483,482	(\$15,153)
000-000-000-0000-4008	Misc. Tenant Rent (Sewer)	\$21,352	\$140,000	15%	\$16,901	\$4,451
000-000-000-0000-4010	Launch Fees	\$44,569	\$155,000	29%	\$45,284	(\$715)
000-000-000-0000-4012	Liveaboard	\$28,060	\$92,500	30%	\$26,843	\$1,217
000-000-000-0000-4014	Catamaran Storage	\$7,544	\$26,000	29%	\$7,074	\$470
000-000-000-0000-4016	North Harbor Dry Storage	\$53,329	\$200,000	27%	\$51,671	\$1,658
000-000-000-0000-4018	7th Ave Dry Storage	\$33,206	\$125,000	27%	\$31,248	\$1,959
000-000-000-0000-4020	Waiting List	\$6,575	\$135,000	5%	\$5,452	\$1,123
000-000-000-0000-4024	Slip Leave Option	\$300	\$3,000	10%		\$300
000-000-000-0000-4026	Partnership Fees	\$9,857	\$30,000	33%	\$8,580	\$1,277
000-000-000-0000-4028	Sublease Fees	\$9,136	\$35,000	26%	\$10,780	(\$1,644)
000-000-000-0000-4030	Variable/Utility Fees	\$65,924	\$235,000	28%	\$61,939	\$3,985
000-000-000-0000-4032	Late Fees	\$14,477	\$50,000	29%	\$13,789	\$688
000-000-000-0000-4036	Citations	\$27,503	\$110,000	25%	\$35,832	(\$8,329)
000-000-000-0000-4040	Credit Card Convenience Charges	\$8,129	\$24,000	34%	\$7,306	\$823
000-000-000-0000-4100	Parking - Concession Lot	\$187,465	\$910,000	33%	\$166,550	\$20,915
000-000-000-0000-4102	Parking - Launch Area	\$10,421			\$7,677	\$2,744
000-000-000-0000-4104	Parking - Southwest	\$51,769			\$53,492	(\$1,723)
000-000-000-0000-4106	Parking - North	\$10,219			\$7,931	\$2,289
000-000-000-0000-4108	Parking - Southeast	\$40,811			\$31,452	\$9,359
000-000-000-0000-4118	Meter Permits	\$2,200			\$3,459	(\$1,259)
000-000-000-0000-4120	Slip Renter Parking Permits	\$5,800	\$28,000	21%	\$6,540	(\$740)
000-000-000-0000-4122	RV Parking	\$70,209	\$215,000	33%	\$58,520	\$11,689
000-000-000-0000-4200	Fuel Sales Gasoline	\$69,112	\$285,000	24%	\$80,027	(\$10,915)
000-000-000-0000-4202	Fuel Sales Diesel	\$110,256	\$305,000	36%	\$42,482	\$67,774
000-000-000-0000-4210	Wash Rack	\$1,683	\$6,500	26%	\$2,006	(\$323)
000-000-000-0000-4220	Boatyard Retail	\$8,115	\$16,500	49%	\$5,064	\$3,051
000-000-000-0000-4225	Boatyard Labor	\$687	\$750	92%	\$195	\$492
000-000-000-0000-4230	Boatyard Rental	\$780	\$3,000	26%	\$795	(\$15)
000-000-000-0000-4235	Boatyard Misc.	\$8,190	\$32,000	26%	\$11,014	(\$2,824)
000-000-000-0000-4240	Lay Days/Storage	\$18,895	\$130,000	15%	\$30,738	(\$11,843)
000-000-000-0000-4245	Vessel Haulout	\$33,743	\$132,000	26%	\$50,779	(\$17,036)
000-000-000-0000-4250	Vessel Berthing	\$5,998	\$34,000	18%	\$9,101	(\$3,102)
	OPERATING INCOME	\$2,789,653	\$10,950,646	25%	\$2,685,698	\$103,956

Santa Cruz Port District
Comparative Budget Report
For the Three Months Ending June 30, 2024

