



Special Public Session of December 12, 2023

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Darren Gertler	Chair
Stephen Reed	Vice-chair
Dennis Smith	Commissioner
Toby Goddard	Commissioner
Reed Geisreiter	Commissioner

SPECIAL PUBLIC SESSION – 5:30 PM

Chair Gertler convened the special public session at 5:30 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz CA (hybrid meeting platform).

1. Pledge of Allegiance
2. Oral Communication

CONSENT AGENDA

3. Approval of Minutes
 - a) Special Closed and Regular Public Meeting of November 28, 2023

MOTION: Motion made by Commissioner Goddard, seconded by Commissioner Smith to approve consent agenda item 3.
- *Motion carried unanimously.*

REGULAR AGENDA

4. Presentation by Mesiti-Miller Engineering – Westside Seawall Condition Assessment (*Item was withdrawn / removed from the agenda*)
5. Approval of Personnel Policies Handbook Updates

Discussion: Port Director MacLaurie stated that the last update to the Port District's Personnel Policies Handbook was approved in January 2021. She stated that the proposed amendments presented as part of tonight's meeting include legislative changes, many of which were signed into law in October 2023. She stated that all proposed revisions have been reviewed by Port District counsel.

In response to a question posed by Chair Gertler, Port Director MacLaurie confirmed that the updated handbook will be distributed to all employees and an acknowledgment of receipt will be obtained.

MOTION: Motion made by Commissioner Goddard, seconded by Vice-chair Reed to approve the updates to the Personnel Policies Handbook.
- *Motion carried unanimously.*

6. Approval of Resolution 23-09 – Adopting Amendments to the Salary Schedule (*There was no discussion on this agenda item*)

MOTION: Motion made by Vice-chair Reed, seconded by Commissioner Goddard to approve Resolution 23-09 – Adopting Amendments to the Salary Schedule.

7. Election of Port Commission Officers 2024

Discussion: Commissioner Smith stated that he is supportive of returning to a regular rotation for the Chair and Vice-chair seat, noting that it will allow each Commissioner the opportunity to hold the Chair and/or Vice-chair seat during their term.

MOTION: Motion made by Commissioner Geisreiter, seconded by Commissioner Goddard to nominate Vice-chair Reed for Chair, and Commissioner Smith for Vice-chair.
- *Motion carried unanimously.*

8. Approval of Cash / Payroll Disbursements – November 2023

Discussion: In response to a question posed by the Commission, staff provided additional information on the following warrant:

- Warrant # 59092 – Associated Right of Way Services, Inc. for the Murray Street Bridge Seismic Retrofit Project Waterline Easement Appraisal – The appraisal assisted in securing a higher price per square foot for easement rights during negotiations (negotiations remain ongoing with the City).

MOTION: Motion made by Commissioner Smith, seconded by Commissioner Geisreiter to approve cash and payroll disbursements for November 2023, in the amount of \$737,143.80.
- *Motion carried unanimously.*

INFORMATION

9. Port Director's Report

Port Director MacLaurie announced that a second Construction / Maintenance Committee Meeting will be convened on Thursday, January 11, 2024, at 11:00 AM to continue discussions regarding the feasibility of purchasing a floating barge.

There was a consensus among the Commission to approve out-of-state travel for the Port Director and Vice-chair Reed to attend the annual California Marine Affairs and Navigation Conference (CMANC) in Washinton DC in February 2024.

10. Harbormaster's Report

Harbormaster Anderson stated that the Small Business Administration (SBA) Economic Injury Disaster Loans are now available for those impacted by the 2023 California Salmon Fishery Closure. He stated that staff is working on notifying the commercial fleet and additional information is posted on the Port District's website.

11. Facilities Maintenance & Engineering Manager's Report

Port Director MacLaurie stated that the Port District has received the final invoice for the 2222 East Cliff Drive Deck Replacement Project. She stated that the project was completed ahead of schedule, which resulted in a significant cost savings to the District.

12. Financial Reports

- a) Comparative Seasonal Revenue Graph
- b) Review of FY24 Budget Impacts – Salmon Season Closure
- c) CLASS Statement
- d) LAIF Statement

In response to a question posed by Commissioner Geisreiter, Harbormaster Anderson stated that this year's fuel revenue is down, in part, due to the fishery closures.

Port Director MacLaurie stated that the reduction in fuel revenue is not proportionally offset by the fuel expense, due to other operational costs included in the fuel expense category such as staff labor, equipment cost, and other expenditures.

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

14. Harbor Patrol Incident Response Report – November 2023 (*There was no discussion on this agenda item*)

15. Written Correspondence (*There was no discussion on this agenda item*)

- a) Letter from U.S. Representative Jimmy Panetta to the Honorable Shalanda Young

16. 2024 Port Commission Meeting Calendar (*There was no discussion on this agenda item*)
17. Port Commission Review Calendar / Follow-Up Items (*There was no discussion on this agenda item*)

Chair Gertler adjourned the special public session at 6:00 PM.

Darren Gertler, Chair



TO: Port Commission

FROM: Construction / Maintenance Committee
- Steve Reed
- Reed Geisreiter
Holland MacLaurie, Port Director

DATE: January 12, 2024

SUBJECT: Review of Proposal to Purchase a Floating Barge

Recommendation: ***Consider allocating funding in the FY25 Capital Improvement Program for the purchase of a floating barge.***

BACKGROUND

The Port District maintains approximately 700 piles to support its docks and piers. Each year, the Port District makes significant investments through its Capital Improvement Program (CIP) to support this critical marine infrastructure and ensure upkeep and operability of the harbor.

Over the last five years, the Port District has performed 3 large-scale pile repair and replacement projects, in which 204 piles were replaced at a total cost of approximately \$3,591,482 (of which \$1,750,000 was financed in 2018, with loan repayment occurring in 2033). A significant number of piles remain slated for future replacement, including 281 piles that predate the 2011 tsunami repair work. Staff estimates that a minimum funding contribution of approximately \$5 million dollars will be required over the next five-year period to continue this ongoing work.

Historically, the Port District has been successful in allocating the funding necessary to carry out critical piling infrastructure improvement projects. However, the continuing rise in marine-related construction costs¹ warrants the District's exploration of alternative repair methods, including the feasibility of performing the pile repair and replacement work with in-house crews and equipment.

To achieve future cost savings and maximize the utility authorized under the Port District's Regional General Permit (RGP)², staff has researched the practicality of purchasing a 60' x 40' x 5' Flexifloat spud barge to conduct in-house pile replacement work.

The Construction / Maintenance Committee met to discuss the feasibility of purchasing a spud barge to facilitate in-house pile replacement work on November 15, 2023, and again on January 11,

¹ Historical pile replacement costs include, 2018: 70 piles replaced for \$869,714, 2019: 80 piles replaced for \$1,493,523, 2023: 51 piles replaced for \$1,200,000.

² The Port District's RGP was issued in 2022, and authorizes routine maintenance activities within Santa Cruz Harbor over a five-year period. The range of maintenance, repair, and rehabilitation activities included as part of the RGP is broad, but allows for as-needed maintenance and repair of existing facilities, including, but not limited to docks, brow piers, pilings, and shoreline stabilization, including seawalls. The RGP does not permit annual maintenance dredging activities.

2024. As a result of those meetings, the Construction / Maintenance Committee was supportive of presenting the purchase proposal to the full Commission for review and deliberation.

ANALYSIS

EQUIPMENT NEEDS

To facilitate in-house pile replacement work, the Port District will need to procure the following equipment:

FLEXIFLOAT SPUD BARGE		
Qty.	Equipment	Cost
5	40' x 10' x 5' Quadrafloats	\$322,000
2	20' x 10' x 5' Duofloats	\$80,400
2	20" Round Spudwells	\$39,000
2	20" Round x 40' Spuds	\$35,200
2	Hydraulic Spud Winches	\$32,600
1	Hydraulic Pumping Unit (diesel)	\$140,000
9	Hydraulic Hose Sections	\$6,900
8	Deck Cleats	\$4,000
N/A	Sales Tax	\$65,000
N/A	Freight (from Texas)	<u>\$38,000</u>
TOTAL:		\$763,100

VIBRATORY HAMMER ATTACHMENT FOR PILE DRIVING		
Qty.	Equipment	Cost
1	Vibratory Hammer Attachment (including Power Unit)	\$400,000
N/A	Sales Tax	<u>\$39,000</u>
TOTAL:		\$439,000

OTHER ANCILLARY COSTS		
Qty.	Equipment	Cost
1	Equipment for Staging (Ramps)	\$25,000
1	Equipment for Demobilizing	\$10,000
1	4-Way Lifting Cables	\$10,000
2	Pile Lifting Slings	\$5,000
N/A	Consultant / Training	<u>\$15,000</u>
1	<i>Linkbelt 50-Ton Crane</i>	<i>Port District Already Owns</i>
1	<i>Workboat</i>	<i>Port District Already Owns</i>
1	<i>Forklift</i>	<i>Port District Already Owns</i>
TOTAL:		\$65,000

It should be noted that the proposed barge, when fully constructed, will be adequate to safely support the Port District's 50-ton Linkbelt crane (which will be required to perform pile removal and driving) and be maneuvered by the Port District's workboat, *Big Red*.

Preliminary cost estimates associated with the barge purchase (and all ancillary equipment) total approximately \$1,267,100.

COST ANALYSIS

While the \$1,267,100 initial investment for the Port District is significant, purchasing the floating barge and transitioning to in-house pile replacement work is anticipated to result in substantial cost savings over time. A 5-year cost analysis is presented below for review.

IN-HOUSE 5-YEAR PILE REPLACEMENT COSTS					
Item	Year 1 (0 Piles)	Year 2 (12 Piles)	Year 3 (25 Piles)	Year 4 (30 Piles)	Year 5 (35 Piles)
Equipment Purchase	\$1,267,100	-	-	-	-
Steel Pile/Sleeves ³	-	\$72,000	\$157,500	\$198,000	\$241,500
Insurance Premium ⁴	\$9,605	\$10,085	\$10,590	\$11,119	\$11,675
Maintenance		\$5,000	\$5,000	\$5,000	\$5,000
Consultant	\$10,000	\$10,000	\$10,000	\$5,000	\$5,000
Staffing	\$34,000	\$35,700	\$37,500	\$39,000	\$41,500
TOTAL:	\$1,320,705	\$132,785	\$220,590	\$258,119	\$304,675

Total 5-Year Costs: \$2,236,874 Total Piles Driven: 102⁵ Avg. Cost per Pile: \$21,930

CONTRACTOR 5-YEAR PILE REPLACEMENT COSTS					
Item	Year 1 (45 Piles)	Year 2 (0 Piles)	Year 3 (40 Piles)	Year 4 (0 Piles)	Year 5 (40 Piles)
Contract Costs ⁶	\$1,320,000	-	\$1,386,000	-	\$1,455,300
TOTAL:	\$1,320,000	-	\$1,386,000	-	\$1,455,300

Total 5-Year Costs: \$4,161,300 Total Piles Driven: 125 Avg. Cost per Pile: \$33,290

EQUIPMENT STORAGE

Barge sections will be mobilized and assembled in the launch ramp area. During the annual regulatory work window, the barge will be moored in the water adjacent to the FF-Dock kayak rack, north of the bridge (Attachment A).

When not in use, the barge will be disassembled and hauled out at the boatyard, where each section will be stacked and stored along the southeast corner of the yard (Attachment B).

³ The Port District can obtain steel piles (with sleeving) for approximately \$6,000 per pile (including freight). Projection assumes 5% annual increase to materials costs.

⁴ Assumes 5% annual increase to insurance premiums.

⁵ More piles will be driven in years 3-5 as staff becomes more familiar with the equipment and operation.

⁶ Assumes 10% biennial increase, which may be conservative given market conditions.

STAFFING

It is anticipated that approximately 3 current staff members will be needed to conduct in-house pile repair and replacement work during the annual regulatory work window (1 certified crane operator and 2 crewmembers to assist on the docks). The Port District currently employs 5 certified crane operators, all of whom have the skills necessary to perform pile removal and replacement work safely and proficiently.

While the transition to in-house pile repair work will undoubtedly increase maintenance workloads and responsibilities, staff is confident that the impacts will be manageable and monitored accordingly. During the Port District's most recent pile repair and replacement project, the maintenance crew successfully managed routine upkeep of the harbor, while being heavily involved with the contracted project (removing dock sections, fingers, and pile rings to facilitate the project).

To address potential impacts to maintenance workloads, it is anticipated that the draft FY25 budget will include the addition of one full-time provisional Harbor Maintenance Worker I/II position, effective April 1, 2024 (note that this position will be proposed in the draft FY25 budget regardless of whether a transition to in-house pile repair and replacement work is pursued). It is envisioned that this position will assume responsibility for performing routine/minor maintenance related tasks, which will allow more tenured staff to focus efforts on larger projects, like pile repair and replacement work.

While current maintenance crews have experience performing emergency pile repair and replacement work, as well as pile sleeving⁷, allocating funding for consulting services will be beneficial during the implementation process to provide necessary guidance and oversight.

BENEFITS

In addition to providing flexible utility for in-house pile repair and replacement work (including emergency repair work), the barge has the potential to provide the following benefits:

- **Maximize utility of the District's Regional General Permit (RGP)⁸**
 - Optimize the regulatory work windows authorized under the RGP by controlling mobilization and demobilization schedules.
 - Expeditiously address emergency pile repair and replacement needs that occur outside of the regulatory work window.
- **Facilitate retrofit of inner harbor dredge pipeline**
 - The inner harbor dredge pipeline, which extends the entire length of the harbor (north to south), lacks sufficient connection points to efficiently be utilized. With limited connectivity to this pipeline, dredging of south harbor slips and fairways is extremely challenging. A barge will be required to facilitate the fusing of new connection points for this much needed project.

⁷ The Port District transitioned to performing in-house pile sleeving in FY22, which resulted in a cost savings of approximately \$28,000 per pile.

⁸ The Port District's RGP was issued in 2022, and authorizes routine maintenance activities within Santa Cruz Harbor over a five-year period. The range of maintenance, repair, and rehabilitation activities included as part of the RGP is broad, but allows for as-needed maintenance and repair of existing facilities, including, but not limited to docks, brow piers, pilings, and shoreline stabilization, including seawalls. The RGP does not permit annual maintenance dredging activities.

- **Deployment of Toyo pump**
 - To maximize the utility of the Toyo Pump (which was authorized for surplus sale in FY24, but has not generated interested at public auction), acquisition of a barge is necessary. The Toyo pump’s utility is currently limited by the landside reach of the crane. If the crane and Toyo pump are deployed on a barge, any inner harbor area becomes accessible for dredging once the inner harbor pipeline is retrofitted with new connection points, as outlined above.
- **Assist the dredge operation by providing the following:**
 - Utility for in season and offseason repair of *Twin Lakes* and other dredge equipment.
 - Platform for hauling, inspecting, and repairing dredge pipeline.
 - Platform for fusing pipeline, which is not currently possible from *Dauntless*.
 - Utilize the barge for deploying the spud anchor aboard *Twin Lakes* during swell, storm, or surge events (this is not currently possible and would provide additional security while *Twin Lakes* is in the entrance).
- **Storm and disaster cleanup / platform for debris removal**
- **Assist on future construction projects, such as the West Side Seawall Replacement Project, East Side Embankment Repair Project, and Restaurant Reconstruction at 616 Atlantic Avenue**
- **Revenue generation (if rented out to neighboring agencies or contractors for repair/maintenance work)**

IMPACT ON PORT DISTRICT RESOURCES

If the Commission is interested in pursuing the purchase of a floating barge (and ancillary equipment), funding will be allocated in the District’s Capital Improvement Program over a two-year period, commencing with the upcoming FY25 budget. The following allocation schedule is anticipated:

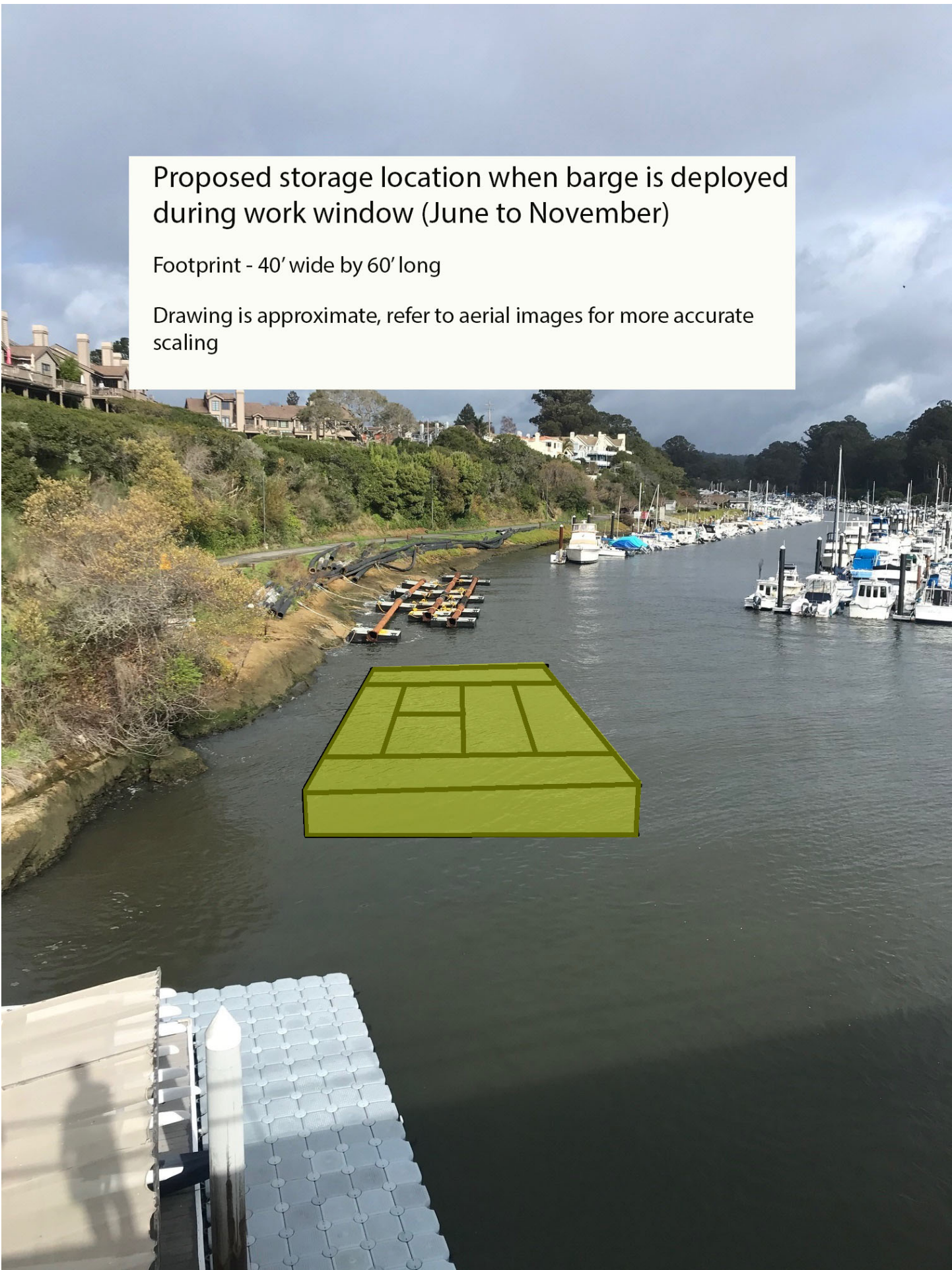
- FY25 Budget: Allocate \$650,000 in funding (pending receipt of FEMA reimbursement).
- FY26 Budget: Allocate \$650,000 in funding.

