



Special Closed and Regular Public Session of January 26, 2021

**Santa Cruz Port Commission  
MINUTES**

*Commission Members Present (via teleconference):*

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

**SPECIAL PUBLIC SESSION – 5:00 PM**

Chairman Goddard convened the special public session at 5:00 PM via teleconference.

1. Oral Communication
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) Section 54956.8

At 5:00 PM, Chairman Goddard announced the Commission will meet in closed session to discuss agenda item 3.

**SPECIAL CLOSED SESSION**

3. Conference with Real Property Negotiators  
Agency Designated Representative: M. Olin  
Property: 616 Atlantic Avenue (Aldo's Restaurant)  
Under Negotiation: Lease

**SPECIAL PUBLIC SESSION**

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

Chairman Goddard announced that the Commission took the following action in closed session on item 3:

The Commission voted 5 – 0 in closed session tonight to grant A & I Olivieri, LLC an extension to 5:00 p.m. on March 12, 2021, to submit evidence to the reasonable satisfaction of the Port Director that it has secured the necessary financing to construct the tenant improvements as provided for in the Lease between the Commission and A & I Olivieri, LLC and directed the Port Director to issue a notice terminating the Lease if satisfactory evidence is not provided by such date and time.

Chairman Goddard adjourned the special open session following the closed meeting at 6:17 PM.

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

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

5. Pledge of Allegiance
6. Oral Communication

Chairman Goddard announced that the Commission took action in closed session on item 3 and read aloud the following statement:

The Commission met in closed session with real property negotiator, Marian Olin and legal counsel, Bill McClure, to review the request of A & I Olivieri, LLC, to extend the time to submit satisfactory evidence that the tenant has secured the necessary financing for the construction of the tenant improvements. The original deadline for submission of satisfactory evidence was November 26, 2020. The Commission had previously agreed not to terminate the lease due to the failure to submit such satisfactory evidence by such date allowing the tenant additional time to make substantial progress in satisfying such condition. The Commission voted 5 – 0 in closed session tonight to grant A & I Olivieri, LLC an extension to 5:00 p.m. on March 12, 2021, to submit evidence to the reasonable satisfaction of the Port Director that it has secured the necessary financing to construct the tenant improvements as provided for in the Lease between the Commission and A & I Olivieri, LLC and directed the Port Director to issue a notice terminating the Lease if satisfactory evidence is not provided by such date and time.

Commissioner Gertler stated that he was dismayed to learn about the recent incident involving Santa Cruz Yacht Club's Junior Sailing Program, which took place in the harbor entrance during the high surf advisory. Commissioner Gertler stated that this incident should be used as a learning opportunity to prevent avoidable accidents like this from taking place in the future.

Commissioner Reed expressed support for having the Port Director and Chairman attend the annual California Marine Affairs and Navigation Conference's (CMANC) Washington Week to represent the Port District and lobby for recently unfunded FY21 work plan funding from the Army Corps of Engineers.

## **CONSENT AGENDA**

7. Approval of Minutes
  - a) Special Closed & Regular Public Meeting of November 24, 2020
8. Approval of Sublease Agreement – 2222 E. Cliff Drive, Suite 212 (Tenant: Martha Macambridge)

- MOTION: Motion made by Commissioner Reed, seconded by Vice-chairman Geisreiter to approve consent agenda items 7 and 8.
- *Motion carried unanimously by roll call.*
    - *Geisreiter: YES*
    - *Gertler: YES*
    - *Smith: YES*
    - *Reed: YES*
    - *Goddard: YES*

## **REGULAR AGENDA**

9. Presentation by James Behrens of the Scripps Institution of Oceanography on the Point Santa Cruz Wave Buoy

Discussion: The Program Manager of the Coastal Data Information Program (CDIP) at the Scripps Institution of Oceanography, James Behrens, presented an overview of the CDIP wave buoy station technology.

A brief discussion ensued regarding beneficial uses for the wave buoy data. Harbormaster Anderson stated that the online wave buoy data is invaluable to the harbor's operations and the boating community alike.