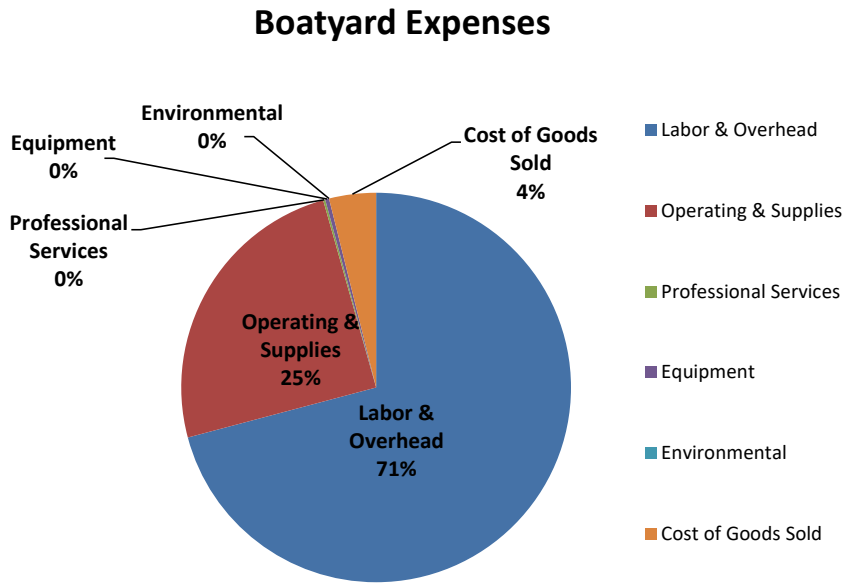
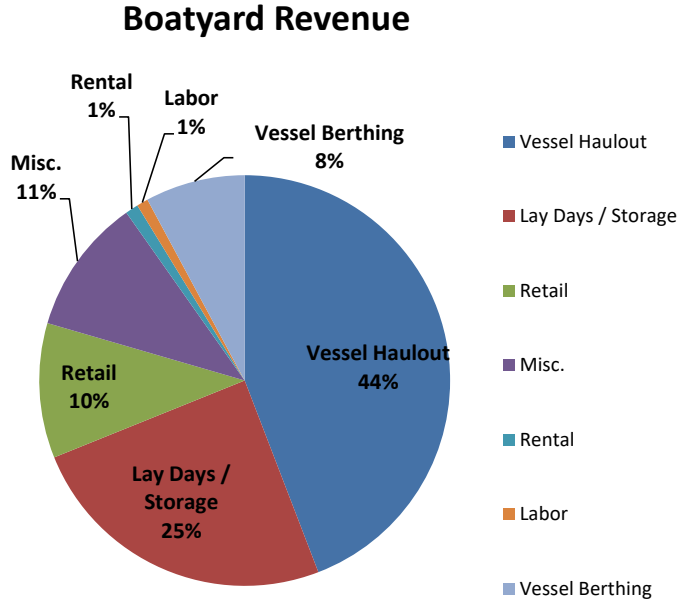
Account	Description	YTD	FY25 BUDGET	% BUDGET	FY24 YTD	Variance
EXPENSE SUMMARY BY PROGRAM						
	Administrative Services (110)	\$235,497	\$925,649	25%	\$203,685	\$31,812
	Finance & Purchasing (120)	\$55,288	\$247,146	22%	\$41,118	\$14,170
	Property Management (130)	\$226,075	\$994,396	23%	\$192,231	\$33,844
	Environmental & Permitting (140)	\$26,744	\$189,885	14%	\$16,936	\$9,808
	Port Commission Support (190)	\$12,501	\$76,149	16%	\$18,456	(\$5,955)
	Harbor Patrol (210)	\$206,536	\$884,261	23%	\$187,822	\$18,714
	Marina Management (220)	\$153,555	\$632,832	24%	\$141,620	\$11,935
	Rescue Services (230)	\$23,914	\$153,813	16%	\$24,803	(\$889)
	Parking Services (240)	\$93,697	\$408,710	23%	\$107,983	(\$14,285)
	Events (250)	\$4,652	\$33,829	14%	\$3,231	\$1,421
	Fuel Services (280)	\$93,115	\$522,860	18%	\$112,548	(\$19,433)
	Docks, Piers, Marine Structures (310)	\$198,700	\$856,979	23%	\$191,524	\$7,176
	Utilities (320)	\$23,707	\$110,463	21%	\$21,124	\$2,583
	Buildings (330)	\$108,773	\$495,429	22%	\$106,996	\$1,777
	Grounds (340)	\$246,718	\$873,575	28%	\$229,917	\$16,801
	Aeration (350)	\$13,098	\$60,599	22%	\$12,339	\$759
	Fishery Support (360)	\$2,167	\$17,496	12%	\$2,567	(\$400)
	Capital Projects (390)	\$17,751	\$313,229	6%	\$23,660	(\$5,908)
	Dredging Operations (400)	\$472,966	\$1,697,545	28%	\$349,991	\$122,975
	Boatyard Operations (500)	\$82,582	\$431,225	19%	\$84,318	(\$1,736)
	OPERATING EXPENSES	\$2,298,036	\$9,926,072	23%	\$2,072,869	\$225,168
	OPERATING PROFIT	\$491,617	\$1,024,574	48%	\$612,829	(\$121,212)
NON OPERATING INCOME/(EXPENSE)						
000-000-000-0000-4300	Harbor Services Charge	\$166	\$10,000	2%	\$2,998	(\$2,833)
000-000-000-0000-4308	Interest Income	\$251,892	\$710,000	35%	\$60,514	\$191,378
000-000-000-0000-4310	Other Income	\$17,189	\$176,000	10%	\$28,391	(\$11,202)
000-000-000-0000-4375	USACE Reimbursement	\$131,250	\$525,000	25%		\$131,250
000-000-000-0000-4400	Grants - State	\$20,287				\$20,287
000-000-000-0000-4402	Grants - Federal	\$610,383				\$610,383
000-000-000-0000-4405	Grants - DBAW		\$12,000	0%	\$13,552	(\$13,552)
000-000-000-0000-4406	County Rescue Contribution	\$25,000	\$50,000	50%	\$25,000	\$0
000-000-000-0000-4408	Waste Oil Grant	\$6,260	\$12,000	52%	\$5,802	\$457
000-000-000-0000-4500	Gain/(Loss) on Asset Disposal				\$3,050	(\$3,050)
000-000-000-0000-4600	Cash Over/Under	(\$2)			(\$448)	\$446
	Principal Debt Payments	(\$225,313)	(\$1,413,056)	16%	(\$129,247)	(\$96,066)
	Capital Improvement Program	(\$286,746)	(\$750,000)	38%	(\$244,042)	(\$42,704)
	Capitalized Expenses	(\$64,382)	(\$187,000)	34%	(\$102,655)	\$38,274
	Depreciation	(\$540,331)	\$0		(\$420,005)	(\$120,327)
	NET INCOME/(LOSS)	\$437,269	\$169,517	258%	(\$144,261)	\$581,530