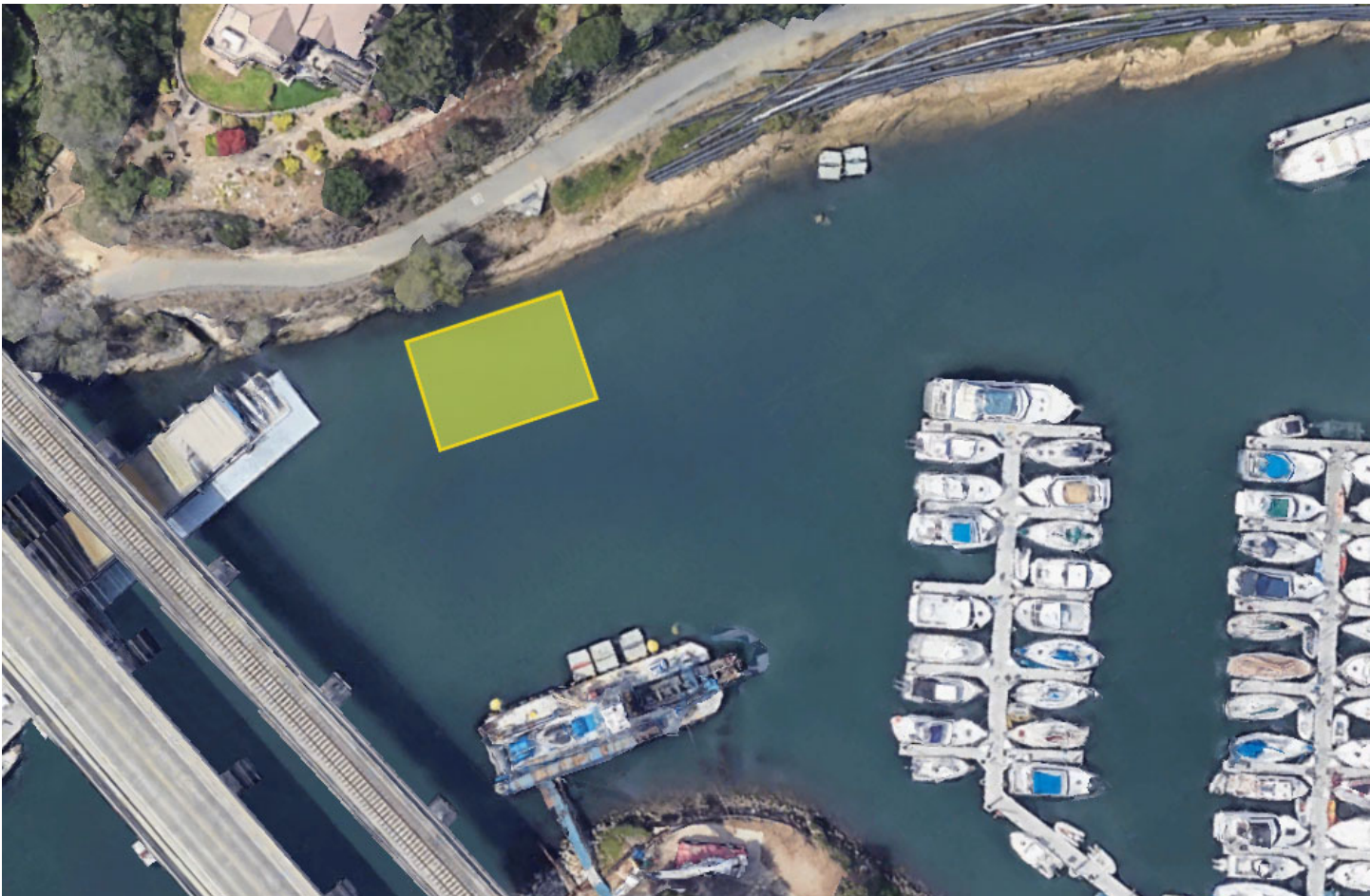
ATTACHMENTS: A. In-Water Equipment Storage (June-November)
 B. Dry Equipment Storage (December-May)

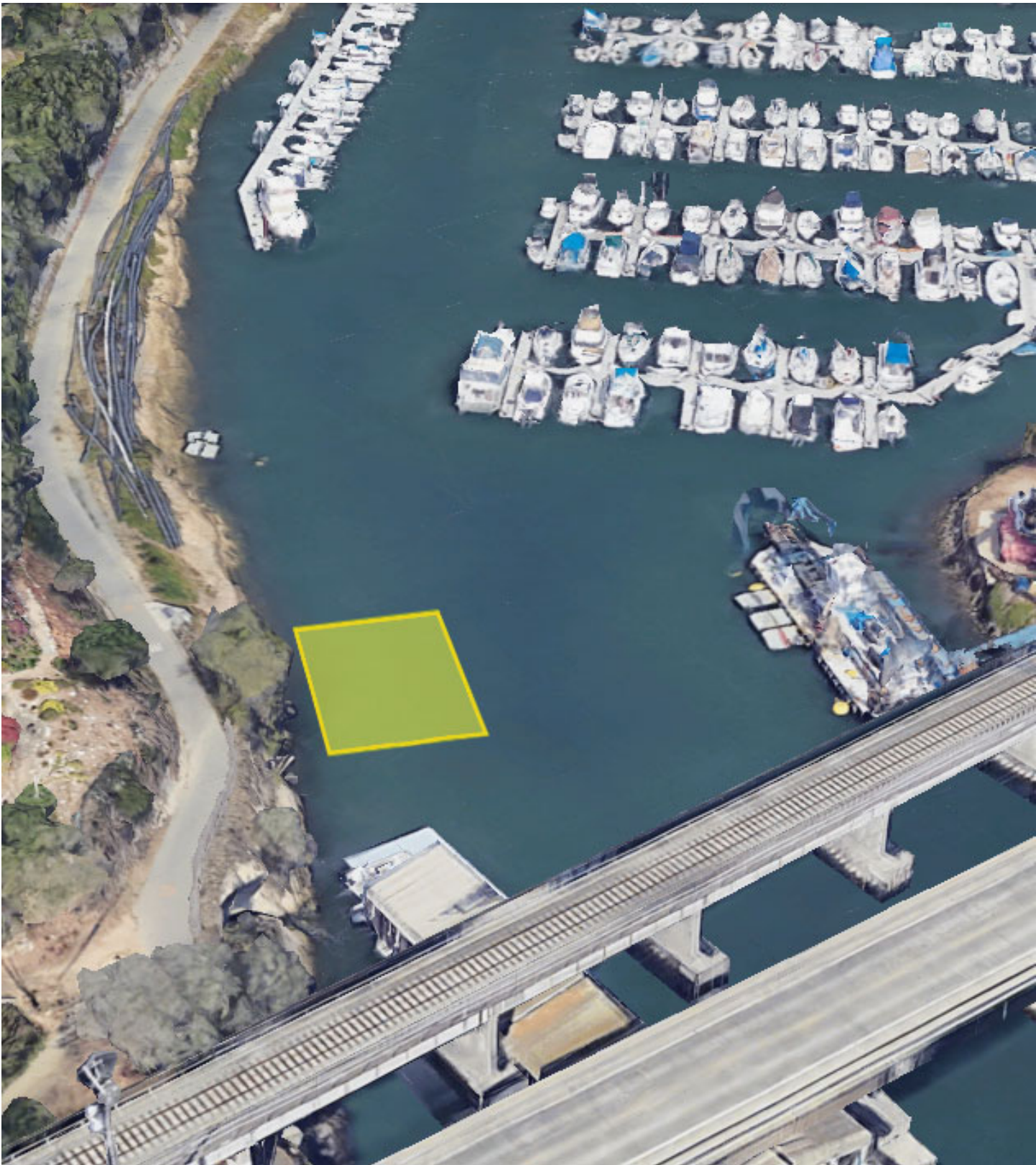
Proposed storage location when barge is deployed during work window (June to November)

Footprint - 40' wide by 60' long

Drawing is approximate, refer to aerial images for more accurate scaling



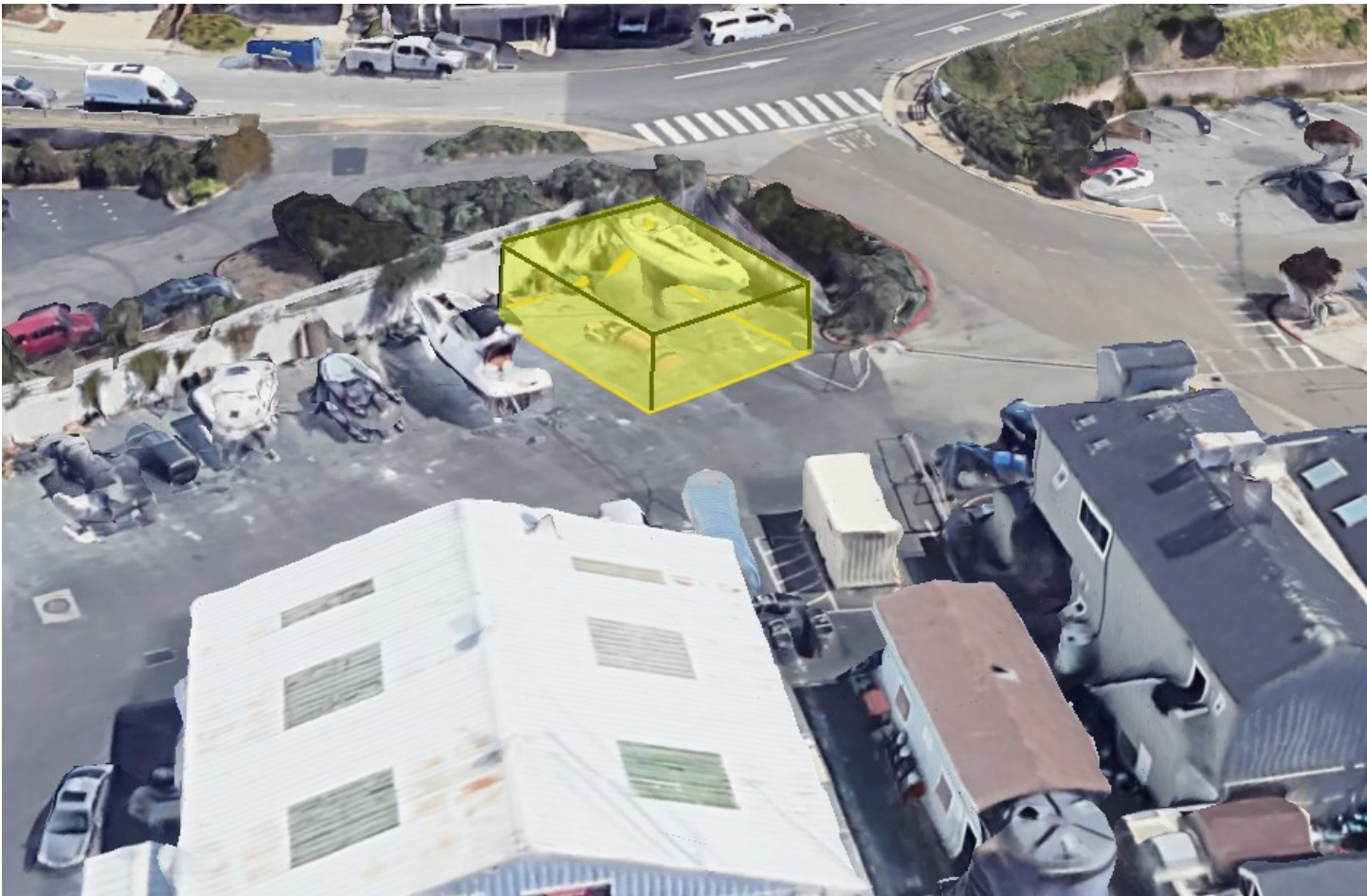
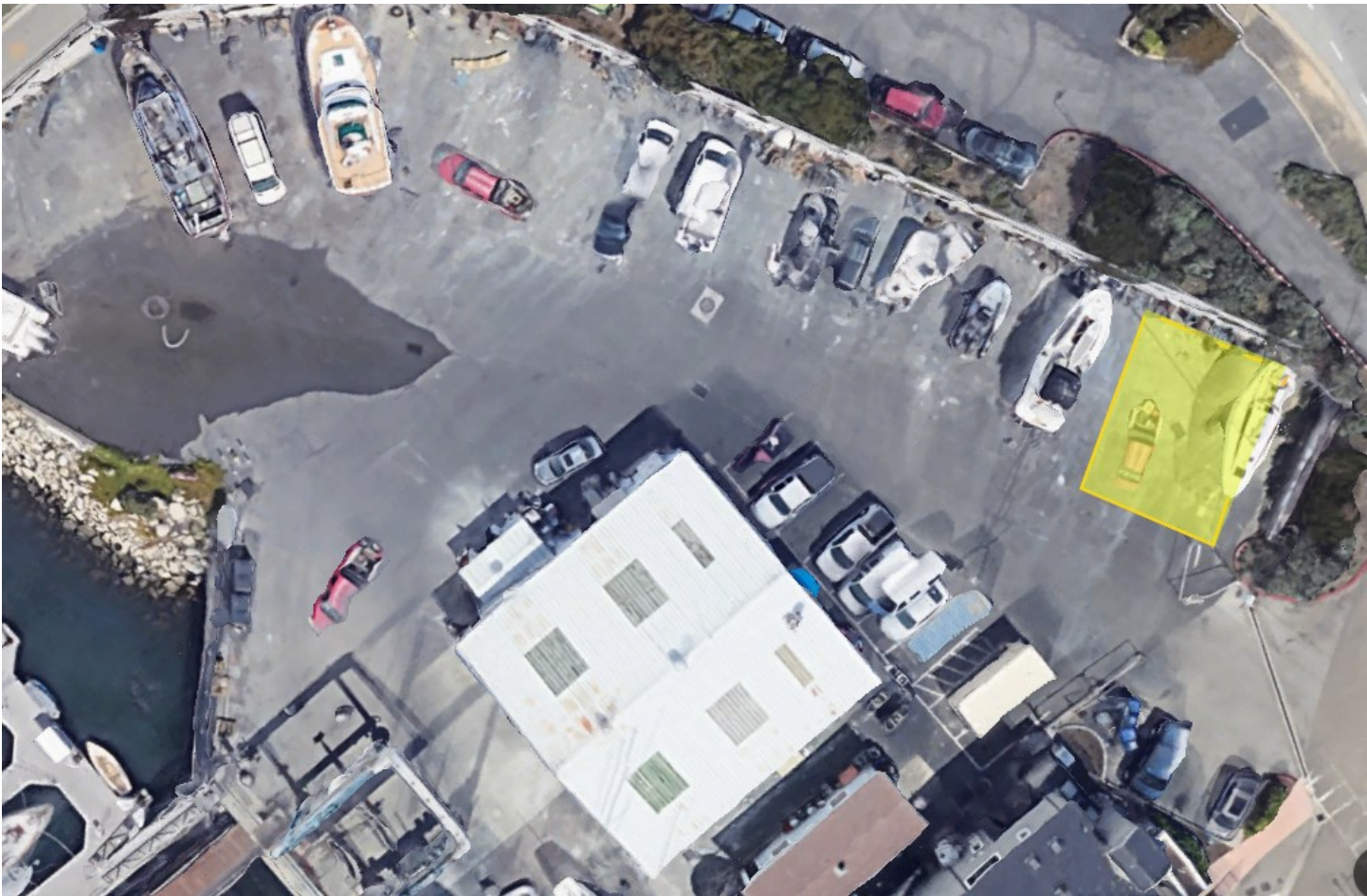




Proposed Winter Storage Location

- Non-Work Window Months (December to May)
- Sections stacked three wide and two high
- Footprint of approximately 30' wide, 40' long and 12' high









TO: Port Commission
 FROM: Holland MacLaurie, Port Director
 DATE: January 9, 2024
 SUBJECT: Review of General Liability and Wet Property Insurance Coverages

Recommendation: *Review general liability and wet property insurance policies and determine if modifications to coverage are warranted in the upcoming fiscal year.*

BACKGROUND

The Port District purchases a variety of insurance coverage on an annual basis to provide fundamental protections against claims and to safeguard its property and assets.

Since 2021, the Port District has experienced rapidly growing insurance premiums due to a combination of its loss history and a hardening market. Despite the increased costs, the Port District has experienced an ongoing reduction in coverage for many of its policies (i.e., diminution in scope, increased deductibles, and additional exclusions for catastrophic perils).

In FY24, the District’s annual insurance premium for all coverage totaled \$1,369,052. This represents a \$611,319 increase or 81% rise over FY23 and a \$1,052,011 increase or 331% rise over FY22.

The Port District’s insurance broker, Lockton, has initiated the renewal process for the upcoming term of April 1, 2024, to March 31, 2025, and has indicated that the District’s marine general liability premium (including excess liability layers) and wet property premium (for docks and piers) are once again anticipated to rise. As a result, the Port Commission may wish to explore options for modifying the Port District’s insurance coverage to better meet financial and operational needs.

ANALYSIS

Marine General Liability Insurance (including Excess Liability Layers)

The Port District maintains marine general liability insurance to provide coverage for bodily injury, personal injury, and property damage caused by the District’s operation or injuries that occur on the District’s premises. Excess liability layers (including bumbershoot policies) are purchased to provide additional limits to sit above the District’s marine general liability policy.

An overview of the Port District’s current marine general liability policy is outlined below:

Insurance Type	Coverage Limits	FY24 Premium Cost
Marine General Liability Policy	\$1 million	\$91,241
Excess Liability - Bumbershoot	\$4 million	\$358,000
Excess Liability – 1 st Layer	\$5 million	\$221,202
Total Coverage:	\$10 million	\$670,443

The \$10 million coverage limit currently in place is likely insufficient to fully meet the operational needs of the District. Historically, the District has carried a minimum of \$16 million in general liability coverage, however reaching that limit in the current fiscal year was unachievable, as premium costs were prohibitive. The Commission may wish to explore options for increasing this coverage limit as part of the upcoming renewal.

Wet Property (Docks & Piers)

The Port District maintains wet property insurance to provide coverage and protection for its 31 docks and 3 piers.

An overview of the Port District's wet property policy is outlined below:

- The annual wet property premium totaled \$320,434 in FY24.
- The Port District's 31 docks and 3 piers are currently covered from losses arising from wind, hail, and fire damage. All other catastrophic perils, including tsunamis and earth movement, are excluded from coverage.
- In the event of a loss to one or more docks, reimbursement under this policy is capped at \$1 million (cumulatively, not \$1 million per dock)
- In the event of a loss to one or more piers, reimbursement under this policy is capped at the agreed upon replacement value of each structure (\$750,000 for east and west side public piers and \$1.4 million for fishery pier).
- In the event of a loss, the Port District is eligible to receive reimbursement for lost revenue during the restoration period.

The Port District is ultimately maintaining wet property insurance for its docks and piers, at a cost of \$320,000 per year, solely for protection against fire damage, as wind and/or hail damage is unlikely to occur, and all other catastrophic perils have been excluded from coverage.

Considering the current cap placed on loss limits under this policy (\$1 million for docks, and agreed upon replacement value for each pier), the Commission may wish to consider whether maintaining this coverage is essential.

Discussion

In preparation for the upcoming renewal process, staff is seeking direction from the Commission on whether there is interest in modifying the District's marine general liability and/or wet property coverage. Several options for consideration are presented below:

- Decline wet property insurance for docks and piers and recognize significant savings in the FY25 budget.
- Decline wet property insurance for docks and piers and apply the premium savings towards the purchase of additional marine general liability coverage (increase current coverage from \$10 million).

IMPACTS ON PORT DISTRICT RESOURCES

If the Commission is interested in modifying insurance coverage for the upcoming term, impacts and associated costs will be included in the Draft FY25 Budget, which will be presented at a special public budget session on Tuesday, February 6, 2024.

SANTA CRUZ PORT DISTRICT

2024 PRIORITIES



MESSAGE FROM PORT DIRECTOR

January 23, 2024

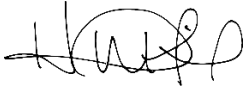
Honorable Chairman and Members of the Port Commission:

The Port District’s list of annual priorities is a key planning tool which provides the necessary framework to guide the District’s efforts over the upcoming year. Priorities are developed in conjunction with the District’s Mission Statement and are intended to reflect ongoing efforts to identify and address critical infrastructure needs, maintain fiscal responsibility and transparency, promote long-term sustainability, and continue ongoing efforts to strengthen community outreach and communication.

The goals and priorities identified in the following report are being proposed for consideration and adoption by the Commission for calendar year 2024.

Staff looks forward to duly carrying out the identified goals and priorities.




Sincerely,





Holland MacLaurie
Port Director


OVERVIEW OF 2024 PRIORITIES

The 2024 priorities are organized within the following focus areas:


	ORGANIZATION AND CULTURE
	FINANCIAL ACCOUNTABILITY
	INFRASTRUCTURE MAINTENANCE
	COMMUNITY & STEWARDSHIP
	NAVIGATION & DREDGING

	<p>ORGANIZATION AND CULTURE: Provide an organizational structure that effectively utilizes resources to engage personnel and supports a workplace culture of accountability and excellence.</p>
<p>Priority:</p>	<p>Engage in labor negotiations with bargaining groups for contracts ending December 31, 2024.</p>
<p>Priority:</p>	<p>Maintain an organizational structure that best meets current future business needs of the District.</p>
<p>Priority:</p>	<p>Maximize workplace safety by expanding training opportunities, particularly as it relates to emergency response and readiness.</p>

	<p>FINANCIAL ACCOUNTABILITY: Provide careful management and oversight of the Port District’s financial resources and reserves while maintaining operations and services.</p>
<p>Priority:</p>	<p>Continue to ensure that required coverage ratios and reporting requirements are met for existing debt.</p>
<p>Priority:</p>	<p>Proactively manage the District’s unfunded accrued liability for CalPERS pension plans by making annual prepayments and additional discretionary payments when feasible.</p>
<p>Priority:</p>	<p>Apply for the Government Finance Officers Association’s (GFOA) Distinguished Budget Presentation Award.</p>
<p>Priority:</p>	<p>In conjunction with the Port District’s grant consultant, apply for the Port Infrastructure Development Program grant (and other applicable grants) to support current and future eligible infrastructure projects.</p>
<p>Priority:</p>	<p>Secure additional funding support from the County of Santa Cruz for Santa Cruz Harbor Marine Rescue Services (last increase received in 2019).</p>
<p>Priority:</p>	<p>Establish a routine audit schedule for concessionaires, ensuring that each tenant is audited at least once every 5 years.</p>
<p>Priority:</p>	<p>Explore opportunities to generate additional revenue utilizing Port District property (i.e. farmers markets, holiday activities, etc.).</p>
<p>Priority:</p>	<p>Perform a comprehensive cost-benefit analysis of the Port District’s insurance coverage and premiums. Identify potential alternatives for coverage (SDRMA, PRISM, etc.).</p>

	<p>INFRASTRUCTURE MAINTENANCE: Perform ongoing review and development of the Capital Improvement Program (CIP) to ensure facilities serving the boating community are protected and upgraded.</p>
Priority:	Continue CIP projects currently underway (i.e., I-Dock Restroom Rehab, Replacement of G-Dock Sanitary Sewer Lift Station, West Side Seawall, North Harbor Transformer Replacement, East Side Embankment).
Priority:	Perform critical pile sleeving at the fishery (4 piles).
Priority:	Continue planning and site improvements of District-owned properties at 7 th and Brommer and 616 Atlantic Avenue.
Priority:	Initiate building inspections of 493 Lake Avenue and 345 Lake Avenue to identify and prioritize future repairs.

