



Regular Public Session of November 23, 2010

SANTA CRUZ HARBOR

*Gateway to the Monterey Bay
National Marine Sanctuary*

Santa Cruz Port Commission MINUTES

Members Present:

Jeff Martin	Chairman	Dennis Smith	Commissioner
Reed Geisreiter	Vice-chairman	Toby Goddard	Commissioner
Bill Lee	Commissioner		

REGULAR PUBLIC SESSION

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

1. Pledge of Allegiance
2. Approval of Minutes
 - a) Special Public Portion of Closed Session of October 8, 2010
 - b) Special Public Session of October 26, 2010

MOTION: Motion made by Commissioner Smith, seconded by Commissioner Lee, to approve the minutes of the special public portion of the closed session of October 8, 2010.
- Motion carried. Commissioners Martin, Lee and Smith voting YES; Commissioners Geisreiter and Goddard ABSTAINED.

MOTION: Motion made by Vice-chairman Geisreiter, seconded by Commissioner Smith, to approve the minutes of the special public session of October 26, 2010.

Discussion: Commissioner Goddard suggested a correction to the first sentence in item #2, on page 3, to the following: "Curt Storlazzi of the United States Geological Survey reviewed findings of the Demonstration Dredging Project #3, in which an intensive survey was completed to determine the fate of fine-grained material in the nearshore area." Commissioners agreed with the suggested revision, and Vice-chairman Geisreiter agreed the correction should be part of the motion to approve. Chairman Martin called for a vote on the motion.

-Motion carried unanimously, with the correction suggested by Commissioner Goddard.

3. Oral Communication

Discussion: Audience member Eileen Sundet expressed her appreciation to Port Director Ekers for her letter, which she likened to a "state of the harbor." Commissioner Lee concurred, stating it was an excellent letter, and reminiscent of the harbor's former newsletter "Anchor Watch." He suggested that the format of ongoing communications with slip renters and other agencies should be considered. Port Director Ekers stated that staff continues to collect e-mail addresses with the objective of switching communications to an electronic format.

4. Arana Gulch Watershed Alliance (AGWA)
 - a) Proclamation in Recognition of Roberta Haver's Contributions to the Arana Gulch Watershed
 - b) Final AGWA Status Report by Roberta Haver

Santa Cruz Port District

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c) Replacement of AGWA Coordinator

Discussion: Roberta Haver, who will retire as AGWA's coordinator in December, discussed projects and the progress made in restoring the Arana Gulch watershed during her tenure with AGWA. She discussed the financial, technical and in-kind contributions to various projects, and discussed her belief that it will be important to reassess the watershed to identify and prioritize where to go from here.

Chairman Martin read a proclamation in recognition of Ms. Haver's contributions to the Arana Gulch watershed and the Port District, and thanked her for her dedication.

Port Director Ekers stated that while it will not be possible to replace Ms. Haver, she is seeking direction from the Commission on the District's future role in supporting AGWA. Commissioners individually thanked Ms. Haver for her contributions to the watershed and Port District, and discussed how to proceed. Several Commissioners suggested taking some time to explore how to best manage the watershed effort into the future. Port Director Ekers expressed her belief that for any future replacement, it will be important for the District to develop a clear scope of work and a structure for funding the position.

Ms. Haver discussed the importance of replacing the AGWA coordinator position sooner, rather than later, expressing her belief that pending grant applications could be jeopardized if not shepherded through the process.

Further discussion ensued. In response to a question posed by Chairman Martin, Port Director Ekers agreed it would be beneficial for staff to take one to two months to refine the District's perspective and develop a recommendation on how to proceed. Commissioner Lee noted that AGWA has been very successful, and rather than stopping the effort while the District considers its position, he would prefer to ask Ms. Haver to stay on in the interim or hire a temporary replacement. Ms. Haver stated she would entertain staying on in the interim if she knew her position would ultimately be replaced. She stated that the position takes a commitment of approximately 20 hours/week.

Commissioner Smith expressed his belief that District staff could adequately administer the grant application if the position is vacated.

Port Director Ekers stated that the current arrangement involves the District making what is essentially a cash contribution in support of a grassroots watershed effort. She expressed her belief that by December she can clarify the type of arrangement the District would be able to support in the future. Chairman Martin directed staff to bring a more specific recommendation to the December meeting for discussion.

5. Approval of Month-to-Month Lease – 25A Lake Avenue (Tenant: K. Kingston, Megaroller, Inc.)

Discussion: Port Director Ekers reported that the square footage of 275A Lake Avenue is actually 220 SF, not 400, so the rate is closer to \$3/SF. She stated that the lease document will show the correct square footage.

MOTION: Motion made by Vice-chairman Geisreiter, seconded by Commissioner Smith, to approve the lease of 275A Lake Avenue to Kevin Kingston of MegaRoller, Inc.