Santa Cruz Port District
Quarterly Employee Count
As of June 30, 2024

Department	Employee Name	FTE %	Unrepresented	Position
ADMIN	Eldridge, Mark	100%		Finance Officer
ADMIN	Ghisletta, Renee	100%		Administrative Services Officer
ADMIN	MacLaurie, Holland	100%		Port Director
ADMIN	Weisert, Hilary	100%		Administrative Assistant I
FACILITIES	Acevedo, Arturo	100%		Harbor Maintenance Worker III
FACILITIES	Castro, Nathan	100%		Harbor Dredge Worker II
FACILITIES	Forbes, Alden		var	Harbor Dredge Worker I
FACILITIES	Gullo, Nicholas	100%		Supervising Maintenance Worker
FACILITIES	Lopez, Jorge	100%		Harbor Maintenance Worker III
FACILITIES	Marty, Randy	100%		Harbor Maintenance Worker III
FACILITIES	Ramos, Brenda	100%		Facilities Coordinator
FACILITIES	Simoni, Daniel	100%		Harbor Dredge Worker III
FACILITIES	Smith, Bryer		prov	Harbor Maintenance Worker II
FACILITIES	Stipanovich, Rory	100%		Supervising Dredge Worker
FACILITIES	Tandoi, Steven	100%		Harbor Dredge Worker III
FACILITIES	Vera, Jose	100%		Harbor Maintenance Worker III
FACILITIES	Wagoner, Joshua	100%		Harbor Dredge Worker III
FACILITIES	Wulf, Carl	100%		Facilities, Maintenance & Engineering Manager
OPERATIONS	Anderson, Blake	100%		Harbormaster
OPERATIONS	Ash, Jaylene		var	Parking Control / Water Taxi Crew
OPERATIONS	Bariteau, Robyn		var	Parking Control
OPERATIONS	Carson, Ava		var	Parking Control
OPERATIONS	Day, Cam		var	Parking Control
OPERATIONS	Drake, Bryson		var	Marina Management Specialist
OPERATIONS	Gitler, Mark		var	Operations Assistant / Dredge Monitor
OPERATIONS	Gottlieb, Landon	100%		Deputy Harbormaster
OPERATIONS	Guy, Parker	100%		Deputy Harbormaster
OPERATIONS	Hann, Alfred		var	Operations Assistant
OPERATIONS	Haynes, John	100%		Senior Deputy Harbormaster
OPERATIONS	Henning, Nicholas	100%		Boatyard Supervisor
OPERATIONS	Hill, David	100%		Deputy Harbormaster
OPERATIONS	Kingdom, Kyle	100%		Deputy Harbormaster
OPERATIONS	Lehouillier, Nicholas		var	Parking Control
OPERATIONS	Long, John		var	Parking Control
OPERATIONS	Melrose, Richard	100%		Parking Coordinator
OPERATIONS	Nelson, Michael		var	Parking Control / Water Taxi Crew / Dredge Monitor
OPERATIONS	Nowak, Chris		var	Water Taxi Operator
OPERATIONS	Palmer, Darrell		var	Boatyard Crew
OPERATIONS	Pasquuali, Richard		var	Water Taxi Operator
OPERATIONS	Replogle, Peter	100%		Boatyard Crew
OPERATIONS	Rothwell, Niki	100%		Customer Service Representative
OPERATIONS	Rothwell, Sean	100%		Assistant Harbormaster
OPERATIONS	Sorrentino, Griffin		var	Parking Control
OPERATIONS	Stelter, Richard		var	Parking Control
OPERATIONS	Taylor, Troy		var	Parking Control
Total FTE		27		

Santa Cruz Port District
Quarterly Boatyard Report
 For the Three Months Ended June 30, 2024

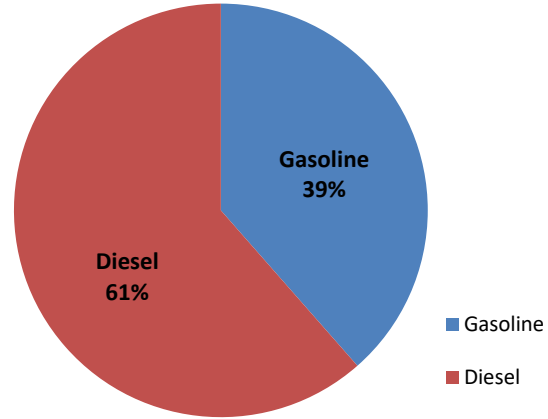
	QTD Apr - Jun	YTD Apr - Jun	% of Budget
Boatyard Revenue			
Vessel Haulout	\$33,743	\$33,743	26%
Lay Days / Storage	\$18,895	\$18,895	15%
Retail	\$8,115	\$8,115	49%
Misc.	\$8,190	\$8,190	26%
Rental	\$780	\$780	26%
Labor	\$687	\$687	92%
Vessel Berthing	\$5,998	\$5,998	18%
Total Revenue	\$76,408	\$76,408	22%
Boatyard Expenses			
Labor & Overhead	\$58,521	\$58,521	19%
Operating & Supplies	\$20,439	\$20,439	23%
Professional Services	\$142	\$142	3%
Equipment	\$268	\$268	3%
Environmental	\$0	\$0	0%
Cost of Goods Sold	\$3,212	\$3,212	32%
Total Operating Expenses	\$82,582	\$82,582	19%
Net Profit / (Loss)	(\$6,174)	(\$6,174)	