	<p>COMMUNITY & STEWARDSHIP: Continue being an open, transparent, accountable, and high performing organization that utilizes resources to provide high quality services to slip renters and visitors alike.</p>
Priority:	Increase opportunities to engage the community in mutual discussions and provide education about District activities and regularly scheduled Port Commission meetings.
Priority:	Continue using a variety of mediums, including social media, to reach a wider audience regarding District programs, activities, and announcements.
Priority:	Continue coordination efforts with the County of Santa Cruz and the City of Santa Cruz on projects and initiatives of mutual concern (i.e., 7 th & Brommer, Murray Street Bridge Project, Coastal Rail Trail Project).
Priority:	Continue strengthening intergovernmental and community relationships.
Priority:	Monitor and actively participate in policy and regulatory development impacting harbors, including participation in the Monterey Bay National Marine Sanctuary Advisory Committee.
Priority:	Maintain commercial fishing fleet and landings.
Priority:	Maintain Certified Clean Marina designation and continue promoting environmental stewardship dockside, marine education, and clean and green boating.

	NAVIGATION & DREDGING: Maintain safe passage for commercial and recreational vessels transiting the federal entrance channel and provide access to berthing and refuge.
Priority:	Continue working with the USACE to renew the current Memorandum of Agreement for operation and maintenance of the federal entrance channel (expires 04/30/25).
Priority:	Continue working with the USACE to secure annual dredging reimbursement totaling \$525,000.
Priority:	Continue to plan for the future haul of <i>Twin Lakes</i> .

Santa Cruz Port District
Accounts Payable Monthly Check Register
December 2023

Date	No.	Vendor	Description	Amount
12/1/2023	59148	Amazon Capital Services	Face Shield Cover, Winch Engine Temperature Guage	\$ 70.81
12/1/2023	59149	A Sign ASAP!	Dock Gate Signage	\$ 197.55
12/1/2023	59150	Atchison Barisone Condotti & Kovacevich	Legal Consultation	\$ 6,880.20
12/1/2023	59151	Bay Building Janitorial, Inc.	Janitorial Services, Refuse Collection	\$ 12,918.66
12/1/2023	59152	Bay Plumbing Supply, Inc.	2222 East Cliff Drive Water Heater Fittings	\$ 105.32
12/1/2023	59153	Bow Wow Pet Waste Products	Pet Waste Station Bags	\$ 210.88
12/1/2023	59154	Brass Key Locksmith, Inc.	Key Blanks	\$ 50.49
12/1/2023	59155	Burke, Williams & Sorensen, LLP	Legal Consultation	\$ 3,465.50
12/1/2023	59156	Citi Cards	Breakroom Supplies, Employee Appreciation	\$ 696.47
12/1/2023	59157	Comcast	Business Internet	\$ 167.67
12/1/2023	59158	Crow's Nest Restaurant	1/2 Concession Lot Garbage (Tenant Reimbursable)	\$ 2,457.18
12/1/2023	59159	Data Ticket, Inc.	Citation Processing (October)	\$ 571.87
12/1/2023	59160	Dredging Supply Company, Inc.	<i>Twin Lakes</i> Pump Packing Set	\$ 1,664.84
12/1/2023	59161	Elevator Service Company	2222 East Cliff Drive Annual Elevator Testing	\$ 1,595.00
12/1/2023	59162	Garda CL West, Inc.	Deposit Courier Service	\$ 768.34
12/1/2023	59163	Jess Gonzalez	Security Deposit Refund	\$ 258.88
12/1/2023	59164	GP Crane & Hoist	Quarterly Hoist Inspection, Safety Latch Replacement (\$720.33 Tenant Reimbursable)	\$ 1,080.05
12/1/2023	59165	Grainger	Disposable Gloves, Confined Space Monitor Calibration Gas, Safety Glasses, Life Jackets, Office Supplies, Confined Space Monitor Docking Station, Gas Regulator Guage, Garden Hose, <i>Squirt</i> Heater	\$ 3,491.80
12/1/2023	59166	Jordon Inkeles	Security Deposit Refund	\$ 236.15
12/1/2023	59167	Johnson Hicks Marine Electronics	<i>Patrol Boat Kinnamon</i> Electronics (Grant Reimbursable)	\$ 9,671.10
12/1/2023	59168	Mateo Krok	Security Deposit Refund	\$ 134.30
12/1/2023	59169	Lawson	Hose Fitting, Split Flange	\$ 929.87
12/1/2023	59170	Lee & Associates Rescue	Confined Space Gas Monitor Training	\$ 1,600.00
12/1/2023	59171	Linde Gas & Equipment, Inc.	Welding Gas	\$ 328.77
12/1/2023	59172	Marine Lien Sale Service	Lien Fees	\$ 180.00
12/1/2023	59173	Mid County Auto Supply	Oil, Oil Filters, Air Filters, Crane Oil Drain Plug, Standby Generator Belts	\$ 332.59
12/1/2023	59174	Monterey Bay Marine	Maintenance Workboat Repower (Unanticipated)	\$ 8,913.19
12/1/2023	59175	Mutual of Omaha	Life/LTD/AD&D Insurance	\$ 895.41
12/1/2023	59176	Pacific Gas & Electric Company	Utilities	\$ 16,743.05
12/1/2023	59177	Palace Business Solutions	Office Supplies	\$ 27.39

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Date	No.	Vendor	Description	Amount
12/1/2023	59178	PDM Steel Service Centers, Inc.	Equipment Repair Steel	\$ 1,886.02
12/1/2023	59179	Perez, Jared	Security Deposit Refund	\$ 115.80
12/1/2023	59180	Quadient, Inc.	Late Fees	\$ 39.00
12/1/2023	59181	Rad Lab Designs Inc	Design Services: 616 Atlantic Avenue	\$ 12,750.00
12/1/2023	59182	San Lorenzo	Bit Extension & Auger	\$ 27.94
12/1/2023	59183	Michael Smith	Backflow Testing	\$ 1,789.00
12/1/2023	59184	Santa Cruz Municipal Utilities	Utilities	\$ 5,417.43
	59185	VOID		
12/1/2023	59186	Syn-Tech Systems, Inc	Fuelmaster Technical Support	\$ 48.00
12/1/2023	59187	The Home Depot Pro Institutional	Janitorial Supplies	\$ 2,854.24
12/1/2023	59188	Total Secure Technology	Email Scanning & Backup, Technical Support	\$ 1,204.60
12/1/2023	59189	Triton Construction	Designated Operator Services	\$ 400.00
12/1/2023	59190	Tyson & Mendes, LLP	Legal Consultation	\$ 8,523.00
12/1/2023	59191	Uline	Secondary Containment Platform	\$ 156.23
12/1/2023	59192	US Relay	Webcam Service	\$ 484.00
12/1/2023	59193	Valley Pacific Petroleum Services, Inc.	<i>Twin Lakes</i> Hydraulic Fluid	\$ 2,278.80
12/1/2023	59194	West Coast Cranes, Inc.	Crane Rental	\$ 4,224.00
12/1/2023	59195	West Coast Wire Rope	Rigging Slings	\$ 719.63
12/1/2023	59196	West Marine Pro	<i>Twin Lakes</i> Anodes, Exhaust Hose	\$ 335.04
12/1/2023	59197	West Marine Pro	Boatyard Retail Item	\$ 133.56
12/1/2023	59198	Wex Bank	Fleet Fuel	\$ 2,855.96
12/1/2023	59199	Capital One Trade Credit - OSH	O-Dock Fish Table Lighting	\$ 50.13
12/15/2023	59200	Ace Portable Services	Portable Toilet Rental	\$ 359.34
12/15/2023	59201	Allied Administrators for Delta Dental	Dental Insurance	\$ 2,962.53
12/15/2023	59202	Allied Universal	Security Patrol	\$ 5,430.32
12/15/2023	59203	Amazon Capital Services	<i>Squirt</i> Cabin Heater	\$ 72.34
12/15/2023	59204	AmeriDyn	Dynamics Support	\$ 105.00
12/15/2023	59205	AT&T	Telephone	\$ 901.56
12/15/2023	59206	Atchison Barisone Condotti & Kovacevich	Legal Consultation	\$ 3,146.10
12/15/2023	59207	Batteries + Bulbs	Parking Meter Batteries	\$ 20.41
12/15/2023	59208	Kevin Butler	Security Deposit Refund	\$ 393.30
12/15/2023	59209	Carpi & Clay	Washington Representation	\$ 800.00
12/15/2023	59210	Clifford, Lance	<i>Pappy</i> Restoration	\$ 3,380.00

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Date	No.	Vendor	Description	Amount
12/15/2023	59211	Comcast	Business Internet	\$ 381.06
12/15/2023	59212	Complete Mailing Service	Statement Mailing & Postage	\$ 585.81
12/15/2023	59213	County of Santa Cruz Auditor	Citation Tax (October)	\$ 3,447.00
12/15/2023	59214	County of Santa Cruz Public Works Department	Hazmat Disposal	\$ 112.00
12/15/2023	59215	Elevator Service Company	Monthly Service	\$ 470.00
12/15/2023	59216	Ghielmetti, Jeff	Security Deposit Refund	\$ 361.62
12/15/2023	59217	Grainger	Disposable Gloves, Dock Gate Closers, Dredge Buoy Lights	\$ 1,526.90
12/15/2023	59218	Gsolutionz	Telephone System Maintenance	\$ 240.95
12/15/2023	59219	Isometsa, John George	Security Deposit Refund	\$ 500.00
12/15/2023	59220	Johnny's Harborside	Employee Recognition: Holiday Event	\$ 3,277.50
12/15/2023	59221	Kevin Melrose	Mileage Expense Reimbursement	\$ 55.67
12/15/2023	59222	Margie King	Security Deposit Refund	\$ 110.24
12/15/2023	59223	Kingdom, Kyle	Training Expense Reimbursement - Boating Accident Investigation Course (Grant Reimbursable)	\$ 1,664.85
12/15/2023	59224	Lawson	<i>Twin Lakes</i> Flange	\$ 224.21
12/15/2023	59225	LEHR	Harbor Patrol Vehicle Firearm Lock Installation	\$ 375.00
12/15/2023	59226	Jeremy Lindle	Credit Balance Refund	\$ 68.34
12/15/2023	59227	Mark Eldridge	Travel Expense Reimbursement	\$ 175.31
12/15/2023	59228	MBS Business Systems	Copier Usage Charges	\$ 547.71
12/15/2023	59229	McDermott, Dick	497 Lake Avenue Installment Payment	\$ 4,535.45
12/15/2023	59230	McMaster-Carr Supply Company	Shaft Collar & Lubricant	\$ 161.20
12/15/2023	59231	Mid County Auto Supply	Boatyard Forklift Battery, Trash Compactor Lubricant, Bolt Cutters, Wiper Blades, Oil Change Stickers	\$ 272.21
12/15/2023	59232	Mission Uniform Service	First Aid Supplies & Uniform Service	\$ 280.17
12/15/2023	59233	Operating Engineers	Union Dues (Payroll Deductible)	\$ 272.00
12/15/2023	59234	Capital One Trade Credit	G-Dock Gate Hinges, Dock Gate Fasteners, 493 Lake Avenue Elevator Room Door Replacement, Forklift Paint	\$ 404.19
12/15/2023	59235	Pacific Gas & Electric Company	Utilities	\$ 2,963.36
12/15/2023	59236	Palace Business Solutions	Office Supplies	\$ 178.28
12/15/2023	59237	Art Palis	Security Deposit Refund	\$ 393.60
12/15/2023	59238	Peterson	<i>Twin Lakes</i> Load Bank Test	\$ 4,865.92
12/15/2023	59239	Peace Officers Research Association of California	Association Dues (Payroll Deduction)	\$ 582.00
12/15/2023	59240	Randazzo Enterprises, Inc.	Vessel Disposal (SAVE Grant Reimbursable)	\$ 12,961.00
12/15/2023	59241	Rory Stipanovich	Expense Reimbursement: Foul Weather Gear	\$ 132.26
12/15/2023	59242	San Lorenzo	493 Lake Avenue Elevator Door	\$ 626.75

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Date	No.	Vendor	Description	Amount
12/15/2023	59243	Santa Cruz Electronics, Inc.	Data Cable	\$ 7.58
12/15/2023	59244	Santa Cruz Fire Equipment Company	Fire Extinguisher Service	\$ 94.24
12/15/2023	59245	Santa Cruz Sentinel	Legal Advertising: North Harbor Transformer Replacement Project	\$ 211.20
12/15/2023	59246	Santa Cruz Tire & Auto Care	Parking Vehicle Thermostat Repair	\$ 467.38
12/15/2023	59247	Santa Cruz Municipal Utilities	Utilities	\$ 12,500.19
12/15/2023	59248	Kevin M. Smith	Security Deposit Refund	\$ 248.22
12/15/2023	59249	SSB Construction	2222 East Cliff Drive Deck Project (Final Payment)	\$ 137,790.75
12/15/2023	59250	State of California Department of Public Health	Annual Density Meter License Fee	\$ 140.00
12/15/2023	59251	U.S. Bank Equipment Finance	Copier Leases	\$ 481.35
12/15/2023	59252	Diana Van Konynenburg	Security Deposit Refund	\$ 110.14
12/15/2023	59253	Verizon Wireless	Cell Phone & Tablet Service	\$ 316.62
12/15/2023	59254	West Marine Pro	Buoys, Epoxy, Caulking	\$ 100.92
12/15/2023	59255	West Marine Pro	Boatyard Retail Items	\$ 4.80
12/15/2023	59256	Peter H. Wilson	Security Deposit Refund	\$ 332.08
12/21/2023	59257	Nigel Cunliffe	Sweatshirts for Resale	\$ 5,410.06
12/5/2023	Various	Various Employees	11/16/23-11/30/23 Payroll	\$ 6,788.43
12/20/2023	Various	Various Employees	12/1/23-12/15/23 Payroll	\$ 6,283.77
12/1/2023	EFT	Cardconnect	RV Park Credit Card Fees	\$ 1,328.40
12/1/2023	EFT	ElectronicPayments	Fuel Dock Credit Card Fees	\$ 685.18
12/1/2023	EFT	Gravity Payments	Front Desk Credit Card Fees	\$ 2,417.40
12/1/2023	EFT	Gravity Payments	RV Park Credit Card Fees	\$ 30.00
12/1/2023	EFT	Merchant Services	Online Billpay Credit Card Fees	\$ 432.00
12/1/2023	EFT	Merchant Services	CALE Credit Card Fees	\$ 990.26
12/1/2023	EFT	Merchant Services	Boatyard Credit Card Fees	\$ 495.82
12/1/2023	EFT	Transaction Express	Online Billpay ACH Fees	\$ 585.89
12/1/2023	EFT	Windcave, Inc.	Concession Lot Credit Card Fees	\$ 1,913.94
12/5/2023	EFT	PAYCHEX	Payroll Service Fees	\$ 352.42
12/5/2023	EFT	CalPERS	Health Insurance	\$ 45,999.10
12/5/2023	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 9,313.18
12/5/2023	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,390.28
12/5/2023	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,880.48
12/5/2023	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 3,948.29
12/5/2023	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 300.89

Santa Cruz Port District
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Date	No.	Vendor	Description	Amount
12/7/2023	EFT	Comerica Commercial Card Services	WhenIWork Subscription, Lighted Boat Parade Decorations, Board Secretary/Clerk Conference Registration, CALPELRA Conference Registration, Light Bulbs, Office Space Advertising, Zoom Subscription, Office Supplies, Commission Meeting Refreshments, Roofing Material, USB Thumb Drives, Patrol Firearm Magazines, Surfline Subscription, Travelift Strap Paper, Boatyard Trench Drain Filter Socks, Freight, Employee Appreciation, Tolls, 2222 East Cliff Drive Signage (\$1,161.99 Tenant Reimbursable), Hats for Staff and Resale	\$ 4,687.71
12/10/2023	EFT	Campspot	RV Park Software Monthly Fees	\$ 377.50
12/10/2023	EFT	Gravity Payments	RV Park Credit Card Gateway Fee	\$ 10.00
12/10/2023	EFT	Gravity Payments	Front Desk Credit Card Gateway Fee	\$ 24.28
12/11/2023	EFT	Comerica Bank	Service Charges	\$ 731.44
12/19/2023	EFT	California State Disbursement Unit	Wage Garnishment	\$ 125.00
12/20/2023	EFT	PAYCHEX	Payroll Service Fees	\$ 352.41
12/20/2023	EFT	PAYCHEX	Time & Attendance Fees	\$ 119.90
12/21/2023	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 9,422.31
12/21/2023	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,313.09
12/21/2023	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,862.53
12/21/2023	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 4,185.23
12/21/2023	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 300.89
12/21/2023	EFT	California State Disbursement Unit	Wage Garnishment	\$ 125.00
12/5/2023	EFT	PAYCHEX	11/16/23-11/30/23 Payroll Direct Deposit	\$ 69,121.63
12/5/2023	EFT	PAYCHEX	11/16/23-11/30/23 Payroll Taxes	\$ 30,906.56
12/20/2023	EFT	PAYCHEX	12/1/23-12/15/23 Payroll Direct Deposit	\$ 75,390.62
12/20/2023	EFT	PAYCHEX	12/1/23-12/15/23 Payroll Taxes	\$ 34,894.32
Total December 2023 Disbursements				\$ 672,560.85



TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: January 3, 2024
SUBJECT: Port Director's Report – January 23, 2024

FEMA Update

Staff continues to work with FEMA representatives to secure reimbursement for a variety of 2023 storm-related projects. The two projects below have been obligated and funding has been released to CalOES, who will issue payment in the coming weeks.

- Minor Fuel Dock Repairs - \$9,440.46
- Pavement Repairs at 493 Lake Avenue - \$16,875.00

616 Atlantic Avenue

Representatives from Rad Lab continue to develop a conceptual design plan for a new restaurant building at 616 Atlantic Avenue. In October 2023, the Port District contracted with Nielsen Studios to perform a Planning and Building Code Feasibility Analysis for the project. The analysis was completed earlier this month and will serve as the guiding document for moving the proposed project through the City's permitting process. At this time, the analysis does not anticipate any untoward permitting requirements from the City for this project.

Memorandum of Agreement – U.S. Army Corps of Engineers (USACE)

Staff continues to work with the USACE to renew the current Memorandum of Agreement (MOA) for operation and maintenance of the federal entrance channel. The current agreement is set to run through calendar year December 31, 2024, but has a technical expiration date of April 30, 2025. An update on the renewal process is below:

- The Corps' Project Delivery Team is currently working with the South Pacific Division and Regional Integration Team to discuss policy and legal considerations related to the renewal of the MOU.
- Coordination with the Assistant Secretary for the Army and Corps legal counsel will be required to execute a new agreement (it was previously thought that execution of the new MOA could occur at the District level).
- An economic update is being performed to determine the Federal interest and cost-sharing determination for this project. It is anticipated that the Federal share for purposes of reimbursement will remain at 35%.
- The average annual operation and maintenance expense for calendar years 2025-2029 (first 5-year term of the agreement) will be established by calculating the actual average annual expenses for the five-year period 2019-2023 (2019-2022 data has been provided to the Corps, while 2023 data pends).
- Approval of the new agreement was anticipated in Spring or Summer of 2024, but that timeline will be delayed to later in the year.

Site Visit Rescheduled- U.S. Army Corps of Engineers (USACE)

The originally scheduled January site visit with members of the USACE, including LTC Timothy

Shebesta, has been rescheduled to March 27, 2024. Despite the postponement, the meeting will serve to introduce LTC Shebesta to the Port District's dredge operation and familiarize him with the long-standing, mutually beneficial relationship that exists between the Port District and USACE.

Dredge Quality Management (DQM) System

The USACE recently released regulatory guidance that mandates that all USACE dredging permittees be required to use a DQM system during dredging activities. A DQM system consists of onboard sensors to monitor dredging activities, operations, and efficiencies (the data is then routed to the DQM support center for data retrieval and storage). The Corps has advised that the Port District will be required to implement a DQM system onboard *Twin Lakes* effective with the 2024-25 season.

In accordance with the regulatory guidance, the Port District has submitted a formal request for a case-by-case DQM exemption from the Corps' District Engineer. The request was predicated on the Port District's project size, the unique MOA that exists (i.e., a dredge contractor is not performing the work), and the undue financial hardship it will place on the Port District (implementation costs are estimated by our Dredge Consultant to be upwards of \$125,000). The Port District is currently awaiting a response from the Corps.

Grant Writing Consulting Services

The Ferguson Group (TFG) continues to work on identifying potential grant opportunities to assist the Port District with several future large-scale infrastructure projects, including the replacement of the west side seawall and repair of the east side embankment. Currently, TFG is compiling a needs assessment to determine if the Port District will be a competitive applicant for the Department of Transportation's FY24 Port Infrastructure Development Program (PIDP). If it is determined that the Port District meets eligibility requirements (i.e., the proposed project will improve the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports), the application deadline is April 30, 2024.



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: January 12, 2024
SUBJECT: Harbormaster's Report

Annual Search and Rescue Statistics Update

From January 1, 2023, to December 31, 2023, Harbor Patrol responded to seventy marine calls for service and took six reports for vessel accidents. A total of forty-five lives were saved. A "life saved" is counted as any time a person is pulled/rescued from the water, or a vessel (with people on board) is saved from being beached or sinking.