- Motion carried unanimously.

6. Approval of Cash / Payroll Disbursements – October 2010

Discussion: In response to a question by Commissioner Goddard about the status of installation of the self-pay parking kiosk, Facilities Manager Fouts stated that the kiosk will be installed in the fishery area. He noted it is similar the City's self-pay parking system. Port Director Ekers reported installation should be complete by the first of the year. She stated that initially, the rate charged will be the same as parking meters. Commissioner Smith suggested that a change machine be added in the area. Port Director Ekers noted that in addition to coin, the kiosk will also accept credit cards and bills. A discussion ensued about the parking area the kiosk will cover, and the feasibility of expanding that area. Commissioner Lee suggested placing the kiosk in a central location to allow expansion of the parking area covered. A brief discussion ensued about how enforcement is handled with the new system. Facilities Manager Fouts stated that he believes information can be downloaded from the kiosk remotely, or printed at the kiosk itself, though he acknowledged that the system is new to him and there will be a learning curve on all of its features and functions.

MOTION: Motion made by Commissioner Goddard, seconded by Vice-chairman Geisreiter, to approve the cash / payroll disbursements for October 2010, in the amount of \$442,467.11.
- Motion carried unanimously.

7. Election of Officers for 2011

NOMINATION: Nomination made by Commissioner Goddard, seconded by Commissioner Smith, to nominate Reed Geisreiter to serve as Port Commission Chair in 2011.
- Nomination carried unanimously.

NOMINATION: Nomination made by Commissioner Lee to nominate Toby Goddard to serve as Port Commission Vice-chair in 2011.

The nomination died due to lack of a second.

NOMINATION: Nomination made by Chair-elect Geisreiter to nominate Dennis Smith to serve as Port Commission Vice-chair in 2011.

Commissioner Smith seconded his nomination. Chairman Martin called for a vote.

- Nomination carried. Commissioners Martin, Geisreiter, Lee and Smith voting YES; Commissioner Goddard voting NO.

8. Review Port District Priorities for November 2010-January 2011

Discussion: Port Director Ekers reported that this item is a follow-up item from the November 8 closed session. She stated priorities through January 2011 are:

- Development of the FY 12 budget;
- Define scope of report requested by the Coastal Commission on dredging operations / current practices.

A discussion ensued about when dredging is expected to commence. Administrative Services Manager Olin reported that she anticipates the Corps will issue its notice to proceed so dredging can commence on Monday, November 29.

Commissioner Goddard stated he would like to add negotiation of the Cooperative Agreement with the Corps of Engineers as a continuing priority. Commissioners Lee and Smith agreed this should be a stated priority. Chairman Martin also agreed it should be a priority, and noted that consultant Brian Foss continues to work on this on the District's behalf. Port Director Ekers debriefed the meeting she and Mr. Foss attended at the Corps on this issue, and stated it is a priority and a collective effort, and that Mr. Foss is working diligently toward a conclusion.

Commissioners were in agreement that renegotiation of the Cooperative Agreement between the U.S. Army Corps of Engineers and the Port District should be a priority. Chair Martin directed staff to include renegotiation of the Cooperative Agreement as a continuing priority.

9. Port Director's Report

Port Director Ekers reported as follows:

Long-Term Permit Applications – Status: Administrative Services Manager Olin reported that the Monterey Bay Unified Air Pollution Control District has not yet issued its amended permit protocol based on a rolling one-hour average, so dredging operations will follow the existing protocol for now.

Commissioner Lee stated that he would like to see the following elements researched as part of the report that the Coastal Commission is requiring on the dredging operation:

- Better detection methods for the presence of kelp and plotting its location;
- More flexibility with the schedule to take advantage of optimal weather-related and/or wind conditions;
- A valve system that would enable a relatively easy switch between onshore and offshore disposal;
- Brainstorm other options for deploying the offshore pipe, such as cabling the pipe on and offshore, or construction of an underwater or surface structure(s);
- Onboard hydrogen sulfide detection system that would warn of its presence before material enters the disposal pipeline;
- Onboard de-gasser that may remove some of the hydrogen sulfide before material enters the disposal pipeline.

In response to a question posed by Commissioner Goddard, Port Director Ekers confirmed that the Coastal Commission's expectation is that the report on dredging will be delivered in 3 months. Commissioner Goddard commented that the short timeline suggests that the Coastal Commission is not seeking an exhaustive analysis of dredging alternatives. Port Director Ekers explained that Coastal staff is not looking for the District to redesign processes or make capital improvements at this time. The intention is to study what alternatives might exist and identify the current cost of alternatives that have been studied in the past.