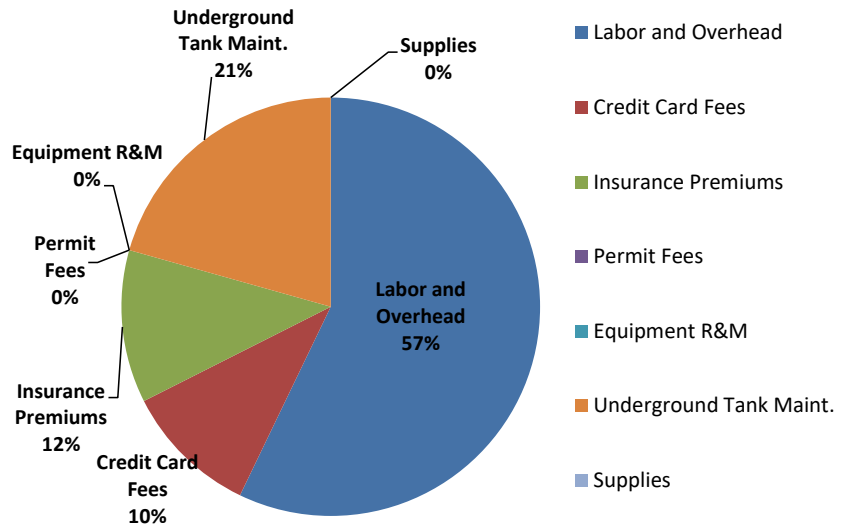
Santa Cruz Port District
Quarterly Fuel Dock Report
 For the Three Months Ended June 30, 2024

	QTD Apr - Jun	YTD Apr - Jun	% of Budget
Fuel Dock Revenue			
Gasoline	\$69,112	\$69,112	24%
Diesel	\$110,256	\$110,256	36%
Total Revenue	\$179,368	\$179,368	30%
Cost of Sales			
Gasoline	\$24,189	\$24,189	12%
Diesel	\$52,546	\$52,546	22%
Total Cost of Sales	\$76,735	\$76,735	17%
Gross Profit	\$102,633	\$102,633	
Gross Profit Margin	57%	57%	
Operating Expenses			
Labor and Overhead	\$9,359	\$9,359	19%
Credit Card Fees	\$1,707	\$1,707	21%
Insurance Premiums	\$1,934	\$1,934	25%
Permit Fees	\$0	\$0	0%
Equipment R&M	\$0	\$0	0%
Underground Tank Maint.	\$3,380	\$3,380	40%
Supplies	\$0	\$0	0%
Total Operating Expenses	\$16,380	\$16,380	20%
Net Profit / (Loss)	\$86,253	\$86,253	
Profit Margin	48%	48%	

Fuel Dock Revenue



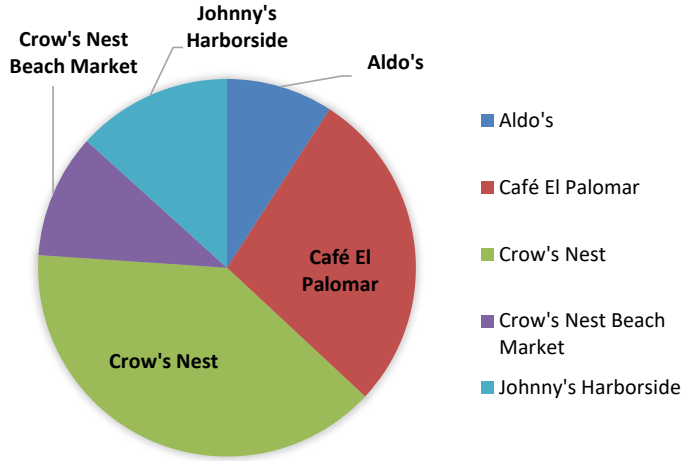
Fuel Dock Expenses



Santa Cruz Port District
Quarterly Concession Rent Report
 For the Three Months Ended June 30, 2024

	FY 2025	
	QTD Apr - Jun	YTD Apr - Jun
Base Rent		
Aldo's	6,405	6,405
Café El Palomar	47,154	47,154
Crow's Nest	-	-
Crow's Nest Beach Market	21,900	21,900
Johnny's Harborside	27,365	27,365
Total Base Rent	\$ 102,824	\$ 102,824
% Rent		
Aldo's	12,416	12,416
Café El Palomar	10,077	10,077
Crow's Nest	80,542	80,542
Crow's Nest Beach Market	-	-
Johnny's Harborside	-	-
Total % Rent	\$103,035	\$103,035
Total Rent		
Aldo's	18,821	18,821
Café El Palomar	57,231	57,231
Crow's Nest	80,542	80,542
Crow's Nest Beach Market	21,900	21,900
Johnny's Harborside	27,365	27,365
Total Rent	\$ 205,859	\$ 205,859