Dungeness Crab Season

On January 11, 2024, the California Department of Fish and Wildlife announced that the commercial Dungeness crab fishery will open statewide on January 18, 2024, with a 50% gear reduction requirement. Fishers will be given a 64-hour pre-soak period which will allow them to start setting traps on January 15, 2024.

December Swell

The harbor was impacted by a large, long-period westerly swell on December 28, 2023, very similar to the destructive January 5, 2023, swell. With large rolling waves throughout the harbor, staff spent most of the day on the docks retying vessels with broken dock lines and retrieving debris from the water. Fortunately, the harbor infrastructure fared well with no broken pilings and minimal dock damage, which was repaired promptly by maintenance staff. Staff felt that with the advanced notice given, slip renters were able to prepare their vessels ahead of the swell to mitigate impacts.

Boat Electronics

Patrol Boat Kinnamon has been outfitted with two new 12" multifunction display screens and a new 24" high-definition radar. The equipment is a significant improvement over the previous electronics with faster processing speed and a greatly enhanced radar picture. The equipment was funded by a \$9,500.00 CA Division of Boating and Waterways Boating Safety and Enforcement Equipment Grant.

National Oceanic and Atmospheric Administration (NOAA) Meeting

Staff participated in a virtual meeting hosted by NOAA and Sanctuary officials on December 7, 2023. The "Law Enforcement Technical Advisory Group (LETAC)" meets twice a year to discuss marine enforcement issues in Monterey Bay. The group includes representatives from NOAA, Monterey Bay National Marine Sanctuary (MBNMS), U.S. Coast Guard, California Department of Fish and Wildlife, California State Parks, and others having oversight and enforcement responsibility within the sanctuary. Topics at this meeting included agency staffing updates, recent vessel groundings, transient vessel monitoring (anchorage areas), personal watercraft (PWC) regulations, and whale strandings.

Lien Sale, Catalina 30

Staff will be conducting a lien sale auction on January 31, 2024, at 11:00 a.m. at the launch ramp. The vessel, a 1985 Catalina 30, is in good cosmetic condition, but the engine has an unknown mechanical problem and is currently inoperable.. If the vessel does not sell at auction, it will be posted to the public surplus website.



Use of Force Training

All Deputy Harbormaster staff completed an online Use of Force update training. The two-hour course focused on legal aspects for an officer to use force when affecting an arrest, investigatory stop, or other action against a citizen.

Fisheries Report

The fisheries report consists of data from two sources: the Department of Fish and Wildlife (DFW) and the H&H Fresh Fish (resident fish buyer). The data from DFW is partially redacted in accordance with federal fisheries laws. Data is considered confidential when less than three separate vessels land species at any one port. For species landed by three or more separate vessels, the full data is made public and includes weight and value. For other data, the species landed is shown with no weight data.

November 2023 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Rockfish (various)	1,505.74	\$2.81	\$4,245.13
Total Reported:	1505.74 lbs.	Total Ex-Vessel:	\$4,245.13

Species also landed* - Bluefin Tuna, Bonito, Pacific Sardine, Pacific Pompano, Rockfish (various species), Rock Crab, Petrale Sole, Sablefish, Mackerel, White Croaker.

*weight and value data redacted by Fish and Wildlife pursuant to Fish and Game Code, Section 8022.

December 2023 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
(no reportable data)	-	-	-
Total Reported:	N/A lbs.		Total Ex-Vessel: \$N/A

Species also landed* - Bonito, Pacific Sardine, Pacific Pompano, Rockfish (various species), Rock Crab, Petrale Sole, Sablefish (blackcod), Mackerel, White Croaker, Thorneyhead Shortspine

*weight and value data redacted by Fish and Wildlife pursuant to Fish and Game Code, Section 8022.

2023 Annual Port Landings – Santa Cruz Harbor:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Sablefish (Blackcod)	32,232.00	\$3.04	\$98,004.13
CA Halibut	81,185.57	\$4.97	\$404,028.35
Dungeness Crab	80,823.57	\$2.92	\$236,516.94
Rockfish (various)	15,775.84	\$2.81	\$44,482.08
Petrale Sole	310.15	\$2.60	\$809.05
Pacific Mackerel	4,683.55	\$1.48	\$6,932.95
Pacific Sardine	17,750.49	\$.78	\$13,994.14
Jack Mackerel	38,555.20	\$1.25	\$48,189.08
Jacksmelt	4,216.60	\$1.05	\$4,417.10
Lingcod	1,960.20	\$2.95	\$5,800.80
Starry Flounder	49.60	\$1.78	\$88.70
White Seabass	778.85	\$7.63	\$5,947.15
Bluefin Tuna	3,314.60	\$6.53	\$21,647.70
Albacore Tuna	14,158.63	\$3.76	\$53,285.84
Thorneyhead Short.	202.50	\$3.70	\$749.50
Thresher Shark	163.60	\$1.02	\$167.60
Total Reported:	296,160.95 lbs.		Total Ex-Vessel: \$ 945,061.60

Species also landed* - Pacific Bonito, Butterfish, Northern Anchovy, Rock Sole, Dover Sole, Sanddab, Rockfish (various), Greenling, Rock Crab, White Croaker, Plainfin Midshipman, Barred Surfperch, Thorneyhead Longspine,

*weight data redacted by Fish and Wildlife pursuant to Fish and Game Code, Section 8022

November 2023 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Rock Crab	1,285.00	\$3.00	\$3,855.00
Rockfish (various)	2,271.44	\$2.50	\$5,678.60
Bonito	13.90	\$3.00	\$41.70
Sablefish (blackcod)	587.00	\$3.00	\$1,761.00
Mackerel	166.7	\$1.00	\$166.70
Total Reported:	4,324.04 lbs.		Total Ex-Vessel: \$11,503.00

December 2023 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Sablefish (blackcod)	342.00	\$3.00	\$1,026.00
Rock Crab	976.00	\$3.00	\$2,928.00
Rockfish (various)	359.50	\$2.50	\$898.75
Mackerel	347.90	\$1.00	\$347.90
Bonito	81.75	\$3.00	\$245.25
Thorneyhead Short	3.00	\$3.00	\$9.00
Total Reported: 2,110.15 lbs.		Total Ex-Vessel: \$5,454.90	

2023 Resident Buyer Landings – Santa Cruz Harbor:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Sablefish (Blackcod)	2,316.00	\$3.00	\$6,948.00
CA Halibut	22,800.00	\$5.00	\$114,000.00
Dungeness Crab	39,769.00	\$3.00	\$119,307.00
Rockfish (various)	15,377.00	\$2.50	\$38,442.50
Rock Crab	15,531.00	\$3.00	\$46,593.00
Mackerel	978.00	\$1.00	\$978.00
Pacific Sardine	28.00	\$1.00	\$28.00
Sanddab	100.00	\$2.00	\$200.00
Lingcod	941.00	\$3.00	\$2,823.00
Jacksmelt	11.00	\$1.00	\$11.00
Soles	263.00	\$2.00	\$526.00
White Seabass	731.00	\$7.00	\$5,117.00
Bluefin Tuna	1,795.00	\$6.50	\$11,667.50
Starry Flounder	20.00	\$2.00	\$40.00
Thorneyhead Short.	28.00	\$3.00	\$84.00
Bonito	95.00	\$3.00	\$285.00
Total Reported: 100,871.00 lbs.		Total Ex-Vessel: \$347,050.00	

**weight data redacted by Fish and Wildlife pursuant to Fish and Game Code, Section 8022*

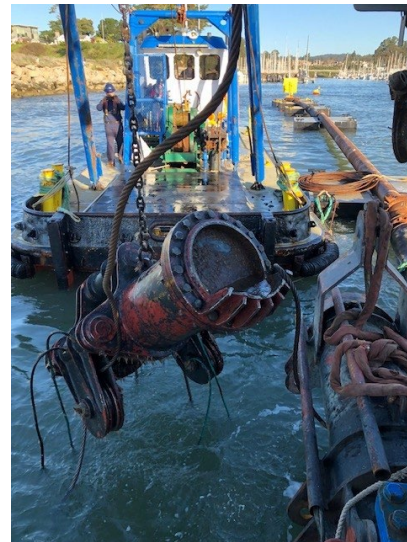


TO: Port Commission
FROM: Carl Wulf, Facilities Maintenance & Engineering Manager
DATE: January 23, 2024
SUBJECT: Facilities Maintenance & Engineering Manager's Report

Dredging Operations:

Twin Lakes

The storm surge of December 28, 2023, put pressure on the *Twin Lakes'* Christmas Tree causing it to fail. The dredge crew removed the Christmas Tree and fabricated a new section, which was installed during the week of January 15, 2024.



Squirt

The dredge crew completed dredging the west J fairway and has moved to the X-J fairway.

Maintenance:

Restroom Rehabilitation Project – I-Dock.

The restroom rehabilitation project is moving forward. The City of Santa Cruz Building Permit is pending pick up and the Coastal Development Permit application has been submitted for approval. Once final permits are obtained, the Port District will issue a Request for Proposals (RFP) with hopes to commence construction in the spring or early summer.

East Side Embankment and Crane Pad

During the storm surge of December 28, 2023, the east side embankment and associated crane pad sustained additional damage and erosion. Staff has met with engineers on site to determine the best path for moving forward. Currently, the engineers are exploring alternative repair options that would be less impactful than driving a new sheet pile wall.



Storm Event of December 28, 2023

The following damage was observed during the most recent storm event on December 28, 2023:

- Due to flooding in the north harbor, a power outage occurred in the J-Dock area after water levels flooded an inground utility box. Staff pumped out the water and respliced the conductors to restore power.
- Damaged deck boards and waler at T-Dock.



2023
UAL POLICY
COMPLIANCE ANALYSIS

PENSION POLICY COMPLIANCE ANALYSIS

INTRODUCTION

California Municipal Advisors (CalMuni Advisors) has produced this Pension Policy Compliance Analysis in accordance with the Pension Policy adopted by the Santa Cruz Port District (the District) Board of Port Commissioners. Management and staff are responsible for the preparation and fair presentation of the financial statements and information used herein. CalMuni Advisors is responsible for providing express opinions and recommendations based on the analysis of the financial information provided by the District. A few key points of your existing Pension Policy include:

- Target Funded Ratio of 90% but never below 85%;
- Recommendation to pre-pay the entire UAL payment by July 31st of each year;
- Monitor for annual actions that can proactively mitigate UAL;
- Utilize excess reserves, one-time revenues and fund surpluses to pre-pay UAL when feasible; and
- Establish a Pension Rate Stabilization Fund (115 Trust) if desired.

CalMuni Advisors has performed a in-depth review of the Unfunded Accrued Liability (UAL) that District has outstanding with the California Public Employees' Retirement System (CalPERS) and your compliance with the existing Pension Policy. While CalMuni Advisors strives to provide the best analysis possible, this report utilizes forward-looking assumptions based on information available to CalMuni Advisors at the time the analysis was prepared. Subsequent changes in the investment performance or actuarial information may impact the recommendations of this report.

This Pension Policy Compliance Analysis documents the results of the review and provides recommendations that the District could take to reduce its future UAL costs, in accordance with the best practices related to UAL management and the District's adopted UAL management policy, which individually are:

- Make Additional Discretionary Payments (ADPs) of approximately \$3.9 million to achieve the Policy Target compliance at 90% Funded and generate approximately \$6.6 million in savings;
- Eliminate negative amortization for the new 2023 UAL (estimated to save the District approximately \$13,000);

DISTRICT’S PENSION PLANS AND UNFUNDED ACCRUED LIABILITY

The District provides pension benefits to its employees and retirees through three pension plans with CalPERS. As of 06/30/2023 (the most recent official information available as of the date of this Pension Policy Compliance Analysis), the plans had a total accrued liability (the amount necessary, as of the valuation date, to fund all earned pension benefits for current employees, retirees, and beneficiaries) of approximately \$19.4 million, held approximately \$13.5 million in assets, and its plans ranged between 68% and 91% funded. Overall, the pension plans were 69.7% funded, as summarized in Table 1 below.

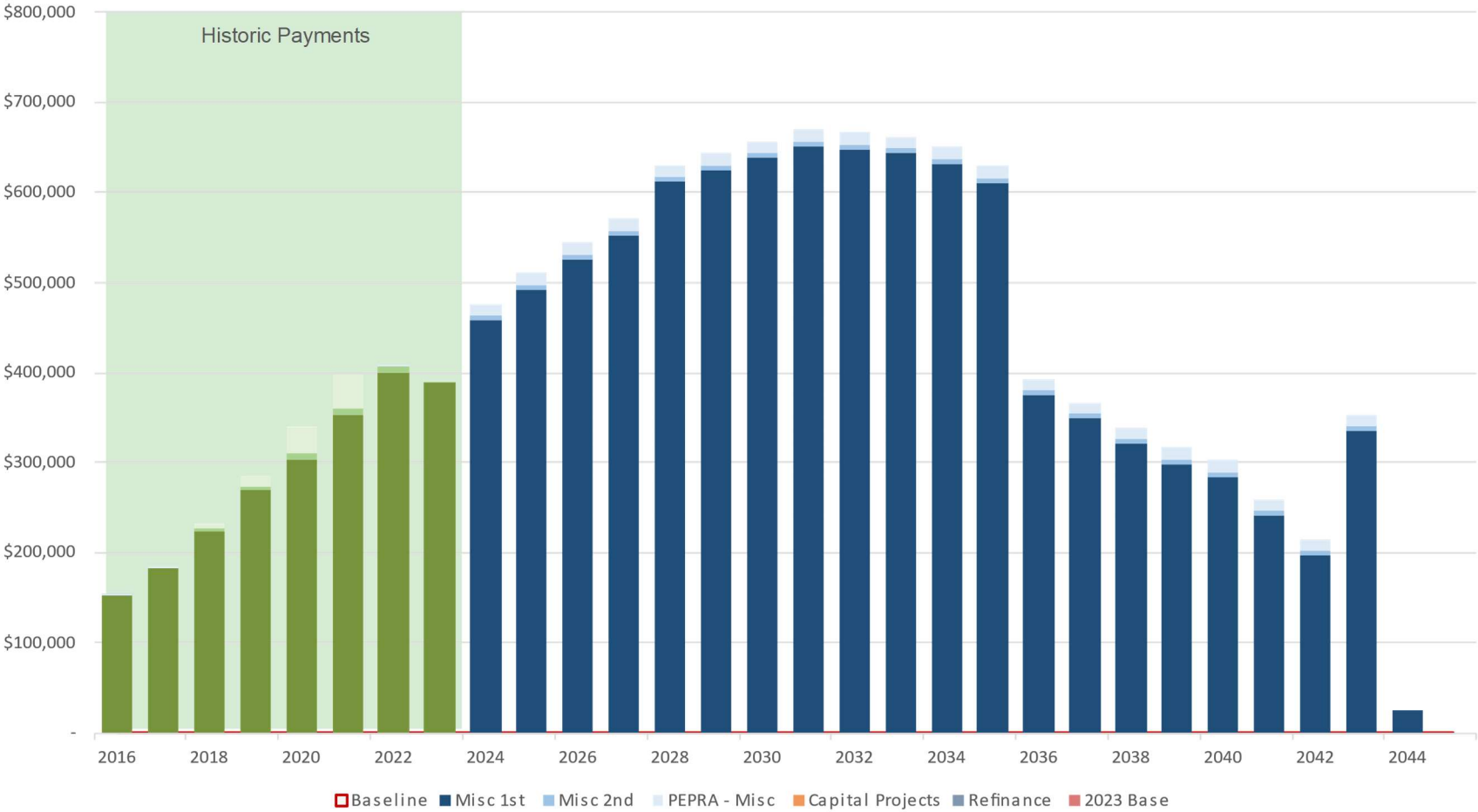
**Table 1
Santa Cruz Port District
Pension Plans Summary**

Plan Name	Total Accrued Liability	Market Value of Assets	Unfunded Accrued Liability
Misc 1st	\$17,756,151	\$12,046,761	\$5,709,390
Misc 2nd	\$348,472	\$295,597	\$52,875
PEPRA - Misc	\$1,291,815	\$1,177,376	\$114,439
TOTAL	\$19,396,438	\$13,519,734	\$5,876,704

Source: CalPERS Actuarial Valuation Reports as of June 30, 2023

Graph 1 below shows the UAL and Pension Loan amortization schedule as of the 06/30/2023 valuation date.

Graph 1
Santa Cruz Port District
Current UAL and Pension Loan Amortization Schedule

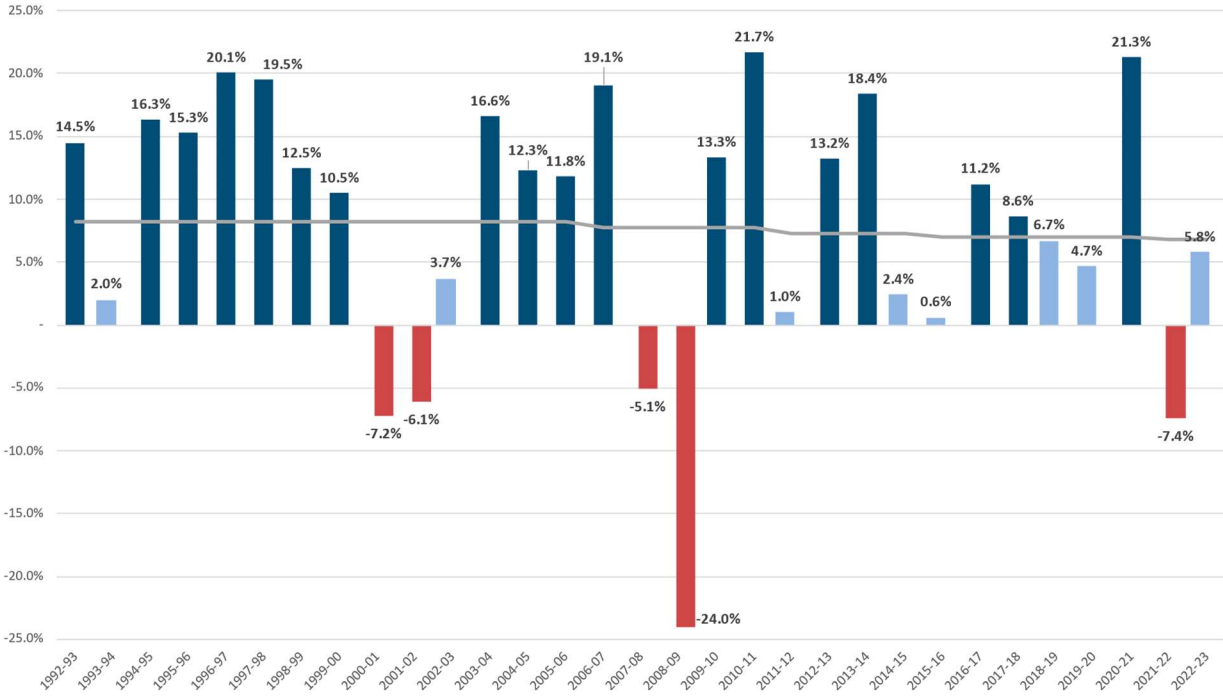


Source: CalPERS Actuarial Valuation Reports as of June 30, 2023

CALPERS INVESTMENT PERFORMANCE FOR FYE 2022

In August 2023, CalPERS announced its FYE 2023 investment gain estimate of 5.8%. While an improvement from the prior year, this represents a 1.0% investment target miss and will result in the creation of additional UAL. Graph 2 below shows the history of CalPERS' annual investment returns.

**Graph 2
History of CalPERS Annual Investment Returns
FYE 1993-2022**



Source: CalPERS

The historical average annual investment returns as reported by CalPERS are as follows:

- 5 years: 6.2%
- 10 years: 7.2%
- 20 years: 7.6%
- 30 years: 8.0%

The average returns indicate that historically CalPERS has been able to achieve the long-term investment target rate of 6.8% (the current discount rate). CalPERS has been lowering the target rate over the last several decades. It appears that the current target rate favorably corresponds to the past performance. However, past performance is not a guarantee of future results.

IMPACT OF CALPERS' INVESTMENT PERFORMANCE ON THE DISTRICT

To assess the impact of CalPERS' investment performance on the funded status of pension plans, it is important to remember that in order to maintain an unchanged funded ratio, among other things, CalPERS needs to achieve an investment gain equal to the discount rate, which is currently 6.8%. Any time that the investment returns are below the discount rate, the funded level of the pension plans decreases and additional UAL is created.

Conversely, whenever the investment returns are above the discount rate, the UAL amount is reduced, and correspondingly, the funded level increases. With the 5.8% investment return, the full funding shortfall impact is 1.0%. This shortfall translates into approximately \$142,000 of new UAL for the District.

Table 3 below shows the 2023 investment loss impact estimates for each of the District's pension plans.

Table 3
Santa Cruz Port District
Estimated 2023 Investment Loss Impact

Plan Name	Estimated 2022 New UAL
Misc 1st	\$126,083
Misc 2nd	\$3,177
PEPRA - Misc	\$12,835
TOTAL	\$142,095

Source: California Municipal Advisors

The investment return impact is estimated based on the FYE 2023 market value of assets within each pension plan multiplied by 1.0%. CalPERS may make additional adjustments and reconciliations to account for actual vs. projected plan experience and any methodology changes.

In order for this investment impact to be reversed in future years, CalPERS would need to earn investment returns above and beyond the 6.8% discount rate hurdle and then apply such excess returns to offset the UAL.

