



Special Closed and Regular Public Session of November 23, 2021

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

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

Commission Members Absent:

Darren Gertler Commissioner

SPECIAL PUBLIC SESSION – 5:30 PM

Chairman Goddard convened the special public session at 5:30 PM at the Santa Cruz Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA 95062.

1. Oral Communication
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) Section 54956.9(d)(4), and 54956.8

At 5:30 PM, Chairman Goddard announced that the Commission will meet in closed session to discuss agenda items 3 and 4.

SPECIAL CLOSED SESSION

3. Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation (1 Case)
4. Conference with Real Property Negotiators
Property: 333 Lake Avenue
Agency Designated Representative: H. MacLaurie
Negotiating Parties: Bayside Marine
Under Negotiation: Lease

SPECIAL PUBLIC SESSION

5. 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 no reportable action in closed session on items 3 and 4.

Chairman Goddard adjourned the special open session following the closed meeting at 6:45 PM.

REGULAR PUBLIC SESSION – 7:00 PM

Chairman Goddard convened the regular public session at 7:00 PM at the Santa Cruz Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA 95062.

6. Pledge of Allegiance
7. Oral Communication

Chairman Goddard announced that the Commission took no reportable action in closed session on items 3 and 4.

CONSENT AGENDA

8. Approval of Minutes
 - a) Special Closed Meeting of October 12, 2021
 - b) Special Closed Meeting of October 14, 2021
 - c) Special Closed and Regular Public Meeting of October 26, 2021
9. Approval of Sublease Agreement - 2222 E. Cliff Drive, Suite 212 (Tenant: Martha Macambridge)

Port Director MacLaurie stated that a correction to the minutes of October 26, 2021 (Page 6, Item 11) has been made to eliminate reference to the reprogrammed dredge funding in the amount of \$140,000. The minutes were updated to reflect that the District's annual dredging reimbursement in the amount of \$525,000 was allocated by the U.S. Army Corps of Engineers.

MOTION: Motion made by Vice-chairman Geisreiter, seconded by Commissioner Reed to approve the consent agenda.
- *Motion carried. Commissioner Smith ABSTAINED. Commissioner Gertler ABSENT.*

REGULAR AGENDA

10. Presentation by City of Santa Cruz – Coastal Rail Trail Project (Segments 8 & 9)

Discussion: Assistant Director of the City of Santa Cruz Public Works Department, Nathan Nguyen, provided an overview of the Coastal Rail Trail Project (Segments 8 and 9), which is anticipated to span the harbor.

As part of the presentation, Mr. Nguyen stated that the City is interested in identifying connection points on the east and west side of the harbor to allow pedestrian and bicycle access proposed into the harbor.

A discussion ensued regarding the concerns associated with increasing pedestrian and bicycle traffic into the harbor, along service roads and parking lots. Mr. Nguyen stated that the City is open to discussing potential mitigation measures to make a connection into the harbor feasible.

Commissioner Reed stated that it may be beneficial to establish an ad hoc committee to work with the City to review options and develop potential solutions/mitigation measures, if any.

Chairman Goddard stated that it will be beneficial to invite City staff to the harbor to review areas of concern along the proposed connection points on the east and west sides of the harbor.

There was consensus among the Commission to direct staff to meet with the City on site to review these areas. Mr. Nguyen stated he is available as early as next week to meet with staff.

The Commission thanked Mr. Nguyen for his presentation.

11. Approval of Design Services for Removal and Replacement of FF-Dock, Rowing Dock, and Boatyard Dock (NTE \$400,000)

Discussion: Port Director MacLaurie stated that as part of the City's Murray Street Bridge Seismic Retrofit and Barrier Replacement Project, the Port District will be responsible for the demolition and reconstruction of FF-Dock, the Rowing Dock, and a portion of the Boatyard Dock. She stated that TranSystems has submitted a proposal to provide design services for the project.

Port Director MacLaurie provided an overview of the design and construction approach for the project, and reviewed the City's proposed construction timeline and funding sources. She highlighted the following:

- The City's initial temporary construction easement (TCE) on the west side of the harbor provided for removal of the Rowing Dock and northern portion of FF-Dock. It was envisioned that the southern portion of FF-Dock would remain in place and eventually be reconnected with a newly built northern portion upon bridge completion.
- TranSystems explored the feasibility of that plan, and determined that separating the docks and leaving the southern portion of FF-dock to stand alone would diminish its structural integrity. Additionally, reworking utility connections twice to the southern portion of dock would further diminish its remaining life.
- The City is agreeable to expanding the TCE on the west side to include replacement of FF-Dock in its entirety (northern and southern portions).

- Work to demolish and reconstruct FF-Dock will occur in phases:
 - First phase of work will include relocating vessels from the southern portion of FF-Dock, demolishing and reconstructing that portion of dock and placing vessels back into their slip.
 - Once the southern portion of work is complete, vessels will be relocated from the northern portion of FF-Dock and that portion will be demolished and reconstructed once bridge construction is complete.
- The City aims to commence bridge construction in the Spring of 2022. This timeline will likely be delayed, as necessary right of way certifications and regulatory permits need to be finalized by the city.
- Funding for this project will become available once a settlement agreement is reached with the City. The Port District is currently awaiting completion of its independent appraisal report, which is anticipated in January 2022. Once received, the appraisal report will allow the Port District to begin negotiating a final settlement amount with the City and execute a settlement agreement.
- Upon execution of a settlement agreement, the City will deposit settlement funds (upwards of \$5 million) into an escrow account and those funds may be used to pay for approved costs, such as the proposed design services contract with TranSystems.
- There is less of a financial risk to the District approving the design services contract once a settlement agreement has been executed.