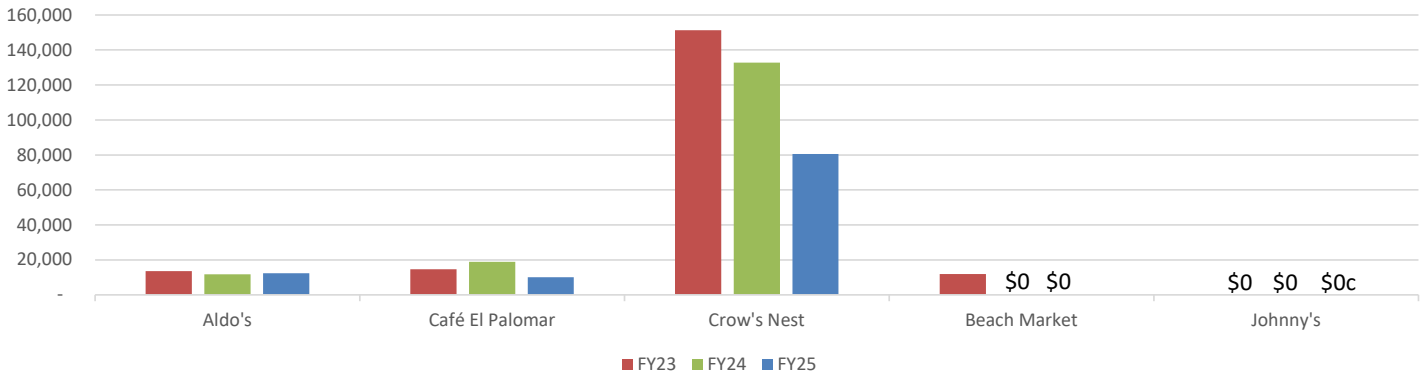
TOTAL CONCESSION RENT YTD



YTD 3-Year Concession % Rent

Tenant	FY23	FY24	FY25
Aldo's	13,504	11,710	12,416
Café El Palomar	14,568	18,842	10,077
Crow's Nest	151,303	132,778	80,542
Beach Market	11,921	-	-
Johnny's	-	-	-

PERCENTAGE RENT YTD



California State Treasurer
Fiona Ma, CPA



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

July 02, 2024

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

SANTA CRUZ PORT DISTRICT

PORT DIRECTOR
135 5TH AVENUE
SANTA CRUZ, CA 95062

[Tran Type Definitions](#)

Account Number:

June 2024 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	295,100.58
Total Withdrawal:	0.00	Ending Balance:	295,100.58



PMIA/LAIF Performance Report as of 7/17/24



Quarterly Performance Quarter Ended 06/30/24

LAIF Apportionment Rate ⁽²⁾ :	4.55
LAIF Earnings Ratio ⁽²⁾ :	0.00012419067099490
LAIF Administrative Cost ^{(1)*} :	TBD
LAIF Fair Value Factor ⁽¹⁾ :	0.996316042
PMIA Daily ⁽¹⁾ :	4.52
PMIA Quarter to Date ⁽¹⁾ :	4.36
PMIA Average Life ⁽¹⁾ :	217

PMIA Average Monthly Effective Yields⁽¹⁾

June	4.480
May	4.332
April	4.272
March	4.232
February	4.122
January	4.012

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 5/31/24 \$162.3 billion

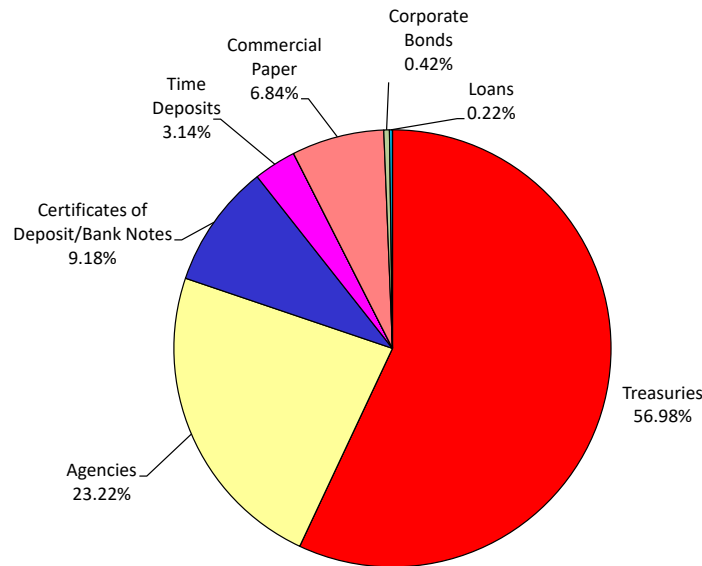


Chart does not include \$1,943,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



Summary Statement

June 30, 2024

Page 1 of 3

Investor ID:

0000072-0000295 PDF 665067

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

California CLASS

California CLASS

Average Monthly Yield: 5.4006%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Port District Main	18,536,649.74	0.00	1,100,000.00	80,066.87	485,691.72	18,047,989.76	17,516,716.61
TOTAL	18,536,649.74	0.00	1,100,000.00	80,066.87	485,691.72	18,047,989.76	17,516,716.61



Port District Main

Account Summary

Average Monthly Yield: 5.4006%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	18,536,649.74	0.00	1,100,000.00	80,066.87	485,691.72	18,047,989.76	17,516,716.61

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
06/01/2024	Beginning Balance			18,536,649.74	
06/17/2024	Withdrawal		600,000.00		5018
06/18/2024	Withdrawal		500,000.00		5024
06/30/2024	Income Dividend Reinvestment	80,066.87			
06/30/2024	Ending Balance			17,516,716.61	