CalPERS' prior investment returns history indicates that a quick elimination of the 2023 UAL is possible but the District may want to consider additional steps to reduce the long-term interest costs associated with the new UAL. Suggested pension cost reduction strategies are discussed below.

DISTRICT'S ESTIMATED FYE 2023 PENSION PLAN FUNDED LEVELS

CalPERS will publish the 06/30/2023 actuarial reports for the District in or around August 2024. The reports will reflect any changes that have taken place during the fiscal year, including the 1.0% investment loss, the District's and its employees' contributions, benefit payments to plan beneficiaries, and any adjustments made by CalPERS to reconcile the actual vs. projected plan experience and to account for any actuarial methodology changes.

While the reconciliation and methodology adjustments are unknown at this time, CalMuni has developed an estimate of the investment loss change and certain other changes, which are summarized in Table 4 below.

Table 4
Santa Cruz Port District
2024 Pension Plan Funded Level Estimate

Description	Misc 1st	Misc 2nd	PEPRA - Misc	Total
Market Value of Assets				
2023 Balance	\$12,046,761	\$295,597	\$1,177,376	\$13,519,734
Normal Cost Contribution	\$103,236	\$17,104	\$92,710	\$213,050
UAL Payment	\$458,256	\$5,024	\$13,428	\$476,708
UAL Discretionary Payment	-	-	-	-
Investment Gain / (Loss)	(\$126,083)	(\$3,177)	(\$12,835)	(\$142,095)
Benefit Payment	-	-	-	-
2024 Balance	\$12,482,171	\$314,548	\$1,270,679	\$14,067,397
115 Trust Fund Balance	-	-	-	-
Unfunded Accrued Liability				
2023 Balance	\$5,709,390	\$52,875	\$114,439	\$5,876,704
UAL Payment	(\$458,256)	(\$5,024)	(\$13,428)	(\$476,708)
Interest	\$357,077	\$3,254	\$6,869	\$367,200
UAL Discretionary Payment	-	-	-	-
Investment (Gain) / Loss	\$126,083	\$3,177	\$12,835	\$142,095
2024 Balance	\$5,734,294	\$54,282	\$120,715	\$5,909,291
Pension Plan 2024 Funded Level	68.5%	85.3%	91.3%	70.4%

It should be emphasized that the amounts calculated in Table 3 are estimates only and can only be finalized once CalPERS publishes the 06/30/2024 actuarial reports.

The Normal Cost contributions, UAL payments, and benefit payments estimates were generated by CalPERS. The investment gain / loss and UAL interest estimates were generated by CalMuni.

It is estimated that the District's Miscellaneous 1st, Miscellaneous 2nd, and PEPRA Miscellaneous plans will be approximately 68.5%, 85.3%, and 91.3% funded as of 06/30/2023, respectively, before any additional adjustments that could be made by CalPERS.

The District has adopted a pension liability management policy with a target plan funded level of 90.0%. As demonstrated in Table 4, with the addition of the new 2023 UAL the District is projected to remain below the 90.0% target objective. The Policy also recognizes the goal of ultimately achieving and maintaining a fully funded status of 100% (with the difference between 90.0% and 100.0% being managed through a Section 115 Trust).

AMORTIZATION OF NEW UAL

The new 2023 UAL will be amortized over a 20-year period with a 5-year ramp-up. The first payment will be due in FYE 2026 (July 2025).

The amortization schedule is based on the estimated 2023 UAL base balances shown in Table 3 above, reduced by the subsequent overfunding balances from the Pension Loan and the additional discretionary payment. It is estimated that the \$33K of net new UAL balances will result in an additional \$30K in interest cost for the District over the 20-year amortization period.

Graph 3 illustrates how these amortization payments will impact the District's UAL repayment structure.

Graph 3
Santa Cruz Port District
UAL Repayment with 2023 Projected Base Amortization

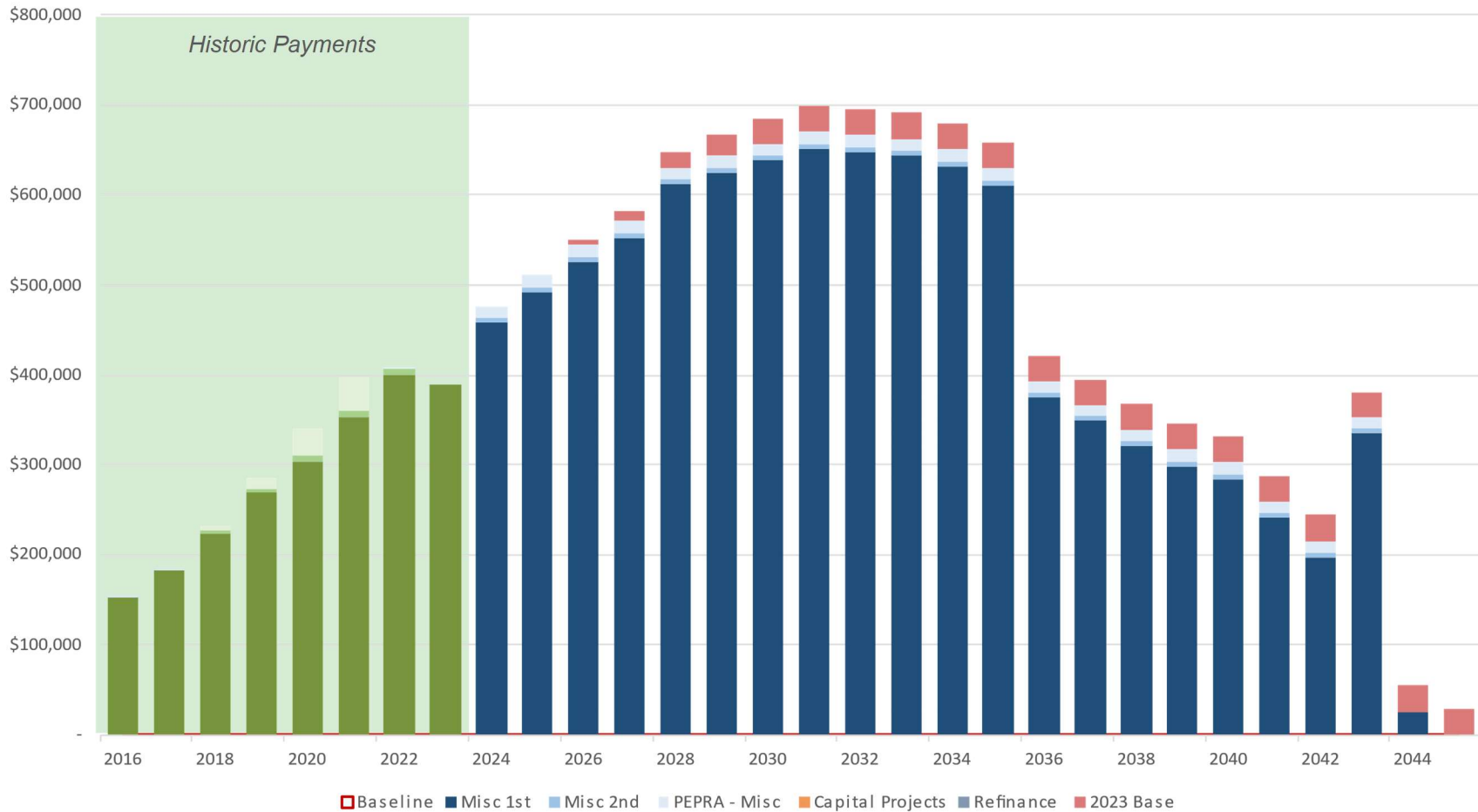


Table 5 provides the annual detailed estimate of the existing UAL amortization and the new UAL amortization schedule.

Table 5
Santa Cruz Port District
Estimated UAL Amortization Schedule

FYE	Misc 1st			Misc 2nd			PEPRA - Misc			GRAND TOTALS		
	Existing UAL	2022 UAL	Total	Existing UAL	2022 UAL	Total	Existing UAL	2022 UAL	Total	Existing UAL	2022 UAL	Total
2023	\$388,783	-	\$388,783	-	-	-	-	-	-	\$388,783	-	\$388,783
2024	\$458,256	-	\$458,256	\$5,024	-	\$5,024	\$13,428	-	\$13,428	\$476,708	-	\$476,708
2025	\$492,585	\$611	\$493,196	\$5,024	\$34	\$5,058	\$13,428	\$154	\$13,582	\$511,037	\$799	\$511,836
2026	\$525,893	\$1,221	\$527,114	\$5,025	\$69	\$5,094	\$13,428	\$308	\$13,736	\$544,346	\$1,598	\$545,944
2027	\$552,954	\$1,832	\$554,786	\$5,025	\$103	\$5,128	\$13,428	\$462	\$13,890	\$571,407	\$2,397	\$573,804
2028	\$612,029	\$2,442	\$614,471	\$5,025	\$138	\$5,163	\$13,428	\$615	\$14,043	\$630,482	\$3,196	\$633,678
2029	\$624,964	\$3,053	\$628,017	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$643,416	\$3,995	\$647,411
2030	\$638,262	\$3,053	\$641,315	\$5,025	\$172	\$5,197	\$13,428	\$769	\$14,197	\$656,715	\$3,995	\$660,710
2031	\$651,937	\$3,053	\$654,990	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$670,389	\$3,995	\$674,384
2032	\$648,167	\$3,053	\$651,220	\$5,025	\$172	\$5,197	\$13,428	\$769	\$14,197	\$666,620	\$3,995	\$670,615
2033	\$643,789	\$3,053	\$646,842	\$5,025	\$172	\$5,197	\$13,428	\$769	\$14,197	\$662,242	\$3,995	\$666,237
2034	\$631,983	\$3,053	\$635,036	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$650,435	\$3,995	\$654,430
2035	\$611,328	\$3,053	\$614,381	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$629,780	\$3,995	\$633,775
2036	\$375,094	\$3,053	\$378,147	\$5,025	\$172	\$5,197	\$13,428	\$769	\$14,197	\$393,547	\$3,995	\$397,542
2037	\$348,599	\$3,053	\$351,652	\$5,024	\$172	\$5,196	\$13,427	\$769	\$14,196	\$367,050	\$3,995	\$371,045
2038	\$320,452	\$3,053	\$323,505	\$5,025	\$172	\$5,197	\$13,427	\$769	\$14,196	\$338,904	\$3,995	\$342,899
2039	\$298,371	\$3,053	\$301,424	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$316,823	\$3,995	\$320,818
2040	\$283,874	\$3,053	\$286,927	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$302,326	\$3,995	\$306,321
2041	\$240,797	\$3,053	\$243,850	\$5,024	\$172	\$5,196	\$13,428	\$769	\$14,197	\$259,249	\$3,995	\$263,244
2042	\$196,802	\$3,053	\$199,855	\$5,024	\$172	\$5,196	\$13,427	\$769	\$14,196	\$215,253	\$3,995	\$219,248
2043	\$334,432	\$3,053	\$337,485	\$5,025	\$172	\$5,197	\$13,427	\$769	\$14,196	\$352,884	\$3,995	\$356,879
2044	\$26,328	\$3,053	\$29,381	-	\$172	\$172	-	\$769	\$769	\$26,328	\$3,995	\$30,323
Total	\$9,905,679	\$54,951	\$9,960,630	\$100,489	\$3,105	\$103,594	\$268,556	\$13,848	\$282,404	\$10,274,724	\$71,904	\$10,346,628

PENSION COST OPTIMIZATION STRATEGIES

The District adopted the UAL Management Policy, which provides guidance on how the District should approach managing future UAL.

In addition to following the historical practice of prepaying the UAL payments by July 31 of each year, there are four pension cost optimization strategies that the District may want to implement to lower its future UAL-related costs pertaining to the 2022 UAL increase:

- **Strategy A:** Additional Discretionary Payments
- **Strategy B:** Eliminate negative amortization.
- **Strategy C:** Capital Projects
- **Strategy D:** Refinance UAL
- **Strategy E:** Make discretionary contributions to a 115 Trust

Strategy A: Additional Discretionary Payments

Based upon CalMuni’s analysis, the District can anticipate new bases in the 2023 report totaling approximately \$33,000. In order to achieve the 90% funded level for each plan, the District would need to make an ADP to the Miscellaneous 1st plan of approximately \$3.9 million, and \$17,000 to the Miscellaneous 2nd Plan to remain in compliance with the policy.

Payments of these amounts would leave approximately \$1.98 million in outstanding UAL across the District’s plans (See Table 7 below)

Table 7
Santa Cruz Port District
Additional Discretionary Payment to achieve Funding Target

Plan Name	ADP	Remaining Balance	Funded %
Misc 1st	\$3,912,647	\$1,821,693	90.0%
Misc 2nd	\$17,399	\$36,883	90.0%
PEPRA - Misc	-	\$120,715	91.3%
TOTAL	\$3,930,046	\$1,979,291	90.1%

Source: California Municipal Advisors

In the case of ADPs, the District is not required to pay the full \$3.9 million to make a contribution to its plans. The District is currently considering making a \$25,000 Additional

Discretionary Payment in FY 2025. Making the ADP on the 2023 Base would result in the District improving its overall funded level from 69.7% to approximately 70.5% and generate savings of approximately \$55,000 over the 20-year UAL repayment period. See Table 8 below.

Table 8
Santa Cruz Port District
Additional Discretionary Payment of \$25,000

Plan Name	ADP	Remaining Balance	Funded %
Misc 1st	\$23,663	\$5,710,631	68.7%
Misc 2nd	\$1,337	\$52,945	85.6%
PEPRA - Misc	-	\$120,715	91.3%
TOTAL	\$25,000	\$5,884,291	70.5%

Source: California Municipal Advisors

Strategy B: Eliminate Negative Amortization

One of the key factors that contributed to the historical growth of UAL and associated pension costs for agencies covered by CalPERS was the negative amortization within pension plans.

The standard CalPERS practice does not require agencies to make any payments on new UAL for the first two years. After that the new UAL is amortized over a 20-year term with a 5-year ramp-up period to the full payment amount.

During the ramp-up period, the payments increase by 20% of the full payment amount each year. In other words, the first year's payment amount is only 20% of the full payment, the second year's payment amount is 40% of the full payment, etc.

However, the new UAL starts accruing interest at 6.8% (the discount rate) as soon as it is added to the plan.

Thus, the CalPERS standard UAL amortization practice results in negative amortization for each pension plan that does not take proactive steps.

Negative amortization occurs whenever the debt payment for any period is less than the interest charged over that period so that the outstanding balance of the debt increases.

In each year when the District's UAL payments on any given actuarial UAL base are less than the interest accrued on that base, the base's balance increases. In the following year, the interest is accrued on the higher balance.

Under the current CalPERS amortization rules, each agency finds itself in the negative amortization situation for the first four years after new UAL is incurred. In year 5, the required payment amount is just slightly higher than the interest amount for the year, which translates into essentially an interest-only payment. It is only in year 6 that the UAL starts being paid down.

This leads to significantly higher interest costs for the CalPERS member agencies.

Elimination of negative amortization is a recommended practice. It is achieved by making Additional discretionary payments (ADPs) in the two years following the creation of new UAL to cover accrued interest.

The ADP amount is calculated by multiplying the new UAL amount by 6.8%. These payments can be made as early as in the 13th and 25th months following the end of the fiscal year in which the new UAL was created. For the 2022 actuarial UAL base, such ADPs can be made as early as in July 2024 and July 2025.

To make these payments, the District (or CalMuni on behalf of the District) needs to contact its CalPERS actuary 2-3 weeks prior to making the payments. The District needs to inform the actuary that it would like to make an ADP to cover the interest on the 2023 Investment Loss base and to instruct the actuary to apply the ADP to the 2023 Investment Loss base.

The actuary will then set up a receivable in the system that will allow the District to make the payment through the District's MyCalPERS portal.

These actions should be taken after July 1, 2024 (after the fiscal year is closed) and need to be repeated in subsequent years as well.

With the District's 2023 estimated new net UAL balances of approximately \$33,000 for the Safety Plan, \$191K for the Miscellaneous Plan, \$3,200 for the Safety 2nd Plan, and \$25 for the PEPRA Miscellaneous Plan, the ADPs are estimated to be as following:

- Miscellaneous 1st: \$2,143 in July of 2024 and 2025
- Miscellaneous 2nd: \$121 in July of 2024 and 2025
- PEPRA Miscellaneous: \$540 in July of 2024 and 2025

The implementation of this strategy is projected to save the District approximately \$10,000 over the 20-year UAL repayment period, as shown in Table 9 below.

Table 9
Santa Cruz Port District
Negative Amortization Elimination Detail

FYE	Current CalPERS Amortization				Revised Amortization				Difference			
	Misc 1st	Misc 2nd	PEPRA - Misc	Total	Misc 1st	Misc 2nd	PEPRA - Misc	Total	Misc 1st	Misc 2nd	PEPRA - Misc	Total
2023	-	-	-	-	\$2,143	\$121	\$540	\$2,804	(\$2,143)	(\$121)	(\$540)	(\$2,804)
2024	-	-	-	-	\$2,143	\$121	\$540	\$2,804	(\$2,143)	(\$121)	(\$540)	(\$2,804)
2025	\$611	\$34	\$154	\$799	\$2,143	\$121	\$540	\$2,804	(\$1,532)	(\$87)	(\$386)	(\$2,005)
2026	\$1,221	\$69	\$308	\$1,598	\$2,143	\$121	\$540	\$2,804	(\$921)	(\$52)	(\$232)	(\$1,206)
2027	\$1,832	\$103	\$462	\$2,397	\$2,143	\$121	\$540	\$2,804	(\$311)	(\$18)	(\$78)	(\$407)
2028	\$2,442	\$138	\$615	\$3,196	\$2,143	\$121	\$540	\$2,804	\$300	\$17	\$76	\$392
2029	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2030	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2031	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2032	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2033	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2034	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2035	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2036	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2037	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2038	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2039	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2040	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2041	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2042	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2043	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
2044	\$3,053	\$172	\$769	\$3,995	\$2,143	\$121	\$540	\$2,804	\$910	\$51	\$229	\$1,191
Total	\$54,951	\$3,105	\$13,848	\$71,904	\$47,137	\$2,663	\$11,879	\$61,679	\$7,815	\$442	\$1,969	\$10,226

Strategy C: Capital Project Considerations

The District has various capital projects that are required for efficient operations. Should it have sufficient reserves available to fund those projects and recognizing that UAL carries a 6.8% interest cost, the District should consider using the accumulated reserves to pay down UAL and then finance the needed improvements with low-cost tax-exempt funds (see Graph 5 and Table 11 below for savings impact).

While each project would need to be analyzed in more detail to determine financing viability, a preliminary analysis suggests that there would be significant savings generated for the District were it to borrow sufficient funds to pay for the projects.

Table 11 provides the annual detailed comparison between the cash flows associated with UAL and a 15-year financing of a \$1.0 million capital project. By utilizing the capital dollars to pay off UAL or make contributions to the 115 Trust and financing the capital projects this analysis suggests that the District could save more than \$251,000 which can be seen in Graph 5 and Table 11 below.

If the District is interested in further analysis on this strategy, CalMuni Advisors is available to assist with any related financial analyses and financing.

Graph 5
Santa Cruz Port District
UAL Repayment vs Capital Project Cash Flow Comparison

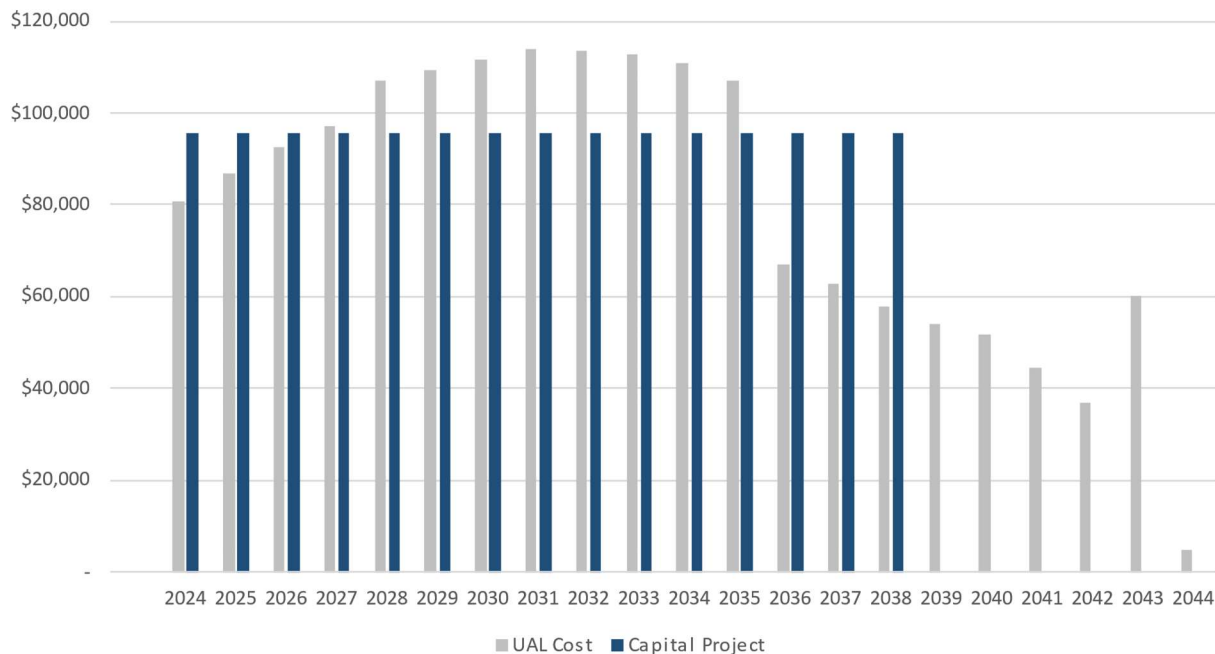


Table 11
Santa Cruz Port District
Capital Financing Alternatives

Capital Financing		Date	UAL Cost	Capital Project	Savings
UAL Period	20	2024	\$80,846	\$95,508	(\$14,662)
Capital Financing Period	15	2025	\$86,750	\$95,508	(\$8,758)
Tax-Exempt Rate	3.500%	2026	\$92,481	\$95,508	(\$3,026)
Financed Amount	\$1,000,000	2027	\$97,153	\$95,508	\$1,645
Cost of Issuance	\$50,000	2028	\$107,254	\$95,508	\$11,746
		2029	\$109,530	\$95,508	\$14,022
		2030	\$111,785	\$95,508	\$16,278
		2031	\$114,104	\$95,508	\$18,597
		2032	\$113,465	\$95,508	\$17,958
		2033	\$112,723	\$95,508	\$17,215
		2034	\$110,720	\$95,508	\$15,213
		2035	\$107,217	\$95,508	\$11,710
		2036	\$67,154	\$95,508	(\$28,353)
		2037	\$62,661	\$95,508	(\$32,847)
		2038	\$57,887	\$95,508	(\$37,620)
		2039	\$54,142	-	\$54,142
		2040	\$51,684	-	\$51,684
		2041	\$44,378	-	\$44,378
		2042	\$36,917	-	\$36,917
		2043	\$60,258	-	\$60,258
		2044	\$4,877	-	\$4,877
		Total	\$1,683,988	\$1,432,614	\$251,374

Strategy D: Refinance UAL

In Section 4A6 of the District’s UAL Management Policy, the policy notes that the “District shall consider issuing taxable municipal debt obligations to refinance the UAL, in part or in whole, if such bond obligations are expected to produce minimum cash flow savings of at least 5%, taking into account all debt service and costs of issuance associated with such bond obligations, in comparison to CalPERS’ respective UAL amortization schedule and the then-current Discount Rate.”

