



Special Public Session of March 13, 2018

Santa Cruz Port Commission
Policy-Operations Committee Meeting
MINUTES

Committee Members Present:

Dennis Smith
Toby Goddard

Staff Present:

Marian Olin, Port Director
Holland Mac Laurie, Admin. Services Manager
Latisha Marshall, Harbormaster
Emma Olin, Admin. Assistant I

Committee-Chair Smith called the special public session to order at 5:36 PM at Hotel Paradox, 611 Ocean Street, Santa Cruz, CA.

1. Oral Communication (*There was no discussion on this agenda item*)
2. Public Workshop to Review Proposed Vessel Insurance Standards

Discussion: The Policy-Operations Committee met to receive public input and discuss the development and implementation of a new Port District vessel insurance policy.

Port Director Olin stated that the committee's recommendations will be brought to the full Port Commission for consideration and deliberation at a future meeting.

Committee-Chair Smith stated that the vessel fire on U-Dock in January 2017, prompted the Commission to review the District's current policy and determine if a change is necessary. He stated that the Policy-Operations Committee held a special public meeting in August 2017, and developed the following preliminary policy recommendations:

- A minimum requirement of \$300,000 vessel liability insurance, naming the Santa Cruz Port District as an additional insured (including wreck removal and pollution endorsements);
- Applicable to all slip renters (including commercial and business use vessels);
- Not applicable to dry storage renters, launchers, human powered vessels.

Harbormaster Marshall and Administrative Services Manager Mac Laurie reviewed the committee's preliminary recommendations and presented additional policy inclusions for consideration:

- POLICY IMPLEMENTATION:
 - Existing Customers: January 1, 2019
 - New Slip Licensees: Implement upon policy adoption
- NEW INCLUSIONS:
 - Require subletters to carry insurance
 - Require that all vessel partners be listed on the policy
 - Request visiting vessels to provide proof of insurance (proof of insurance will not be required, unless Harbormaster grants extension of visitor berthing for more than 2 weeks)
- ENFORCEMENT:
 - Courtesy Notice
 - Citation (with 15 day grace period)
 - Revocation Notices
- ADOPTION:
 - Amendment to slip license agreement
 - Development of new Port District Ordinance

Administrative Services Manager Mac Laurie stated that the District's current marina management software program provides a tracking mechanism for insurance policy expiration. She stated that the Harbormaster, or designated Deputy Harbormaster staff, can generate monthly reports based on policy expiration dates and send courtesy reminders to slip renters who have upcoming expirations. She stated that insurance policy expiration dates could be included on monthly statements sent to slip renters.

The committee thanked staff for their time and effort in preparing tonight's presentation, and requested public input from attendees. A discussion ensued about the development and implementation of the proposed vessel insurance policy.

Attendees spoke in support of the proposed vessel insurance policy. Stakeholder comments included:

- Support for minimum requirement of \$300,000 in liability insurance
- Feasibility of obtaining additional endorsements for wreck removal and pollution
- Concerns about the number of uninsurable vessels in the harbor (i.e. home-made, wooden and multi-hull vessels), and how the District will handle the issue of uninsurability
- Concerns regarding strict policy enforcement during implementation/transition period
- Establish a transition and outreach period to inform slip renters of policy implementation

- Promote a boatyard special to facilitate haulouts for insurance survey requirements

Commissioner Goddard thanked attendees for their participation. He stated that the ideas and input received was valuable. Committee-Chair Smith agreed, and suggested that another special public meeting be held for the purpose of refining the policy's implementation timeline and enforcement strategies. Port Director Olin agreed.

Committee-Chair Smith adjourned the special public committee meeting at 6:40 PM.



Marian Olin, Port Director