



Special Public / Closed Session of December 14, 2010

## SANTA CRUZ HARBOR

*Gateway to the Monterey Bay  
National Marine Sanctuary*

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

*Members Present:*

Reed Geisreiter  
Bill Lee

Vice-chairman  
Commissioner

Dennis Smith  
Toby Goddard

Commissioner  
Commissioner

*Members Absent:*

Jeff Martin

Chairman

### **SPECIAL PUBLIC SESSION – 5:45 PM**

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

Vice-chairman Geisreiter announced that the Commission will meet in closed session to discuss items #2 and 3, listed below.

### **SPECIAL CLOSED SESSION**

2. Conference with Real Property Negotiators – Property: 616 Atlantic Avenue  
Agency Negotiator: L. Ekers  
Negotiating Parties: Aldo's (Olivieri / Mootz)  
Under Negotiation: Lease
3. Conference with Real Property Negotiators – Property: UCSC Leasehold Area  
Agency Negotiator: L. Ekers  
Negotiating Parties: UC Santa Cruz  
Under Negotiation: Lease

### **SPECIAL PUBLIC SESSION – 6:45 PM**

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

Vice-chairman Geisreiter announced that the Commission took no reportable action in closed session, and the closed session adjourned. Following a short break, the meeting reconvened in the Harbor Public Meeting Room at 7:00 pm.

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

Vice-chairman Geisreiter brought the special public session to order at 7:00 pm at the Harbor Public Meeting Room, 365A Lake Avenue, Santa Cruz, CA.

5. Pledge of Allegiance
6. Oath of Office

Santa Cruz Port District

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- a) Toby Goddard
- b) Reed Geisreiter

Discussion: Commissioners Goddard and Geisreiter took the oath of office for appointment in lieu of election.

7. Oral Communication *(There was no discussion during "Oral Communication.")*

### CONSENT AGENDA

- 8. Approval of Minutes
  - a) Special Public Portion of Closed Session of November 8, 2010
  - b) Regular Public Session of November 23, 2010
- 9. Approval of Pertria Inc. Subleases – 365B Lake Avenue
  - a) Sublessee – R. Ludlow
  - b) Sublessee – P. McCreesh, dba South Bay Pain & Rehabilitation Medical Group
- 10. Approval of Amendment to O'Neill Sea Odyssey Sublease – 2222 East Cliff Drive, Suite 208; Sublessee – D. Markle

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Smith, to approve the consent agenda (items 8, 9 and 10).  
- *Motion carried unanimously; Chairman Martin ABSENT.*

### REGULAR AGENDA

11. Approval of Resolution 10-14 – Approving Increased Bail Amounts to Cover Increase Cost of State Courthouse Citation Surcharge

Discussion: Port Director Ekers reported that the proposed increase in bail amounts will cover the State courthouse citation surcharge increase and will bring the Port District's bail amounts within close proximity to other local law enforcement agencies.

Commissioner Goddard pointed out that code section 303 should be eliminated; ordinance section 313 is correct. He reminded staff that this correction was made the last time bail amounts were increased.

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Smith, to approve Resolution 10-14, approving increased bail amounts with the correction to eliminate section 303 as noted in the discussion above.  
- *Motion carried unanimously; Chairman Martin ABSENT.*

12. Consideration / Approval of Purchase of Leased CAT D5GXL Tractor (\$33,400)

Discussion: A discussion ensued about current work being done to repair the exhaust manifold and replace the muffler on the CAT D5GXL tractor. Administrative Services Manager Olin explained that the muffler repairs were anticipated, noting that an interim repair on the exhaust manifold failed. Administrative Services Manager Olin reported that the repair cost

is estimated at \$8,000. Commissioner Smith suggested that regular inspections of the seals, fittings and hoses be performed since these systems have been prone to failure.

Commissioner Lee expressed his support of purchasing the tractor, noting it is not very old, and has relatively low operating hours. He stated he does not support purchasing a different used tractor, expressing concern that it may simply trade one set of problems for another.

MOTION: Motion made by Commissioner Lee, seconded by Commissioner Goddard, to authorize purchase of the CAT D5GXL tractor, with the \$33,400 financed over a two-year period through CAT Financial. Port Director is authorized to execute contract documents for the finance package.

- *Motion carried unanimously; Commissioner Martin ABSENT.*

13. Committee Assignments for 2011

Discussion: Vice-chairman Geisreiter reported that the 2011 committee assignments make one change to shift Commissioner Lee to the Dredge Committee and Commissioner Smith to the Construction / Maintenance Committee.

14. Approval of Cash / Payroll Disbursements – November 2010

Discussion: Port Director Ekers fielded questions on the warrants. Port Director Ekers to report back on warrant #33206 to Bayside Oil to clarify whether the total is for recycling only, or if it includes purchase as well.