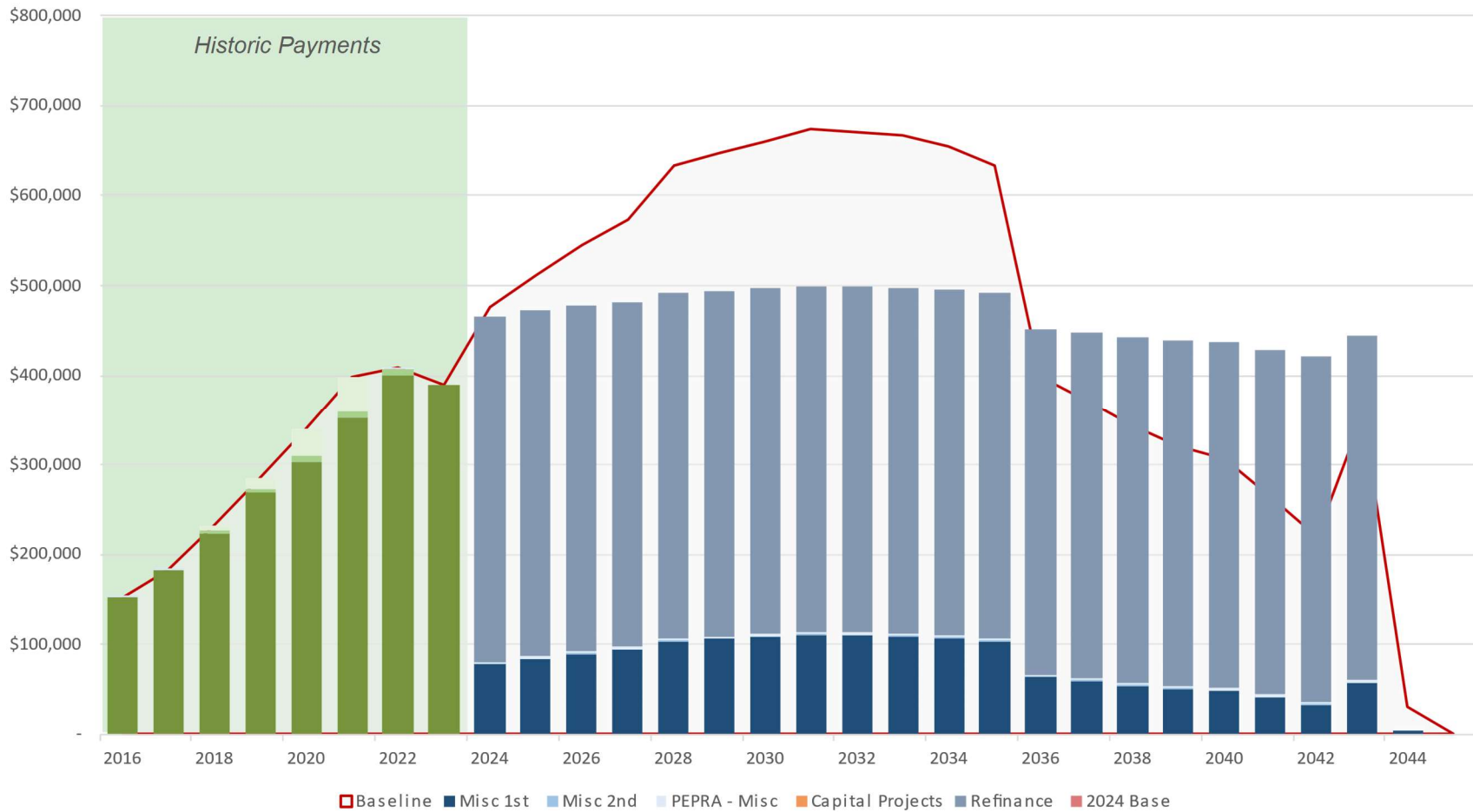
Refinancing UAL involves borrowing funds from a bank on a taxable basis and using the borrowed funds to pay down current UAL with CalPERS. The goal of this approach is to borrow the funds at an interest rate sufficiently lower than the Discount Rate (6.8%) to ensure long-term savings. While the interest rate environment is constantly changing, the current market environment suggests that this strategy could be a viable one for the District in the upcoming year.

Table 12 below outlines a hypothetical 20-year refinancing of approximately \$4.9 million of the District’s outstanding UAL which would be sufficient to bring the District to a 95% funded status.

Table 12
Santa Cruz Port District
Capital Financing Alternatives

Pension Refinancing		Date	Original UAL	Refinancing	Savings
Refinancing Period	20	2024	\$393,670	\$383,263	\$10,407
Tax-Exempt Rate	4.500%	2025	\$422,814	\$383,263	\$39,551
Financed Amount	\$4,885,456	2026	\$451,116	\$383,263	\$67,853
Cost of Issuance	\$100,000	2027	\$474,258	\$383,263	\$90,995
		2028	\$523,837	\$383,263	\$140,575
		2029	\$535,313	\$383,263	\$152,050
		2030	\$546,296	\$383,263	\$163,033
		2031	\$557,588	\$383,263	\$174,325
		2032	\$554,475	\$383,263	\$171,213
		2033	\$550,860	\$383,263	\$167,597
		2034	\$541,109	\$383,263	\$157,847
		2035	\$524,052	\$383,263	\$140,790
		2036	\$328,969	\$383,263	(\$54,294)
		2037	\$307,088	\$383,263	(\$76,175)
		2038	\$283,844	\$383,263	(\$99,418)
		2039	\$265,610	\$383,263	(\$117,653)
		2040	\$253,638	\$383,263	(\$129,625)
		2041	\$218,065	\$383,263	(\$165,198)
		2042	\$181,732	\$383,263	(\$201,530)
		2043	\$295,389	\$383,263	(\$87,873)
		2044	\$25,716	-	\$25,716
		Total	\$8,235,438	\$7,665,253	\$570,185

Graph 6
Santa Cruz Port District
UAL Repayment Schedule with 20-Year Refinancing



Strategy E: Make discretionary contributions to a 115 Trust

After making ADPs to achieve the 90% Funded Target and eliminating the negative amortization, the new 2023 UAL would still have an associated interest cost of approximately \$1.3 million, which will be incurred over the 20-year amortization term.

To further lower the UAL interest costs while maintaining the pension plan funded levels at or above the 90% target, the District has stated in its Policy that it should consider making discretionary contributions to a 115 Trust to offset its UAL balances. This decision should be made in the context of the overall District's fiscal situation, including reserve balances, capital improvement projects, cash flow management. District Board's vision and direction, future 115 investment performance, etc.

115 Trusts allow the District to invest assets in higher risk profiles than are allowed under the general government code providing increased opportunity for investment growth. In turn, these assets are committed to paying pension costs and cannot be utilized for other purposes. This trade-off between funds being sequestered and the opportunity for increased investment returns is advantageous to the District if utilized in a proactive manner to mitigate the difference between the 90% Policy Target and the District's obligation to fulfill 100% of the obligation to its employees.

While it is not required to have sufficient assets to fully offset UAL liabilities, it is considered best practice to have sufficient funds to do so but these funds should be distributed between the CalPERS plans and a 115 Trust. The following estimated additional discretionary contributions would bring the pension plan funded levels to a 100% target.

- Miscellaneous 1st: \$1,850,000
- Miscellaneous 2nd: \$37,000
- PEPRM Miscellaneous: \$121,000

While those totals would see the District's UAL fully covered, any contributions that the District would make to a 115 Trust would begin building the reserve and provide for additional long-term resilience and flexibility in managing the District's UAL.

Combining Strategies

When considering how to combine these efforts to maximize the benefits to the District, CalMuni Advisors has created the following scenario that seeks to balance short-term costs with long-term benefit.

Strategy A: Contribute \$25,000 as ADPs

Strategy C: Capital Project Considerations (\$1,000,000 CIP Project)

Strategy D: Refinance UAL to 95% funded.

It is important to remember that currently available monies are the most efficient at creating savings but also are needed for other District purposes so finding approaches to reduce the impact on current and future budgets is important. ADPs from current revenues will consistently generate the most savings while borrowing funds to make ADPs will be the least efficient. However, borrowing funds can still be a sound strategy if funds can be borrowed at interest rates significantly below the current Discount Rate of 6.8%.

This strategy seeks to balance those factors while maximizing the long-term efficiency goals. The results of this combined strategy, given current market assumptions would result in approximately \$717,000 in savings, and achieves a 95.0% funded status across all plans. Graph 7 and Table 13 illustrates how the utilizing this combined strategy impacts the UAL repayment schedule.

Graph 6
Santa Cruz Port District
UAL Repayment with 2024 Refinancing and \$25K ADP

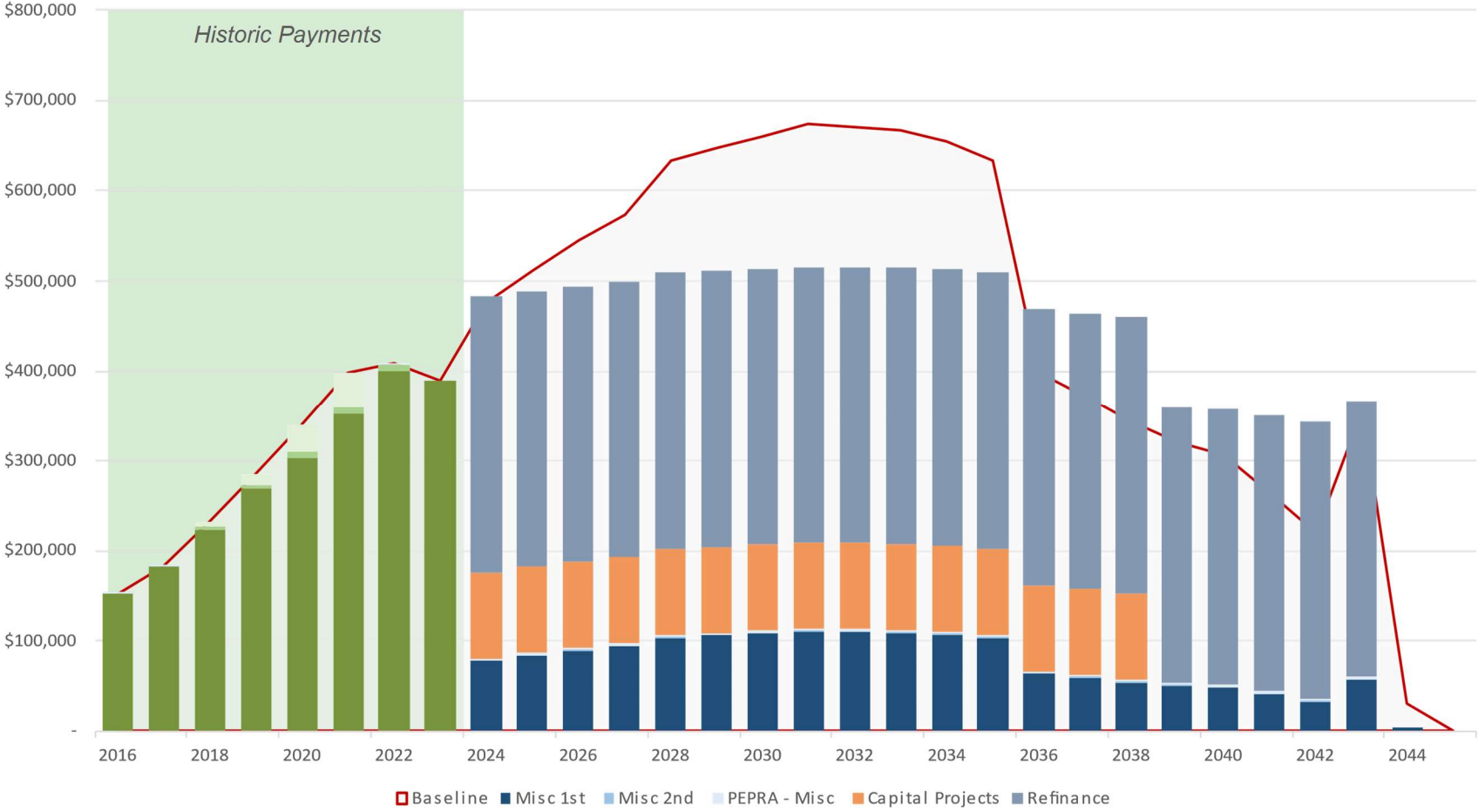


Table 13 provides the annual detailed estimate of the existing UAL payments, the Pension Loan payments, and the accelerated UAL amortization schedule, and the resulting savings from the current baseline.

**Table 13
Santa Cruz Port District
Optimized UAL Management for 2023**

FYE	Baseline	Existing UAL	2023 UAL	All Plans		Total	Savings
				Debt Service	Capital Projects		
2023	\$388,783	\$388,783	-	-	-	\$388,783	-
2024	\$476,708	\$81,024	-	\$306,387	-	\$387,410	\$89,298
2025	\$511,836	\$86,858	-	\$306,387	\$95,508	\$488,753	\$23,083
2026	\$545,944	\$92,520	-	\$306,387	\$95,508	\$494,414	\$51,530
2027	\$573,804	\$97,119	-	\$306,387	\$95,508	\$499,013	\$74,791
2028	\$633,678	\$107,160	-	\$306,387	\$95,508	\$509,054	\$124,624
2029	\$647,411	\$109,358	-	\$306,387	\$95,508	\$511,252	\$136,158
2030	\$660,710	\$111,619	-	\$306,387	\$95,508	\$513,513	\$147,197
2031	\$674,384	\$113,943	-	\$306,387	\$95,508	\$515,837	\$158,547
2032	\$670,615	\$113,302	-	\$306,387	\$95,508	\$515,196	\$155,418
2033	\$666,237	\$112,558	-	\$306,387	\$95,508	\$514,452	\$151,785
2034	\$654,430	\$110,551	-	\$306,387	\$95,508	\$512,445	\$141,984
2035	\$633,775	\$107,041	-	\$306,387	\$95,508	\$508,935	\$124,840
2036	\$397,542	\$66,889	-	\$306,387	\$95,508	\$468,783	(\$71,242)
2037	\$371,045	\$62,386	-	\$306,387	\$95,508	\$464,280	(\$93,235)
2038	\$342,899	\$57,602	-	\$306,387	\$95,508	\$459,496	(\$116,597)
2039	\$320,818	\$53,849	-	\$306,387	\$95,508	\$455,743	(\$134,925)
2040	\$306,321	\$51,385	-	\$306,387	-	\$357,771	(\$51,451)
2041	\$263,244	\$44,063	-	\$306,387	-	\$350,450	(\$87,206)
2042	\$219,248	\$36,585	-	\$306,387	-	\$342,972	(\$123,724)
2043	\$356,879	\$59,978	-	\$306,387	-	\$366,364	(\$9,486)
2044	\$30,323	\$4,475	-	-	-	\$4,475	\$25,848
2045	-	-	-	-	-	-	-
Total	\$10,346,628	\$2,069,048	-	\$6,127,730	\$1,432,614	\$9,629,391	\$717,237

CONCLUSION

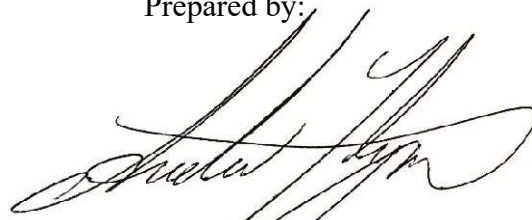
Proactive pension liability management practices are essential for keeping the District's future UAL balances and the associated interest costs under control.

Individually, each action provides long-term value to the District. Additional Discretionary Payments in FY 2024-25 totaling \$25,000 would generate approximately \$58,000 in savings. Utilizing \$1 million from CIP reserves to pay UAL and borrowing the needed funds for the project would generate approximately \$251,000 in savings and refinancing \$3.9 million is estimated to save the District approximately \$574,000 over the 20-year amortization term and would achieve a 95% funded status.

Each action should be considered and balanced with other fiscal considerations that the District needs to address but having a goal of incrementally addressing UAL on an annual basis will support the District's efforts to build long-term fiscal resilience.

CalMuni Advisors appreciates the opportunity to serve the District. If you have any questions about this Pension Policy Compliance Analysis or suggested strategies, do not hesitate to contact us.

Prepared by:



Andrew Flynn
Managing Director
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aflynn@calmuniadvisors.com

Santa Cruz Port Commission

2024 COMMITTEES

Business/Finance

Rates, leases, fees and charges for services, labor agreements, taxes, revenues, business practices

Dennis Smith, Committee Chair
Reed Geisreiter

Policy/Operations

Ordinances, regulations, enforcement, general policy interpretation, harbor operations

Steve Reed, Committee Chair
Darren Gertler

Construction/ Maintenance

Capital improvements, renovation, major projects, facility upgrades, capital planning

Steve Reed, Committee Chair
Reed Geisreiter

Dredging

Operations, maintenance, permits, regulatory compliance, renewal and replacement, prevention (watershed management)

Toby Goddard, Committee Chair
Darren Gertler

Communications/Outreach

Public and governmental relations (local, state, and federal), neighborhood issues, legislation, advocacy

Toby Goddard, Committee Chair
Dennis Smith

Note: Committee chair is current Commission chair or senior member.

Toby Goddard	2006 - Present
Dennis L. Smith	2008 - Present
Stephen Reed	2012 - Present
Darren Gertler	2016 - Present
Reed Geisreiter	2009 - 2018, 2019 - Present



To: Port Commission
 From: Blake Anderson, Harbormaster
 Date: January 12, 2024
 Subject: 2022-2023 Vessel Use List Review

BACKGROUND

Port District Ordinance Section 302.1 – *Regular Use of Vessel* requires all slip licensees to make continuous personal use of their vessel on a regular basis. Continuous personal use is defined as taking the boat out of the slip and harbor for any length of time on at least ten separate days during any twelve-month period.

Each year, staff identifies use list candidates based on specific criteria as outlined in the Vessel Use List Administration Policy (Attachment A). Once the use list is generated, those licensees selected are required to log ten uses within a specified period (12 months) to verify the ocean-going use of their vessel. If the minimum use requirement is not met, the licensee may be subject to the slip revocation process.

The policy and operations committee met in July 2018, to review the “regular use” requirement. Items discussed in that meeting included enforcement philosophy relating to Ordinance 302.1, use list criteria/selection, and licensee outreach regarding unused vessels. Based on the committee discussion, staff was directed to craft a policy relating to the administration of the use list. Subsequent to that meeting, staff implemented the *Vessel Use List Administration Policy* (attached).

ANALYSIS

This review covers the 2022-2023 use list (December 1, 2022 – November 30, 2023).

In total, 14 licensees were placed on the vessel use list for 2022-2023. A breakdown of the statistics is below:

STATISTICS:	NORTH HARBOR	SOUTH HARBOR
Total No. of Slips:	452	388
No. of customers on 2022-2023 use list:	7	7
No. of customers who met ten minimum uses:	0	5
No. of slips voluntarily released	2	1
No. of extensions issued	3	1
No. of medical waivers:	0	0
No. of slip renters issued revoke notices for non-use:	2	0

Although staff understands that 100% compliance with the use list is unlikely, the list serves as a catalyst to speed up the sale or disposal of vessels that are no longer being used. Many times, those licensees placed on the use list are no longer interested in boating but hold onto their vessel and slip because they don't know what else to do in that situation. The use list administration process gives staff an opportunity to review the options available to boaters holding on to unused vessels. In staff's experience, most issues surrounding vessel use can be resolved without the need for the revocation process.