Considering the City's potential timeline delays and the absence of a settlement agreement, Port Director MacLaurie stated that the Commission may consider the following options:

- Approve the design services contract and utilize Port District funds, knowing that costs will be offset once a settlement agreement is reached and funds are released by the City.
- Reject the design services contract and direct staff to bring it back for approval at a later date, once a settlement agreement has been reached.
- Approve the design services contract in a lesser amount to allow for preliminary design work to commence. Preliminary design work is estimated at approximately \$60,000.

A discussion ensued regarding the timeline for execution of the settlement agreement with the City.

Vice-chairman Geisreiter stated that he is supportive of approving the design services contract, subject to the Port Director's satisfaction that the City of Santa Cruz will reimburse the District for the cost of the contract. He stated

that it will be beneficial to utilize settlement agreement funds, once available, to cover the cost of this contract. Commissioner Reed agreed.

MOTION: Motion made by Vice-chairman Geisreiter, seconded by Commissioner Smith to authorize the Port Director to execute an agreement with TranSystems for design, engineering, cost estimating, and construction support services for the demolition and reconstruction of FF-Dock, Rowing Dock, and Boatyard Dock to accommodate the Murray Street Bridge Seismic Retrofit and Barrier Replacement Project, subject to the Port Director's satisfaction that the City of Santa Cruz will reimburse the District for the costs of the contract.
- *Motion carried. Commissioner Gertler ABSENT.*

12. Approval of Resolution 21-06 – Authorizing the Port Director to Accept and Consent to Deeds and Grants for the Property Acquisition of 497 Lake Avenue (*There was no discussion on this agenda item*)

MOTION: Motion made by Commissioner Smith, seconded by Vice-chairman Geisreiter to approve resolution 21-06.
- *Motion carried. Commissioner Gertler ABSENT.*

13. Approval of Cash / Payroll Disbursements – October 2021 (*There was no discussion on this agenda item*)

MOTION: Motion made by Vice-chairman Geisreiter, seconded by Commissioner Smith to approve cash and payroll disbursements for October 2021, in the amount of \$1,004,899.26.
- *Motion carried. Commissioner Gertler ABSENT.*

INFORMATION

14. Port Director's Report

Harbor Development Plan

Port Director MacLaurie stated that the City of Santa Cruz is in the process of updating its Local Coastal Plan (LCP). She stated that updates were last attempted in 2015, and as part of that process, the Commission revised portions of the Harbor Development Plan (HDP) for inclusion in the City's draft document.

Port Director MacLaurie stated that once the draft LCP document is available, the Commission will have the opportunity to review and provide comments before it is finalized.

Coast Guard Auxiliary – Change of Watch Ceremony

Port Director MacLaurie stated that she and Harbormaster Anderson attended the Coast Guard Auxiliary's Change of Watch Ceremony in Monterey on Saturday, November 20, 2021.

Administrative Services Manager Recruitment

Port Director MacLaurie stated that the recruitment for the Administrative Services Manager position has been extended to December 10, 2021, to expand outreach efforts.

Garbage Feasibility Study

Port Director MacLaurie stated that the FY20 budget allocated \$10,000 to a harborwide refuse and recycling study. She stated that staff is currently in process of initiating that study, which will help identify waste and recycling needs based on current trash handling processes, seasonal refuse levels, operational issues, and logistical constraints.

15. Harbormaster's Report

In response to a vessel recovery incident on T-dock, Commissioner Smith expressed his support for Harbor Patrol acquiring additional gas or diesel powered dewatering pumps.

16. Facilities Maintenance & Engineering Report

Facilities Maintenance & Engineering (FME) Manager Wulf stated that the following items have been sold on Public Surplus:

- Six (6) Gangways: \$2,185
- Atlas Copco Generator: \$1,600

17. Annual Business Use of Slip

Port Director MacLaurie noted the following corrections to the Business Use of Slip report:

- Roberts, F – Pak rating reduced from 12 to 6 (as noted in comments)
- O'Neill Yacht Charters – Show pak rating as a range from 49 to 99
- SCYC Junior Program – Annual Slip Rent corrected from \$0 to \$6,451

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

- a) Comparative Seasonal Revenue Graph

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

20. Harbor Patrol Incident Response Report – October 2021 (*There was no discussion on this agenda item*)

21. Written Correspondence

- a) Email to Port Commission from A. Kreyche
- b) Letter to Pacific Fishery Management Council Chair Gorelnik from Monterey Bay Harbors
- c) Email to Port Commission from G. Stearns

Chairman Goddard stated that a response letter will be provided to A. Kreyche regarding email 21 (a).

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

Chairman Goddard adjourned the regular public session at 9:08 PM.



Toby Goddard, Chairman