10. Notice of Completion – Santa Cruz East Public Pier Timber Pile Rehabilitation Project – Phase 1

Discussion: Port Director Olin stated that the contract for the East Public Pier Timber Pile Rehabilitation Project – Phase 1, consisted of repairing and jacketing three timber support piles at the east public pier and was completed on November 2, 2020.

MOTION: Motion made by Commissioner Reed, seconded by Commissioner Smith to accept the East Public Pier Timber Pile Rehabilitation Project and authorize the Port Director to file the Notice of Completion.

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

11. COVID Response Measures Quarterly Report

Discussion: Port Director Olin reviewed the FY21 quarterly budget report highlighting that overall, revenue losses have been offset by expense reductions and the

year-to-date date totals are within expectations. Port Director Olin requested that the Commission provide direction on the following items:

- Waiving charter fees for charter operators who have suspended operations during the State of California regional stay-at-home order.
- Approving funding reallocation from the Unallocated Capital Improvement Fund to the 7<sup>th</sup> and Brommer Reconnaissance Fund. She noted that 7<sup>th</sup> and Brommer Capital Improvement Plan funding was cut in April 2020, as a COVID-19 response measure, though the project was identified as a priority project at the time and eligible for funding from the Unallocated Capital Improvement Fund.
- Any additional budget and/or relief measures.

Vice-chairman Geisreiter expressed support for waiving charter fees for the charter operators who suspended operations during the regional stay-at-home order.

MOTION: Motion made by Vice-chairman Geisreiter, seconded by Commissioner Gertler to:

1. Waive charter fees for charter operators who have suspended operations during the State of California regional stay-at-home order. Fee waiver valid December 17, 2020 – January 25, 2021;
2. Approve funding reallocation from the Unallocated Capital Improvement Fund (F021) to the 7<sup>th</sup> and Brommer Reconnaissance Fund (F021);
  - *Motion carried by roll call vote.*
    - *Geisreiter: YES*
    - *Gertler: YES*
    - *Smith: YES*
    - *Reed: YES*
    - *Goddard: YES*

## 12. Personnel Policies and Procedures Manual Update

Discussion: Port Director Olin stated that since the adoption of the Port District's Personnel Policies Handbook in 2019, staff has identified several minor updates for Commission review and approval. Port Director Olin stated that all proposed changes have been reviewed by District counsel.

MOTION: Motion made by Commissioner Smith, seconded by Commissioner Reed to approve updates to the Personnel Policies Handbook.

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

13. Review of 2021 Port Commission Standing Committees

Discussion: Commissioner Goddard stated that this item is being presented to provide the Commission an opportunity to review the standing committee structure/function and make changes as necessary.

There was consensus among the Commission to continue with the existing committee structure and function. Chairman Goddard stated that he will appoint committee members and include the listing for next month's meeting.

14. 2021 Port District Priorities

Discussion: Port Director Olin stated that the Port District Priorities are reviewed by the Commission on an annual basis and are used to help guide the budget process, provide direction for staff, assist in tracking accomplishments, and assist in conducting Port Director evaluations. She reviewed and discussed the list of 2021 priorities.

Vice-chairman Geisreiter expressed support for adding an item which would identify and prioritize a return date for water taxi service.

MOTION: Motion made by Commissioner Gertler, seconded by Commissioner Smith to confirm the 2021 Port District Priorities, including prioritizing a return date for the District's water taxi service.

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

15. Approval of Cash / Payroll Disbursements – November/December 2020 (*There was no discussion on this agenda item*)

MOTION: Motion made by Commissioner Smith, seconded by Commissioner Reed to approve cash and payroll disbursements for November 2020 in the amount of \$481,150.24 and December 2020 in the amount of \$753,576.60.

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

**INFORMATION**

16. Port Director's Report

Santa Cruz Yacht Club (SCYC) Junior Sailing Program

Port Director Olin reported that on Sunday, January 10, 2021, during a well-publicized high surf event, 6 small dinghies from the Santa Cruz Yacht Club's (SCYC) Junior Sailing Program were overturned as they attempted to transit the entrance. Fortunately, no one was injured. Harbor staff investigated the incident and the SCYC conducted an internal investigation. The SCYC updated its safety procedures to prevent an incident like this from occurring in the future.