As depicted in the table above, fourteen licensees were placed on the 2022-2023 list. Five complied with the use requirement, three slips were voluntarily released, four were granted extensions, and two licensees were issued revoke notices for non-use and have until January 31 2024, to appeal.

2024 Use List

Harbor staff has identified seventeen vessels for the 2024 use list based on criteria outlined in the policy. Those selected will have until December 31, 2024 to complete the uses, and staff will be in contact with those licensees throughout the next twelve months to ensure vessel use is achieved or other available options are explored.

IMPACT ON PORT DISTRICT RESOURCES

There are no impacts to Port District resources in reviewing this report.

ATTACHMENTS: A. Vessel Use List Administration Policy

SUBJECT: Administration of Vessel Use List		
<i>Issued Date: September 3, 2018</i>	<i>Revised Date: September 3, 2018</i>	<i>Prepared By: Staff</i>
<i>Standard Operating Procedure: 1.22</i>	<i>Approved By:</i>	<i>Approval Date: February 13, 2019</i>

Staff shall use the following guidelines when selecting licensees for placement on the annual *Vessel Use List*.

PROCEDURE:

The vessel use requirement (Santa Cruz Port District Ordinance 302.1) is intended to ensure active boating and proper administration of the paid waiting list for slips. Additionally, the requirement aids in identifying and preventing illegal slip transference and illegitimate vessel partnerships.

Slip licensees selected for placement on the *Vessel Use List* will be required to check-in with harbor office 10 times per year when they use their vessel. Pursuant to the SLA, the vessel will be required to leave the entrance channel and venture onto the open waters of the Monterey Bay for any amount of time. Specifically, uses may not be called in from the slip or from within the harbor while moored.

Selection:

Selection to the use list shall only be made after obtaining satisfactory evidence that would lead one to reasonably believe the slip licensee is not making at least 10 ocean-going trips per year.

Staff shall make use list selections based on the following reason(s):

1. Obvious signs of vessel inoperability including*:
 - Excessive growth on the hull or running gear
 - Damaged or missing equipment
 - Animal nests/droppings

2. Expired vessel registration

3. Failure to pick up parking stickers in a timely manner

4. Suspected vessel/slip transference issues including:
 - Suspected illegal partnerships
 - Suspected unreported vessel ownership changes

*If a licensee is placed on the list due to obvious signs of vessel inoperability, then the physical condition that led to the determination should be documented with photographs and stored in the licensee's file.

5. Other suspicious circumstances which may indicate non-use by the licensee, so long as those circumstances and concerns can be specifically and reasonably articulated by staff.

“Random” selections shall not be made, nor shall slip licensees be added to the list two years in a row (unless an extension has been granted). Liveaboards may be placed on the list based on the same criteria as non-liveaboards but not solely because they live aboard their vessel.

Generally, staff should keep the number of people selected to a manageable number so that the program can be effectively and efficiently administered.

Additionally, where practicable, staff should make contact with those slip renters suspected of non-use throughout the year to discuss the use requirement prior to the creation of the official list.

Verification

Those selected to the *Vessel Use List* must check-in with the harbor office 10 times per year when they make a voyage.

- During office hours, licensees should call the harbor office on the phone or via VHF Channel 09
- After hours, licensees should contact Harbor Patrol on VHF Channel 09

When contacted, staff must reasonably verify that the licensee is aboard and that the vessel leaves the harbor entrance and log the vessel use. (Note: Ship’s logs shall not be used for purposes of verifying vessel use.)

Extensions and Exemptions

This policy is not intended to limit staff’s discretion in administering and/or enforcing the list. Within the spirit of the ordinance, staff should be able to reasonably justify any extensions or exemptions granted to licensees.

Licensees selected for the *Vessel Use List* who are unable to fulfill the requirement may appeal to the Harbormaster, in writing, to request an extension or exemption for that year based on extenuating circumstances. Each request shall be considered on a case-by-case basis by the Harbormaster.

Some possible reasons for limited term extensions or exemptions may include but are not limited to:

- Personal medical/health issues
- Familial obligations
- Major mechanical or structural issues
- Other extenuating circumstances

When limited term extensions or exemptions are granted the conditions should be documented in writing and placed in the licensees file and also recorded on the master list at the front desk.

Compliance / Documentation

Each year staff shall compile a master list of slip licensees selected for the annual vessel use list, and create a vessel use log to be used by staff to document uses by slip licensees.

The following documents shall be maintained in the slip licensee’s file:

- Any supporting documentation (i.e., photos and notes of contact(s) with slip licensee)
- A letter informing slip licensees of placement on the annual vessel use list

- Two reminder letters sent to slip licensees reminding them of the requirement and relevant due dates
- A letter of fulfillment sent to licensees who comply with the requirement.

Licensees who comply shall not be placed on the list the following year.

Non-Compliance / Documentation:

Staff shall work on non-compliance issues on a case-by-case basis and may initiate the revocation process. Revocation for non-compliance should be a last resort as staff is encouraged to work with licensees before it gets to that point. Staff should explain to out-of-compliance licensees that they have options including:

- Vessel Turn-In Program (VTIP)
- Sale of the vessel through a 1yr SLA
- Voluntary release of the slip and relocation to another harbor
- Slip Leave Option (Leave of Absence)

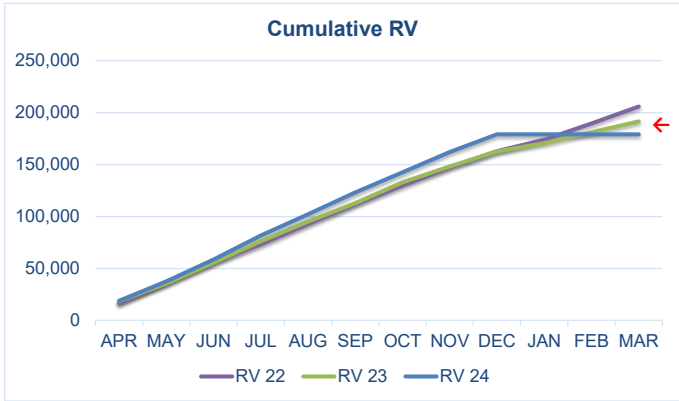
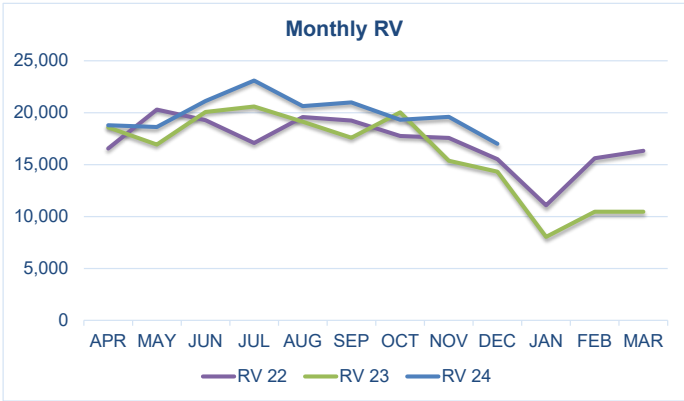
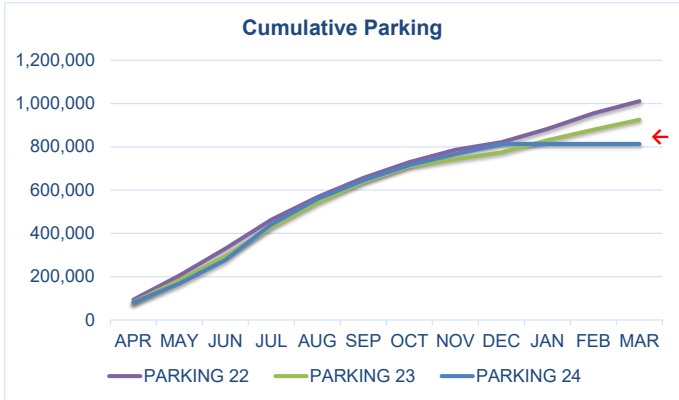
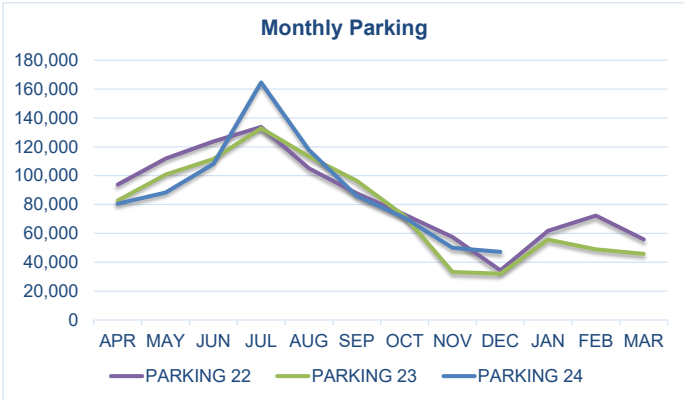
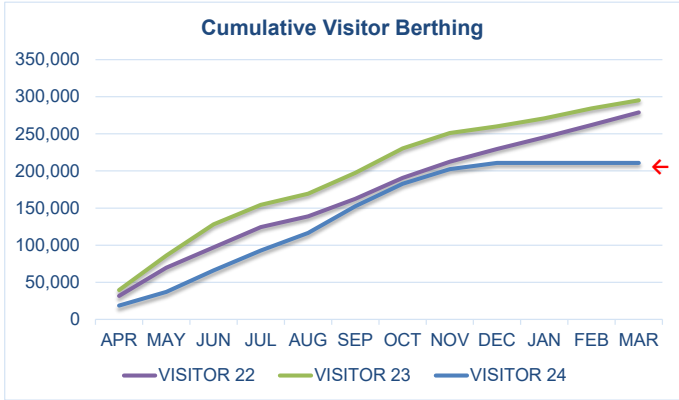
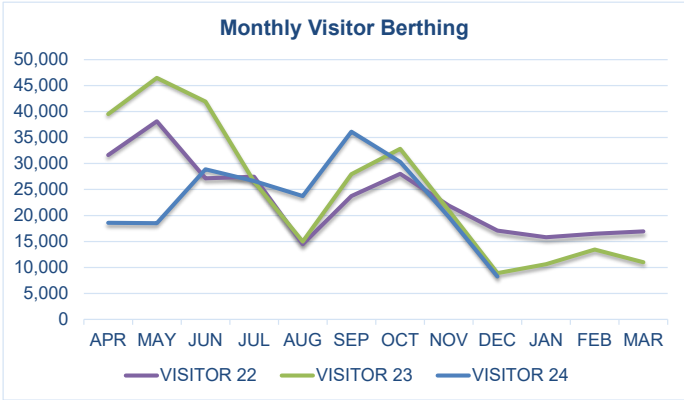
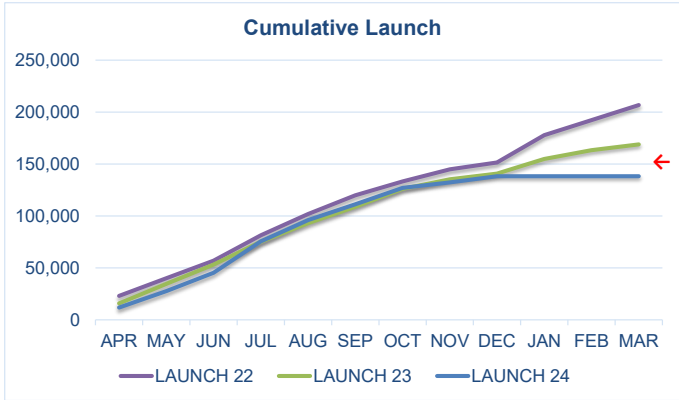
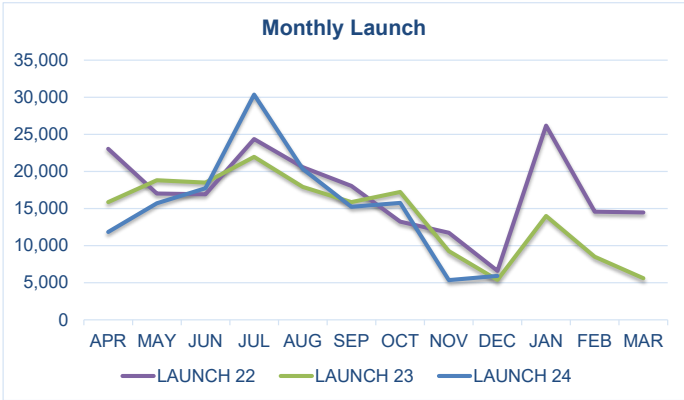
If the licensee fails to respond to staff's recommendations, the revocation process shall be initiated by the Harbormaster.

In addition to the documentation listed under "Compliance / Documentation" above, the following documents shall be maintained slip licensee's file:

- Letter informing slip licensees of any limited term extension or exemption granted
- Letter to slip licensees documenting failure to fulfill the requirement / slip revocation process

Santa Cruz Port District
SEASONAL INCOME
 For the Nine Months Ending December 31, 2023

FY24 Budget ←



Santa Cruz Port District
Monthly Budget Report
For the Nine Months Ending December 31, 2023

Account	Description	YTD	FY24 BUDGET	% BUDGET	FY23 YTD	Variance
OPERATING INCOME						
000-000-000-0000-4000	Slip Rent Permanent	\$3,767,392	\$5,030,700	75%	\$3,617,098	\$150,295
000-000-000-0000-4002	Slip Rent Visitors	\$210,843	\$210,000	100%	\$260,139	(\$49,296)
000-000-000-0000-4003	Annual Slip Rent Discount	(\$903)	(\$1,225)	74%	(\$834)	(\$69)
000-000-000-0000-4006	Tenant Concession Rent	\$1,622,061	\$2,054,400	79%	\$1,654,892	(\$32,832)
000-000-000-0000-4008	Misc. Tenant Rent (Sewer)	\$58,900	\$135,000	44%	\$50,697	\$8,203
000-000-000-0000-4010	Launch Fees	\$138,251	\$155,000	89%	\$140,790	(\$2,539)
000-000-000-0000-4012	Liveaboard	\$79,960	\$75,000	107%	\$58,966	\$20,994
000-000-000-0000-4014	Catamaran Storage	\$21,825	\$26,000	84%	\$21,149	\$676
000-000-000-0000-4016	North Harbor Dry Storage	\$154,938	\$195,000	79%	\$147,470	\$7,468
000-000-000-0000-4018	7th Ave Dry Storage	\$95,177	\$122,000	78%	\$91,662	\$3,515
000-000-000-0000-4020	Waiting List	\$12,277	\$120,000	10%	\$11,600	\$677
000-000-000-0000-4024	Slip Leave Option		\$3,000	0%	\$250	(\$250)
000-000-000-0000-4026	Partnership Fees	\$25,399	\$30,000	85%	\$24,073	\$1,327
000-000-000-0000-4028	Sublease Fees	\$31,104	\$35,000	89%	\$36,159	(\$5,055)
000-000-000-0000-4030	Variable/Utility Fees	\$185,184	\$207,250	89%	\$162,090	\$23,094
000-000-000-0000-4032	Late Fees	\$39,063	\$50,000	78%	\$40,928	(\$1,865)
000-000-000-0000-4036	Citations	\$122,418	\$98,000	125%	\$104,118	\$18,300
000-000-000-0000-4040	Credit Card Convenience Charges	\$22,576	\$22,000	103%	\$20,643	\$1,933
000-000-000-0000-4100	Parking - Concession Lot	\$475,310	\$880,000	91%	\$436,206	\$39,105
000-000-000-0000-4102	Parking - Launch Area	\$15,127			\$29,670	(\$14,543)
000-000-000-0000-4104	Parking - Southwest	\$166,184			\$143,511	\$22,673
000-000-000-0000-4106	Parking - North	\$28,523			\$28,915	(\$392)
000-000-000-0000-4108	Parking - Southeast	\$107,336			\$116,750	(\$9,414)
000-000-000-0000-4118	Meter Permits	\$8,579			\$9,504	(\$926)
000-000-000-0000-4120	Slip Renter Parking Permits	\$12,370	\$26,000	48%	\$10,259	\$2,111
000-000-000-0000-4122	RV Parking	\$179,150	\$195,000	92%	\$162,631	\$16,519
000-000-000-0000-4200	Fuel Sales Gasoline	\$258,905	\$345,000	75%	\$427,921	(\$169,015)
000-000-000-0000-4202	Fuel Sales Diesel	\$248,421	\$465,000	53%	\$568,322	(\$319,901)
000-000-000-0000-420	Fuel Service Call Back Charges				\$10	(\$10)
000-000-000-0000-4210	Wash Rack	\$7,429	\$6,500	114%	\$9,431	(\$2,002)
000-000-000-0000-4220	Boatyard Retail	\$14,063	\$16,500	85%	\$20,913	(\$6,850)
000-000-000-0000-4225	Boatyard Labor	\$1,617	\$750	216%	\$325	\$1,292
000-000-000-0000-4230	Boatyard Rental	\$1,690	\$3,000	56%	\$4,245	(\$2,555)
000-000-000-0000-4235	Boatyard Misc.	\$28,148	\$32,000	88%	\$29,572	(\$1,424)
000-000-000-0000-4240	Lay Days/Storage	\$80,199	\$140,000	57%	\$150,636	(\$70,437)
000-000-000-0000-4245	Vessel Haulout	\$110,630	\$132,000	84%	\$118,399	(\$7,770)
000-000-000-0000-4250	Vessel Berthing	\$35,642	\$32,000	111%	\$35,409	\$233
	OPERATING INCOME	\$8,365,788	\$10,840,875	77%	\$8,744,516	(\$378,728)

Santa Cruz Port District
Monthly Budget Report
For the Nine Months Ending December 31, 2023

Account	Description	YTD	FY24 BUDGET	% BUDGET	FY23 YTD	Variance
EXPENSE SUMMARY BY PROGRAM						
	Administrative Services (110)	\$631,460	\$889,563	71%	\$531,008	\$100,452
	Finance & Purchasing (120)	\$152,593	\$239,618	64%	\$145,179	\$7,413
	Property Management (130)	\$602,362	\$842,315	72%	\$536,960	\$65,402
	Environmental & Permitting (140)	\$121,391	\$189,158	64%	\$117,800	\$3,591
	Port Commission Support (190)	\$44,022	\$78,653	56%	\$41,199	\$2,823
	Harbor Patrol (210)	\$583,371	\$863,451	68%	\$606,296	(\$22,925)
	Marina Management (220)	\$445,055	\$611,835	73%	\$416,287	\$28,768
	Rescue Services (230)	\$83,515	\$144,756	58%	\$66,442	\$17,073
	Parking Services (240)	\$302,399	\$384,271	79%	\$310,704	(\$8,305)
	Events (250)	\$15,664	\$33,179	47%	\$19,999	(\$4,335)
	Fuel Services (280)	\$418,676	\$516,338	81%	\$777,569	(\$358,893)
	Docks, Piers, Marine Structures (310)	\$561,192	\$679,068	83%	\$376,527	\$184,665
	Utilities (320)	\$65,624	\$109,072	60%	\$74,146	(\$8,521)
	Buildings (330)	\$338,901	\$465,185	73%	\$288,685	\$50,216
	Grounds (340)	\$642,841	\$865,519	74%	\$690,847	(\$48,006)
	Aeration (350)	\$42,474	\$59,229	72%	\$28,158	\$14,316
	Fishery Support (360)	\$6,020	\$17,024	35%	\$9,290	(\$3,270)
	Capital Projects (390)	\$204,770	\$363,503	56%	\$232,971	(\$28,202)
	Dredging Operations (400)	\$1,158,480	\$1,653,480	70%	\$1,054,419	\$104,061
	Boatyard Operations (500)	\$273,375	\$408,535	67%	\$279,282	(\$5,907)
	OPERATING EXPENSES	\$6,694,184	\$9,413,753	71%	\$6,603,767	\$90,417
	OPERATING PROFIT	\$1,671,604	\$1,427,122	117%	\$2,140,749	(\$469,145)
NON OPERATING INCOME/(EXPENSE)						
000-000-000-0000-4300	Harbor Services Charge	\$4,866	\$10,000	49%	\$500	\$4,366
000-000-000-0000-4308	Interest Income	\$547,334	\$125,000	438%	\$67,987	\$479,347
000-000-000-0000-4310	Other Income	\$396,027	\$85,000	466%	\$106,555	\$289,472
000-000-000-0000-4375	USACE Reimbursement	\$262,500	\$525,000	50%	\$262,500	\$0
000-000-000-0000-4405	Grants - DBAW	\$13,552	\$12,000	113%	\$21,544	(\$7,992)
000-000-000-0000-4406	County Rescue Contribution	\$50,000	\$50,000	100%	\$25,000	\$25,000
000-000-000-0000-4408	Waste Oil Grant	\$9,030	\$12,000	75%	\$10,849	(\$1,820)
000-000-000-0000-4412	Tsunami Insurance Reimbursement		\$0	0%	\$270,000	(\$270,000)
000-000-000-0000-4500	Gain/(Loss) on Asset Disposal	\$3,050		0%	\$3,940	(\$890)
000-000-000-0000-4600	Cash Over/Under	(\$761)		0%	(\$356)	(\$405)
	Principal Debt Payments	(\$811,282)	(\$1,365,818)	59%	(\$778,699)	(\$32,583)
	Capital Improvement Program	\$2,070,483	(\$500,000)	(414%)	(\$306,687)	\$2,377,170
	Capitalized Expenses	(\$128,563)	(\$212,500)	61%	(\$181,407)	\$52,844
	Depreciation	(\$1,260,014)	\$0	0%	(\$1,260,014)	\$0
	NET INCOME/(LOSS)	\$2,827,826	\$167,804	1685%	\$382,462	\$2,445,364