MOTION: Motion made by Commissioner Lee, seconded by Commissioner Smith, to approve the cash / payroll disbursements for November 2010, in the amount of \$412,097.69

- *Motion carried unanimously; Chairman Martin ABSENT.*

## INFORMATION

15. Port Director's Report

Port Director Ekers reported as follows:

Arana Gulch Watershed Alliance "AGWA": Port Director Ekers reported that AGWA's retired executive director, Roberta Haver, has been working with a potential coordinator to ensure pending grant proposals are shepherded through the process. Port Director Ekers reported that she has been discussing options for restructuring AGWA under the Resource Conservation District "RCD" with RCD personnel, which would create a vehicle for administering the grant and paying AGWA's coordinator. Port Director Ekers reported she will continue to explore this option and work out the details with RCD. Port Director Ekers reported that the District recently received \$9,000 from the City of Santa Cruz for co-sponsorship of the AGWA coordinator position.

Coastal Commission Alternatives Report Status: Port Director Ekers reported that Coastal Commission staff has given input on the scope of the report being required to analyze dredging disposal alternatives, and is requesting that impacts related to the beach disposal operation be studied. Commissioner Goddard stated he would like the report to also detail how the dredging operation meets Coastal Commission objectives. Port Director Ekers agreed, noting that while the dredging operation creates temporary impacts, it also enhances access. Port Director Ekers stated that it is her intent that the report

contain an objective analysis of the impacts and benefits of the dredging operation. She added that the report will also update cost estimates for alternatives included in previous studies, and look at disposal alternatives. Port Director Ekers anticipates the report will cost in the \$20,000 range. She reported that she hopes to finish the Request for Proposals later this week, with the goal of reviewing proposals and retaining a firm for the study by mid-January.

Commissioner Goddard also suggested that the report look at the seasonal nature of dredging, and the year round access and activity that it facilitates, especially in the peak season. He suggested obtaining visitorship statistics from State Parks for the beach area.

Port Director Ekers reported that staff has been instructed to take photos of the beach every 2 hours. She explained that it is anticipated the photos will show the temporary nature of impacts and intervening public use of the beach. Commissioner Goddard asked whether the Coastal Commission is interested in environmental issues as well as access issues. Port Director Ekers responded that the Coastal Commission's interest is 100% access-based; no reference was made to environmental impacts.

Dredging Update: Port Director Ekers reported that she and Administrative Services Manager Olin recently took an informative tour of "Dauntless" and "Seabright."

Administrative Services Manager Olin reported that Monterey Bay Unified Air Pollution Control District "MBUAPCD" has issued a revised hydrogen sulfide nuisance prevention protocol based on a 10 ppb rolling one-hour average. Administrative Services Manager Olin reported that there was a protocol shut-down under this new protocol today – disposal operations resumed using the offshore pipeline. Administrative Services Manager Olin reported that the offshore pipeline has been used frequently this year, in the morning when tractor operations are not possible, and when nearshore disposal operations are shut-down.

Administrative Services Manager Olin reported on the dredge schedule, as follows: Monday through Wednesday next week (Dec 20 – 22); Monday through Thursday the following week (Dec 27 – 30).

Facilities Update – "G" Dock Construction: Materials have been ordered and completion is scheduled by the end of next week. Port Director Ekers commented that the finished docks look great and are a credit to the crew. She encouraged Commissioners to check out the project.

Miscellaneous: Port Director Ekers reported she has been appointed to serve a 3-year term as Commissioner on the California Uniform Construction Cost Accounting Act Commission "CUCCAAC." She reported the CUCCAAC typically meets once a year in Sacramento. Port Director Ekers stated if there are no Commission objections, she intends to accept the appointment.

Port Commissioners directed Port Director Ekers to vote for a LAFCO special district representative on their behalf. A vote must be cast by 10 am on January 26.

#### 16. Harbormaster's Report

Discussion: Harbormaster Izenstark debriefed harbor deputies' role in the recent manhunt for an escaped jail inmate. Harbormaster Izenstark stated he was proud of the deputies' response, adding that while the incident raised some policy issues that will be addressed in the future, it was overall a very good response by patrol staff.

17. Delinquent Accounts over 90 Days

Discussion: A discussion ensued about at what point delinquent accounts are no longer counted as revenue. Staff reported that accounts 90+ days delinquent are now considered to be "uncollectible," and this figure is shown on the quarterly financial statements. Harbormaster Izenstark explained that accounts are typically closed when an account reaches the point of slip revocation and/or vessel lien. Port Director Ekers noted that landside tenants are also a consideration, and reported that staff is working on developing a clear process for tracking / reporting delinquent accounts.

18. Comparative Seasonal Revenue Graphs

Discussion: Slip vacancies were discussed. Commissioner Lee questioned whether incentives are still being offered for renting a slip in a category with vacancy factor. Harbormaster Izenstark stated no incentives are currently being offered, and a discussion ensued about the pros and cons of the 2<sup>nd</sup> and 4<sup>th</sup> month free program offered last winter. Harbormaster Izenstark stated if there is Commission support, he can initiate an incentive program. Port Director Ekers expressed her belief that Commission review / approval would be required since the program would effectively reduce the slip rent rate structure. Port Director Ekers stated that staff will explore discount options for slip categories with vacancy factor.

19. Crime / Incident / Citation Report (November 2010) *(No discussion.)*

20. Slip Release Surveys *(No discussion.)*

Vice-chairman Geisreiter adjourned the regular public session at 8:08 pm.

APPROVED:



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Reed Geisreiter, Chairman (2011)

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