California CLASS

California CLASS

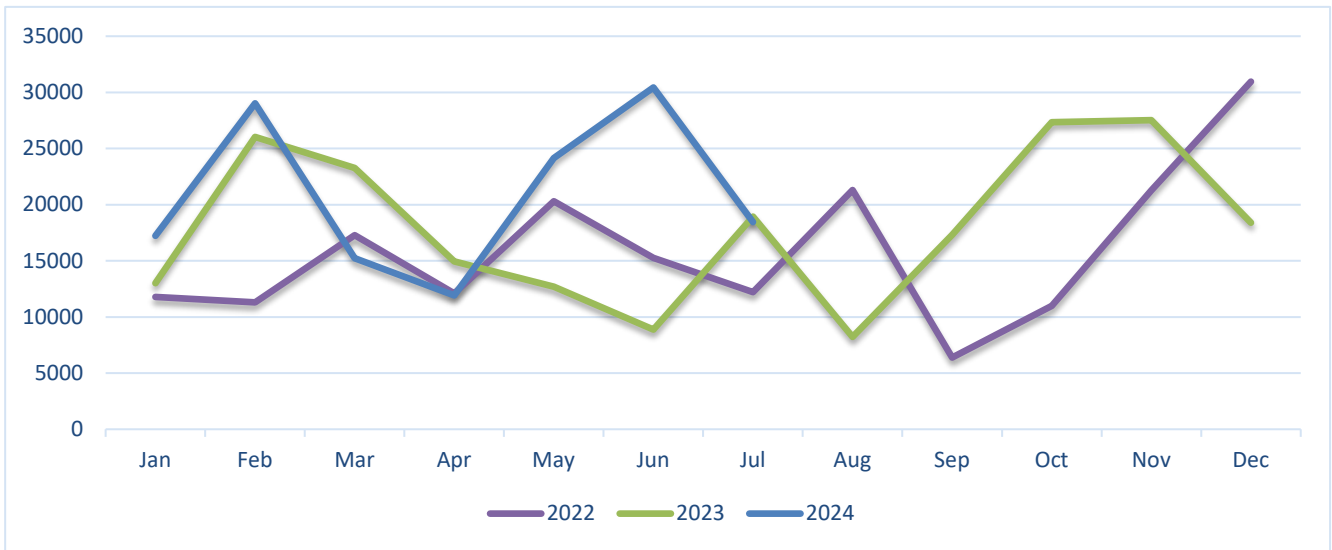
Date	Dividend Rate	Daily Yield
06/01/2024	0.000000000	5.4134%
06/02/2024	0.000000000	5.4134%
06/03/2024	0.000147531	5.4015%
06/04/2024	0.000147819	5.4102%
06/05/2024	0.000147539	5.3999%
06/06/2024	0.000146752	5.3711%
06/07/2024	0.000442356	5.3967%
06/08/2024	0.000000000	5.3967%
06/09/2024	0.000000000	5.3967%
06/10/2024	0.000147190	5.3872%
06/11/2024	0.000147127	5.3849%
06/12/2024	0.000147566	5.4009%
06/13/2024	0.000147390	5.3945%
06/14/2024	0.000442596	5.3997%
06/15/2024	0.000000000	5.3997%
06/16/2024	0.000000000	5.3997%
06/17/2024	0.000147621	5.4029%
06/18/2024	0.000295734	5.4119%
06/19/2024	0.000000000	5.4119%
06/20/2024	0.000147778	5.4087%
06/21/2024	0.000442560	5.3992%
06/22/2024	0.000000000	5.3992%
06/23/2024	0.000000000	5.3992%
06/24/2024	0.000147428	5.3959%
06/25/2024	0.000147407	5.3951%
06/26/2024	0.000147691	5.4055%
06/27/2024	0.000147214	5.3880%
06/28/2024	0.000443535	5.4111%
06/29/2024	0.000000000	5.4111%
06/30/2024	0.000000000	5.4111%