Rate of Shoaling – Harbor Entrance

Port Director Olin stated that Red Hills Environmental recently calculated the rate of shoaling for the large swell event that took place on December 8, 2020. She reported that for the period December 6 – 10, a total of 23,000 cubic yards of sediment was deposited into the harbor entrance. Port Director Olin stated that the winter storms and large swell events have since continued and the dredge crew is working overtime to address the shoal.

PNC – BBVA Compass Bank Merger

Port Director Olin stated that PNC Bank is in the process of acquiring BBVA Compass Bank in an \$11.6 billion deal. She stated that the merger is not likely to impact the Port District, though there may be some staff changes within BBVA.

Aldo's Restaurant

Port Director Olin stated that the City of Santa Cruz has granted Aldo's Restaurant an extension to their Special Use Permit for Mariner Park Lawn for another 4 years (through December 14, 2024), or until such time a new restaurant is constructed at 616 Atlantic Avenue.

FEMA Disaster Assistance Grant

Port Director Olin stated that the District's application for FEMA Disaster Assistance Grant for COVID-19 related expenses has been denied. She stated that FEMA has indicated that COVID-19 related expenses are considered increased operating costs and therefore ineligible for disaster assistance.

Army Civil Works Program – Fiscal Year 2021 Work Plan

Port Director Olin stated that the US Army Corps of Engineers' (USACE) annual \$385,000 dredging reimbursement was not allocated to the Port District in the FY21 work plan. Staff will be working with Congressman Panetta, Washington D.C. advocates, and the USACE to reprogram carryover funding to ensure this contracted reimbursement is funded.

Twin Lakes Standby Generator

Port Director Olin stated that repairs to the standby generator for *Twin Lakes* will be performed under warranty. She stated that the repair will most likely last through the season, until such time a marine-grade generator can be purchased.

#### Facilities Maintenance Engineering (FME) Manager Recruitment

Port Director Olin stated that following an open recruitment Carl Wulf has been selected to fill the position of FME Manager effective February 2, 2021.

#### Claims

Port Director Olin stated that the following claims have been settled:

- Tomasello - \$5,000 for vessel damage that occurred during a boatyard haulout
- Bonder - \$1,249.16 for vessel damage caused after the vessel struck submerged dredge pipeline

#### California Maritime Infrastructure Authority

Port Director Olin stated that earlier today she participated in the annual meeting for the California Maritime Infrastructure Authority and was re-elected as a Vice-chair.

#### 17. Harbormaster's Report

Harbormaster Anderson stated that the District's new water taxi vessel is enroute from Florida and the expected arrival is in 3-4 days.

Harbormaster Anderson stated that Moose Boats, Inc. has started fabricating the hull and cabin for the new patrol vessel; however, assembly will not begin until space becomes available on the jig at their facility.

In response to a question posed by Commissioner Smith, Harbormaster Anderson confirmed that Travellift operator training for Harbor Patrol, Maintenance, and Boatyard staff has been scheduled for the end of February.

Chairman Goddard expressed his support for reporting annual highlights of the marine search and rescue statistics to share with the community.

#### 18. Financial Reports

- a) Comparative Seasonal Revenue Graphs
- b) Employee Count as of December 31, 2020
- c) Quarterly Budget Report as of December 31, 2020
- d) Quarterly Fuel Sales Report
- e) Quarterly Boatyard Report
- f) Quarterly Concession Percentage Rent Report
- g) LAIF Statement & PMIA/LAIF Performance Report

Port Director Olin noted that the PMIA and LAIF Performance Report shows that interest earnings have decreased over prior years.

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

#### 20. Harbor Patrol Incident Response Report – November/December 2020 (*There was no discussion on this agenda item*)

21. Written Correspondence
- a) Letter to State Senator Monning, from Chairman Reed
  - b) Letter to Congressman Jimmy Panetta, from Port Director Olin
  - c) Letter to State Senator Laird, from Chairman Reed
  - d) LAFCO Election for Special District Seats on LAFCO

Chairman Goddard thanked staff for sending letters of support to members of the Senate and Congress.

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

Chairman Goddard adjourned the regular public session at 8:40 PM.



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Toby Goddard, Chairman