Commissioner Goddard commented that the waiver issued by the Coastal Commission states that the report will be used to amend its permit to ensure that dredging is done in a manner that protects marine resources and coastal access – he expressed his belief that this language implies a slightly different aspect on the reasons why this report is being required. Port Director Ekers stated she is in

the process of writing a scope of work for the study, and explained that it is her hope that the report will inform conditions for the next permit and how the operation may advance over time. She stated that in reality, though modification of the jetties may be researched as part of the report, the feasibility of permitting and constructing such a project in the next 15 years is unlikely.

Commissioner Goddard suggested that it will be important that the report delineate the numerous ways the harbor's dredging operation meets Coastal Commission objectives by providing protection and access, and keeping navigable waterways open for commercial fishing, crabbing, etc.

Vice-chairman Geisreiter questioned which permit is pending, noting that March 15 is not a long timeline. Administrative Services Manager Olin explained that the Coastal Commission's 5-year permit is pending.

Commissioner Lee noted it will be important to ensure that permits don't create their own set of problems for compliance, like the Air Board permit which requires one-minute monitoring using equipment designed for five-minute intervals.

Port Director Ekers reported it is her intent to complete the draft scope of work by November 29, Commissioner Goddard asked that the report define maintaining access as a priority objective.

Facilities Update – "G" Dock Construction: Crews will demolish the southern section of "G" dock. The new dock replacement has been built. Once installed, utilities will be added. The crew expects to complete work by the end of December, if there are no weather delays.

Port Director Ekers reported that she will proceed with getting plans and specs for "V" dock to get that portion of the work ready for formal bidding. She reported that as of the end of October, there was approximately \$300,000 available funding remaining on the Boating and Waterways' "DBAW" loan, with approximately \$30,000 of that needed for "G" dock. She reported that materials for "V" dock are anticipated to cost \$240,000 to \$250,000, so there is not enough money to complete "V" under the current DBAW loan. Port Director Ekers stated she will use funding to get the project ready for formal bidding. Administrative Services Manager Olin reported that of the \$9.2 million overall loan, there was approximately \$2.5 million estimated remaining dock work under the current program. A brief discussion ensued about other potential loan sources. Port Director Ekers confirmed she will explore other options, but will continue to work with DBAW on the existing loan.

Maintenance Truck: Facilities Manager Fouts reported that a new '94 Ford truck was purchased with 25,000 miles. Port Director Ekers reported the cost was \$4,500.

December Meeting Items: Port Director Ekers stated that the following items will be on the December agenda:

- Arana Gulch Watershed Alliance
- Parking citation bail increase (due to increase in state court surcharge)
- Tractor purchase / replacement options
- Committee assignments (submitted by Chair-elect Geisreiter)

10. Harbormaster's Report

Discussion: Administrative Services Manager Olin reported on a follow-up item for Harbormaster Izenstark, who was not in attendance:

- Vessel Turn-In Grant Program: If a vessel turned in has value, to sell it, the District would need to go through a lien process to get title to the vessel first.

11. Information Items

- a) Written Communication
 - 1) Message from Port Director Ekers
 - 2) Email from A. Abene, to Port Commission
 - 3) Email fro G. Cotten, to Port Commission
 - 4) Email to G. Cotten, from Port Director Ekers
- b) CAT D5G Tractor for Dredging Operations
- c) Delinquent Accounts over 90 Days
- d) Comparative Seasonal Revenue Graphs
- e) Crime / Incident / Citation Report (October 2010)
- f) Slip Release Surveys

Discussion: Port Director Ekers explained that no action is required on these items, which are presented for information only. She stated that staff will respond to any questions.

CAT D5G Tractor: Commissioner Smith questioned if service issues are related to electronic components on the tractor. Administrative Services Manager Olin responded that her experience with tractor repairs have not involved repair of electronic items – most are related to replacement hydraulic seals and corrosion issues. She stated she would have to research repair records to see if this has been an issue in the past.

A discussion ensued about the importance of rinsing / brushing sand off the tractor at the end of each working day. Administrative Services Manager Olin confirmed that this has been discussed with monitoring staff.

Written Correspondence: Chairman Martin stated that the issue raised by Mr. Cotten is definitely a problem, and suggested exploring the feasibility of sidewalk / roadway improvements along Brommer Street Extension entering the harbor with the County Redevelopment Agency "RDA." Port Director Ekers stated she can make an inquiry with RDA.

Audience member Eileen Sundet suggested that perhaps grading the area and smoothing out the rocky shoulder may encourage people to get out of the roadway.

Delinquent Accounts Over 90 Days: Commissioner Smith and others noted it is nice to see that Harbormaster Izenstark's efforts have positively impacted this report.

Comparative Seasonal Revenue Graphs: Port Director Ekers noted that vacancies continue to rise as winter approaches, but at a slower pace than last year.

Chairman Martin adjourned the regular public session at 9:15 pm.

APPROVED:



Jeff Martin, Chairman

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