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

Santa Cruz Port District
60 DAY DELINQUENT ACCOUNTS

The following accounts have balances 60 days delinquent as of July 12, 2024

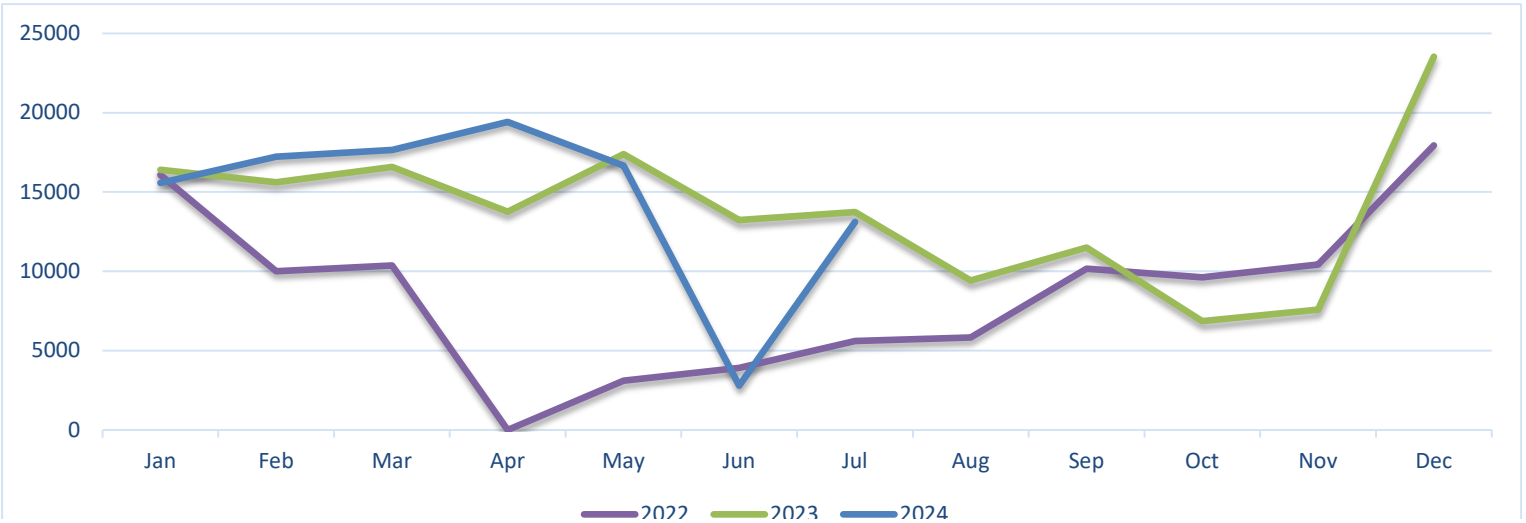
Account Number	Current Month	30 Day Balance	60 Day Balance	90 Day Balance	Total Balance
55834	1,156.76	1,180.90	749.12	0.00	3,086.78
48666	496.43	492.56	463.70	0.00	1,452.69
47248	482.50	478.75	450.00	0.00	1,411.25
58198	457.79	454.25	425.70	0.00	1,337.74
4029	841.09	839.41	330.73	0.00	2,011.23
2093	524.44	525.89	267.30	0.00	1,317.63
58496	298.71	311.46	232.64	0.00	842.81
46436	628.58	623.64	231.78	0.00	1,484.00
58302	69.16	69.16	207.48	0.00	345.80
55462	138.36	138.36	135.00	0.00	411.72
3094	447.03	473.60	127.74	0.00	1,048.37
59365	297.30	295.05	78.36	0.00	670.71
60414	25.62	25.62	75.62	0.00	126.86
59789	91.11	90.57	66.62	0.00	248.30
57779	91.11	90.57	65.03	0.00	246.71
56083	539.78	541.12	25.28	0.00	1,106.18
2621	98.33	97.73	10.48	0.00	206.54
48319	451.47	463.70	4.70	0.00	919.87
57443	90.63	96.09	1.32	0.00	188.04
Total	\$ 7,226.20	\$ 7,288.43	\$ 3,948.60	\$ -	\$ 18,463.23



Santa Cruz Port District
90+ DAY DELINQUENT ACCOUNTS

The following accounts have balances 90 days delinquent or greater as of July 12, 2024

Account Number	Current Month	30 Day Balance	60 Day Balance	90+ Day Balance	Total Balance	Commercial Slip	Action
58883	1,412.46	973.76	936.26	401.31	3,723.79		Revoke
58489	635.34	630.38	625.42	595.14	2,486.28		Revoke
47895	621.20	621.20	311.24	893.16	2,446.80		Revoke
3375	294.17	657.56	652.37	112.92	1,717.02		Revoke
57036	-	-	-	1,092.69	1,092.69		Bad Debt
59934	100.22	99.78	119.17	196.99	516.16		Payment Plan
60103	-	205.15	197.76	19.74	422.65		Bad Debt
58449	99.46	98.85	98.25	72.64	369.20		Revoke
59809	85.04	98.77	95.32	66.98	346.11		Revoke
Total	\$ 3,247.89	\$ 3,385.45	\$ 3,035.79	\$ 3,451.57	\$ 13,120.70		





TO: Port Commission
FROM: Sean Rothwell, Assistant Harbormaster
DATE: July 1, 2024
SUBJECT: Harbor Patrol Incident Response Report – June 2024

Search and Rescue, Patrol Boat Response

- 6/5/24 Harbor Patrol responded to a report of an unconscious male subject floating in the water in the area of 26th Avenue. State Parks Lifeguards brought the victim on board the patrol vessel and administered CPR during transport back to the harbor. Despite continued resuscitation efforts, the victim did not survive, and the case was turned over to the Coroner's office.
- 6/5/24 Harbor Patrol responded to a report of a disabled vessel in the area of Pleasure Point Beach. Upon arrival, Harbor Patrol contacted the vessel operator who indicated they were not in distress. Harbor Patrol returned to the harbor without incident.
- 6/5/24 Harbor Patrol responded to a report of three surfers in distress in the area of 30th Avenue. Upon arrival, the victims were assisted to shore by Central Fire rescue swimmers. Harbor Patrol returned to the harbor without incident.
- 6/8/24 Harbor Patrol responded to a report of a missing person in the area of Panther Beach. Prior to arrival, the subject was located safely on shore. Harbor Patrol returned to the harbor without incident.
- 6/14/24 Harbor Patrol responded to a report of a paddleboarder in distress in the area of Natural Bridges State Beach. Upon arrival, the paddleboarder indicated that they were not in distress but had been separated from their kite surfing partner. Harbor Patrol conducted a search of the area until State Parks Lifeguards located the kite surfer safely on shore.
- 6/16/24 Harbor Patrol responded to a report of four kayakers in distress in the area of the Santa Cruz Municipal Wharf. Upon arrival, the victims were assisted onboard the patrol boat and transported to the wharf landing where they were evaluated by Santa Cruz Fire.
- 6/23/24 Harbor Patrol responded to a report of three swimmers in distress in the area of Sunny Cove Beach. Upon arrival, the victims were assisted to shore by Central Fire rescue swimmers. Harbor Patrol returned to the harbor without incident.

Crime Reports, Assist Outside Department, and Incident Reports

- 6/4/24 Harbor Patrol responded to a report of a vessel taking on water in the area of I-Dock. Harbor Patrol dewatered the vessel with assistance from maintenance staff and the vessel was subsequently hauled out at the boatyard. No hazmat response required.
- 6/7/24 At the request of the Santa Cruz County Sheriff's Office, Harbor Patrol responded to a report of a combative subject resisting arrest in the area of Brommer Street and El Dorado Avenue. Upon arrival, Harbor Patrol assisted in taking the subject into custody.
- 6/12/24 Harbor Patrol responded to a report of a subject who tripped and fell in the area of the concession parking lot. Upon arrival, Harbor Patrol assisted the victim who had sustained minor lacerations to her face and wrist during the fall. The victim was transported to Dominican Hospital by ambulance.
- 6/13/24 Harbor Patrol responded to a report of a physical altercation in the area of the concession parking lot. Upon arrival, Harbor Patrol contacted an intoxicated subject who was threatening to assault a harbor concessionaire security guard. The subject was taken into custody by Harbor Patrol and transported to the Santa Cruz County Jail.
- 6/15/24 Harbor Patrol took an accident report after a parked vehicle was struck in the area of the concession parking lot. Minor damage reported. No suspect information available.
- 6/15/24 Harbor Patrol took an accident report after a subject fell from a launch ramp gangway in to the water. Minor injuries reported.
- 6/17/24 Harbor Patrol took a stolen property report after an electric bicycle was reported missing from the bike rack located near 2218 East Cliff Drive. No suspect information available.
- 6/17/24 Harbor Patrol responded to a report of a subject who tripped and fell inside a harbor restaurant. Upon arrival, Harbor Patrol assisted the victim who sustained an arm injury during the fall. The victim was transported to Dominican Hospital by ambulance.
- 6/21/24 Harbor Patrol took a vandalism report after a slip renter reported that the rear passenger window of her vehicle, which was parked near Q-Dock, was found broken. No property reported missing. No suspect information available.
- 6/21/24 Harbor Patrol observed and responded to a physical altercation at a harbor adjacent business in the area of Murray Street and Seabright Avenue. Harbor Patrol detained the subject who had reportedly stolen items from the business. The case was turned over to Santa Cruz Police.
- 6/22/24 Harbor Patrol responded to a report of an intoxicated subject who tripped and fell on the rocks in the area of the east jetty on Harbor Beach. Upon arrival, the subject was

being evaluated by State Parks Lifeguards before being transported to Dominican Hospital by ambulance.

- 6/22/24 Harbor Patrol responded to a report of subjects illegally smoking cannabis in the area of D-Dock. Upon arrival, Harbor Patrol contacted two individuals who were not engaged in any illegal activities.
- 6/22/24 Harbor Patrol took a stolen property report after a bicycle was reported missing from the bike rack located near 2218 East Cliff Drive. No suspect information available.
- 6/22/24 Harbor Patrol responded to a report of juveniles on bicycles shooting a BB gun at parked vehicles in the area of S-Dock. Upon arrival, the subjects were not located, and no vehicle damage was observed. Harbor Patrol issued a BOL to dispatch.
- 6/22/24 Harbor Patrol responded to a report of a medical emergency at a harbor restaurant. Upon arrival, Harbor Patrol assisted a victim experiencing severe pain in his lower extremities. The victim was transported to Dominican Hospital by ambulance.
- 6/30/24 Harbor Patrol responded to a report of a medical emergency after a water taxi passenger lost consciousness. The subject was evaluated by Harbor Patrol before being transported to Dominican Hospital by ambulance.

Parking Citations:

June 2024 Parking Citations: 533
June 2023 Parking Citations: 485

Santa Cruz Port District Port Commission Review Calendar / Follow-Up Items 2024-25

2024

January-March

- ✓ Committee Assignments for 2024
- ✓ FY 25 Budget
- ✓ Review 5-year CIP
- ✓ Sea Scouts' Biannual Report
- ✓ Form 700 Filing (due by 3/31 each year)

April-June

- ✓ Election Resolutions
- ✓ Café El Palomar Lease Exp. 7/31/2024
2 (5) year option to extend / rent review at first or second option period
- ✓ Biennial Update to Conflict-of-Interest Code

July-September

- Annual O'Neill Sea Odyssey Report (annual review of slip rent reduction. PC action Jul-07)
- Sea Scouts' Biannual Report
- Dredge Report 2023-24

October-December

- Mid Fiscal Year Review of CIP
- Review of CalPERS Actuarial Valuation Report
- Annual Vessel Use List Review
- H&H Fresh Fish Lease Exp. 1/31/2025
- Ethics Training Update (due by year-end)
- Port Commission Officers for 2024

2025

January-March

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

April-June

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

July-September

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

October-December

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

Committee Review Items

- ✓ Review of Proposal to Purchase a Floating Barge

Future Calendar

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

Key

- Pending
- In process
- ✓ Done

Updated 7/10/2024