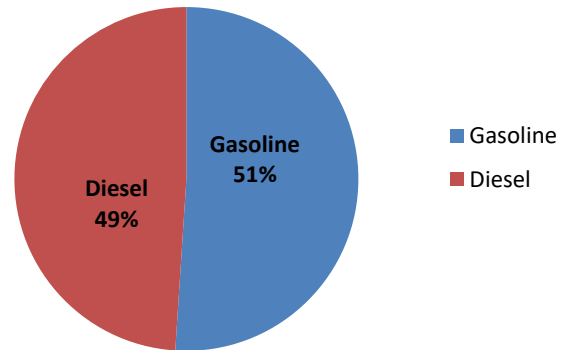
Santa Cruz Port District
Employee Count
As of December 31, 2023

Department	Employee Name	FTE %	Unrepresented	Position
ADMIN	Allred, Jeff		var	Dredge Monitor
ADMIN	Eldridge, Mark	100%		Finance Officer
ADMIN	Ghisletta, Renee	100%		Administrative Services Officer
ADMIN	MacLaurie, Holland	100%		Port Director
ADMIN	Weisert, Hilary	100%		Administrative Assistant I
FACILITIES	Acevedo, Arturo	100%		Maintenance Worker III
FACILITIES	Castro, Nathan	100%		Harbor Dredge Worker II
FACILITIES	Goering, Bryce	100%		Harbor Dredge Worker III
FACILITIES	Gullo, Nicholas	100%		Supervising Maintenance Worker
FACILITIES	Lopez, Jorge	100%		Maintenance Worker III
FACILITIES	Marty, Randy	100%		Maintenance Worker III
FACILITIES	Ramos, Brenda	100%		Facilities Coordinator
FACILITIES	Simoni, Daniel	100%		Harbor Dredge Worker III
FACILITIES	Stipanovich, Rory	100%		Supervising Dredge Worker
FACILITIES	Tandoi, Steven	100%		Harbor Dredge Worker III
FACILITIES	Vera, Jose	100%		Maintenance Worker III
FACILITIES	Wagoner, Joshua	100%		Harbor Dredge Worker III
FACILITIES	Wulf, Carl	100%		Facilities, Maintenance, & Engineering Manager
OPERATIONS	Anderson, Blake	100%		Harbormaster
OPERATIONS	Ash, Jaylene		var	Parking Control / Water Taxi Crew
OPERATIONS	Gitler, Mark		var	Operations Assistant / Dredge Monitor
OPERATIONS	Gottlieb, Landon	100%		Deputy Harbormaster
OPERATIONS	Guy, Parker	100%		Deputy Harbormaster
OPERATIONS	Hann, Alfred		var	Operations Assistant
OPERATIONS	Haynes, John	100%		Senior Deputy Harbormaster
OPERATIONS	Henning, Nicholas	100%		Boatyard Crew
OPERATIONS	Hill, David	100%		Deputy Harbormaster
OPERATIONS	Kingdom, Kyle	100%		Deputy Harbormaster
OPERATIONS	Kusaba-Kusumoto, Kalee		var	Parking Control
OPERATIONS	Loelhoeffel, Katrin		var	Operations Assistant
OPERATIONS	Long, John		var	Parking Control
OPERATIONS	Mangus, Stephanie		var	Parking Control, Harbor Dredge Worker I
OPERATIONS	Melrose, Kevin	100%		Boatyard Supervisor
OPERATIONS	Melrose, Peter	100%		Deputy Harbormaster
OPERATIONS	Melrose, Richard	100%		Parking Coordinator
OPERATIONS	Nelson, Michael		var	Parking Control / Water Taxi Crew / Dredge Monitor
OPERATIONS	Nowak, Chris		var	Water Taxi Operator
OPERATIONS	Palmer, Darrell		var	Boatyard Crew
OPERATIONS	Pasquali, Richard		var	Water Taxi Operator
OPERATIONS	Rasmussen, Scott		var	Water Taxi Operator
OPERATIONS	Replogle, Peter		var	Boatyard Crew
OPERATIONS	Rothwell, Niki	100%		Customer Service Representative
OPERATIONS	Rothwell, Sean	100%		Assistant Harbormaster
OPERATIONS	Stelter, Richard		var	Parking Control
Total FTE		29		

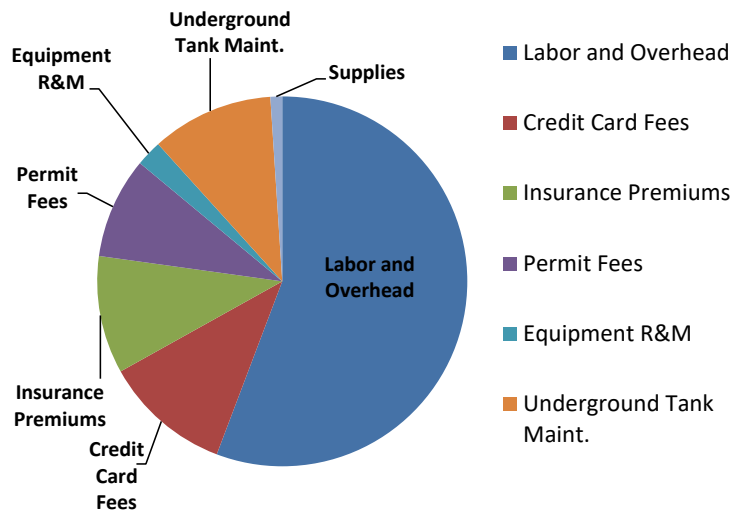
Santa Cruz Port District
Quarterly Fuel Dock Report
 For the Nine Months Ended December 31, 2023

	QTD Oct - Dec	YTD Apr - Dec	% of Budget
Fuel Dock Revenue			
Gasoline	\$88,389	\$258,905	75%
Diesel	\$69,211	\$248,421	53%
Total Revenue	\$157,599	\$507,326	63%
Cost of Sales			
Gasoline	\$56,997	\$179,753	88%
Diesel	\$51,392	\$189,699	81%
Total Cost of Sales	\$108,390	\$369,452	84%
Gross Profit	\$49,210	\$137,874	
Gross Profit Margin	31%	27%	
Operating Expenses			
Labor and Overhead	\$9,164	\$27,447	58%
Credit Card Fees	\$2,175	\$5,487	69%
Insurance Premiums	\$1,711	\$5,065	127%
Permit Fees	\$741	\$4,353	106%
Equipment R&M	\$407	\$1,113	45%
Underground Tank Maint.	\$3,232	\$5,253	62%
Supplies	\$0	\$506	24%
Total Operating Expenses	\$17,431	\$49,224	64%
Net Profit / (Loss)	\$31,779	\$88,650	
Profit Margin	20%	17%	

Fuel Dock Revenue



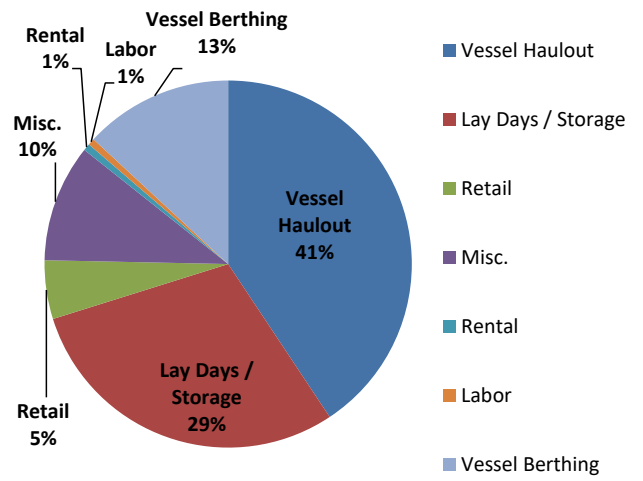
Fuel Dock Expenses



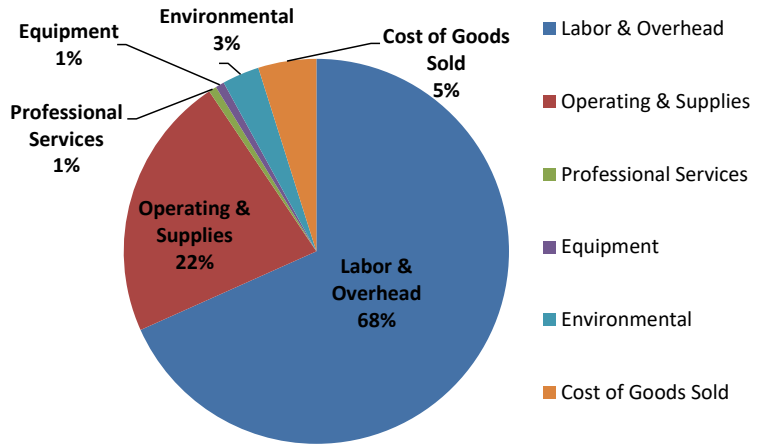
Santa Cruz Port District
Quarterly Boatyard Report
 For the Nine Months Ended December 31, 2023

	QTD Sep - Dec	YTD Apr - Dec	% of Budget
Boatyard Revenue			
Vessel Haulout	\$26,868	\$110,630	84%
Lay Days / Storage	\$23,811	\$80,199	57%
Retail	\$4,327	\$14,063	85%
Misc.	\$5,383	\$28,148	88%
Rental	\$355	\$1,690	56%
Labor	\$569	\$1,617	216%
Vessel Berthing	\$12,622	\$35,642	111%
Total Revenue	\$73,934	\$271,988	76%
Boatyard Expenses			
Labor & Overhead	\$58,049	\$186,726	64%
Operating & Supplies	\$17,124	\$60,983	75%
Professional Services	\$115	\$1,800	40%
Equipment	\$630	\$2,006	20%
Environmental	\$0	\$8,531	71%
Cost of Goods Sold	\$5,777	\$13,329	133%
Total Operating Expenses	\$81,695	\$273,375	67%
Net Profit / (Loss)	(\$7,761)	(\$1,387)	

Boatyard Revenue



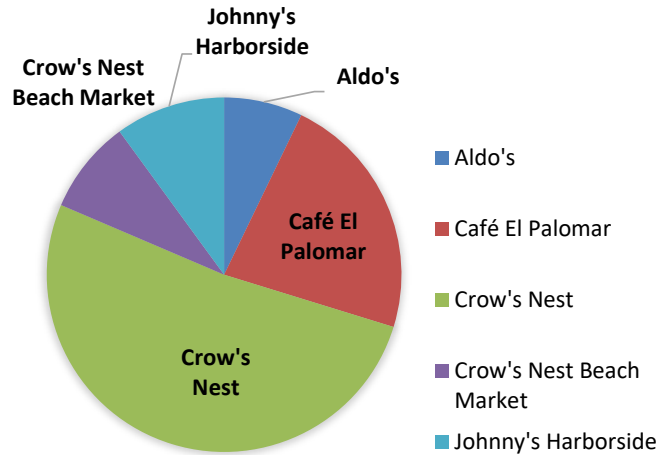
Boatyard Expenses



Santa Cruz Port District
Quarterly Concession Rent Report
 For the Nine Months Ended December 31, 2023

	FY 2024	
	QTD Oct - Dec	YTD Apr - Dec
Base Rent		
Aldo's	6,269	18,806
Café El Palomar	45,948	137,844
Crow's Nest	-	-
Crow's Nest Beach Market	19,860	62,580
Johnny's Harborside	25,856	79,567
Total Base Rent	\$ 97,932	\$ 298,797
% Rent		
Aldo's	9,826	38,954
Café El Palomar	1,701	44,331
Crow's Nest	110,288	416,454
Crow's Nest Beach Market	1,106	6,224
Johnny's Harborside	-	1,320
Total % Rent	\$122,921	\$507,283
Total Rent		
Aldo's	16,095	57,761
Café El Palomar	47,649	182,175
Crow's Nest	110,288	416,454
Crow's Nest Beach Market	20,966	68,804
Johnny's Harborside	25,856	80,887
Total Rent	\$ 220,854	\$ 806,081

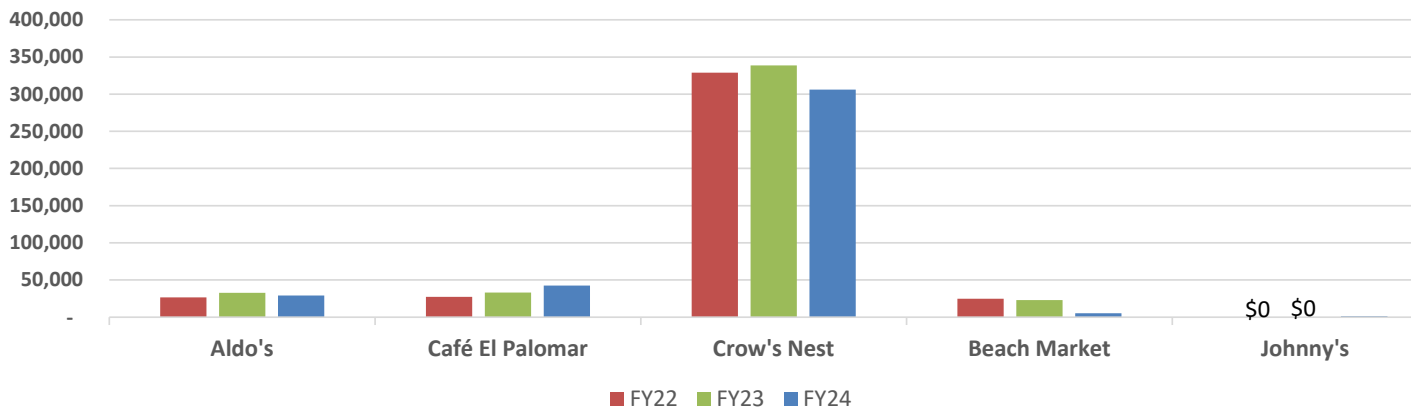
TOTAL CONCESSION RENT YTD



YTD 3-Year Concession % Rent

Tenant	FY22	FY23	FY24
Aldo's	26,639	32,818	29,128
Café El Palomar	27,179	33,230	42,630
Crow's Nest	328,906	338,546	306,166
Beach Market	24,790	22,856	5,118
Johnny's	-	-	1,320

PERCENTAGE RENT YTD



California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 02, 2024

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

SANTA CRUZ PORT DISTRICT

PORT DIRECTOR
135 5TH AVENUE
SANTA CRUZ, CA 95062

[Tran Type Definitions](#)

Account Number:

December 2023 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	289,076.62
Total Withdrawal:	0.00	Ending Balance:	289,076.62



PMIA/LAIF Performance Report as of 1/17/23



Quarterly Performance Quarter Ended 12/31/23

LAIF Apportionment Rate ⁽²⁾ :	4.00
LAIF Earnings Ratio ⁽²⁾ :	0.00010932476863589
LAIF Administrative Cost ^{(1)*} :	0.29
LAIF Fair Value Factor ⁽¹⁾ :	0.993543131
PMIA Daily ⁽¹⁾ :	3.96
PMIA Quarter to Date ⁽¹⁾ :	3.81
PMIA Average Life ⁽¹⁾ :	230

PMIA Average Monthly Effective Yields⁽¹⁾

December	3.929
November	3.843
October	3.670
September	3.534
August	3.434
July	3.305**

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/23 \$158.0 billion

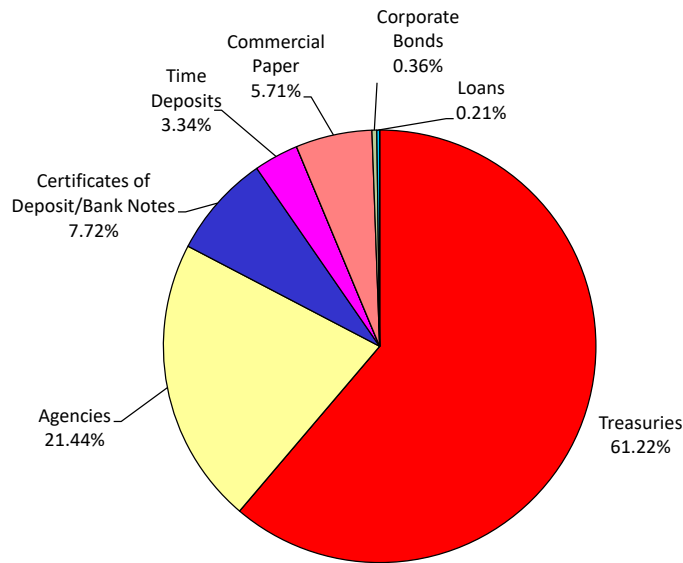


Chart does not include \$2,164,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

** Revised

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



Summary Statement

December 31, 2023

Page 1 of 3

Investor ID:

0000073-0000283 PDF 603940

Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062

California CLASS

California CLASS

Average Monthly Yield: 5.5417%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Port District Main	17,573,314.01	0.00	0.00	82,710.88	456,024.89	17,581,318.29	17,656,024.89
TOTAL	17,573,314.01	0.00	0.00	82,710.88	456,024.89	17,581,318.29	17,656,024.89



Account Statement

December 31, 2023

Page 2 of 3

Account Number:

Port District Main

Account Summary

Average Monthly Yield: 5.5417%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	17,573,314.01	0.00	0.00	82,710.88	456,024.89	17,581,318.29	17,656,024.89

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
12/01/2023	Beginning Balance			17,573,314.01	
12/31/2023	Income Dividend Reinvestment	82,710.88			
12/31/2023	Ending Balance			17,656,024.89	



California CLASS

California CLASS

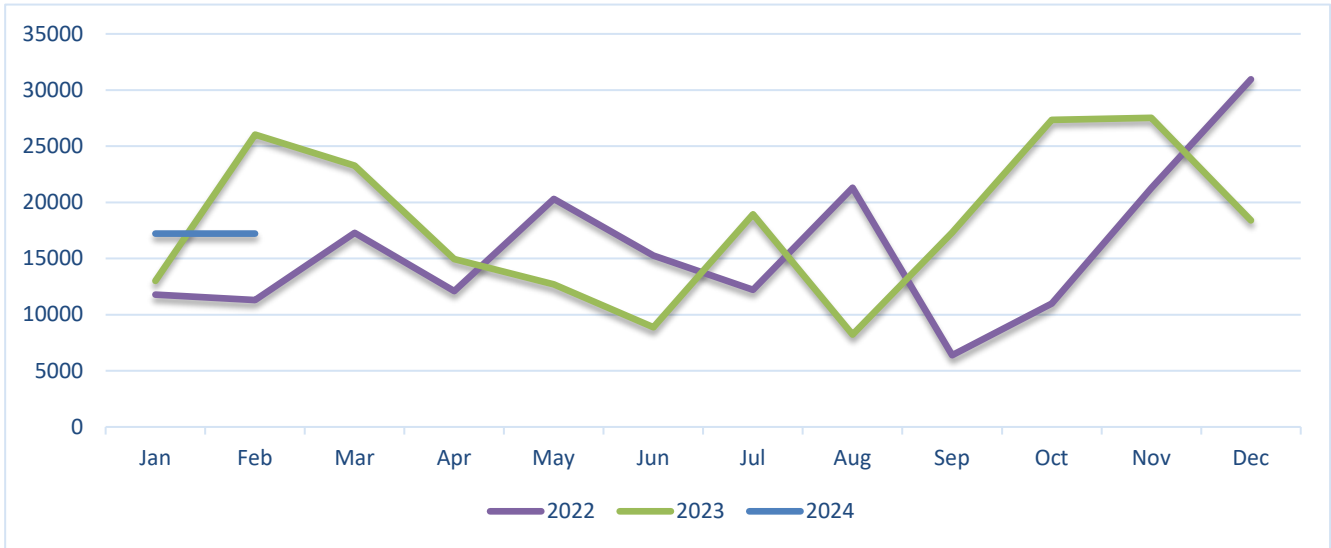
Date	Dividend Rate	Daily Yield
12/01/2023	0.000456048	5.5486%
12/02/2023	0.000000000	5.5486%
12/03/2023	0.000000000	5.5486%
12/04/2023	0.000152623	5.5707%
12/05/2023	0.000152273	5.5580%
12/06/2023	0.000151828	5.5417%
12/07/2023	0.000151777	5.5399%
12/08/2023	0.000455241	5.5388%
12/09/2023	0.000000000	5.5388%
12/10/2023	0.000000000	5.5388%
12/11/2023	0.000151914	5.5449%
12/12/2023	0.000151862	5.5430%
12/13/2023	0.000151788	5.5403%
12/14/2023	0.000151866	5.5431%
12/15/2023	0.000455943	5.5473%
12/16/2023	0.000000000	5.5473%
12/17/2023	0.000000000	5.5473%
12/18/2023	0.000152074	5.5507%
12/19/2023	0.000152082	5.5510%
12/20/2023	0.000151677	5.5362%
12/21/2023	0.000151519	5.5305%
12/22/2023	0.000605108	5.5216%
12/23/2023	0.000000000	5.5216%
12/24/2023	0.000000000	5.5216%
12/25/2023	0.000000000	5.5216%
12/26/2023	0.000151260	5.5210%
12/27/2023	0.000151510	5.5301%
12/28/2023	0.000151997	5.5479%
12/29/2023	0.000456228	5.5508%
12/30/2023	0.000000000	5.5508%
12/31/2023	0.000000000	5.5508%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

Santa Cruz Port District
60 DAY DELINQUENT ACCOUNTS

The following accounts have balances 60 days delinquent as of January 16, 2024

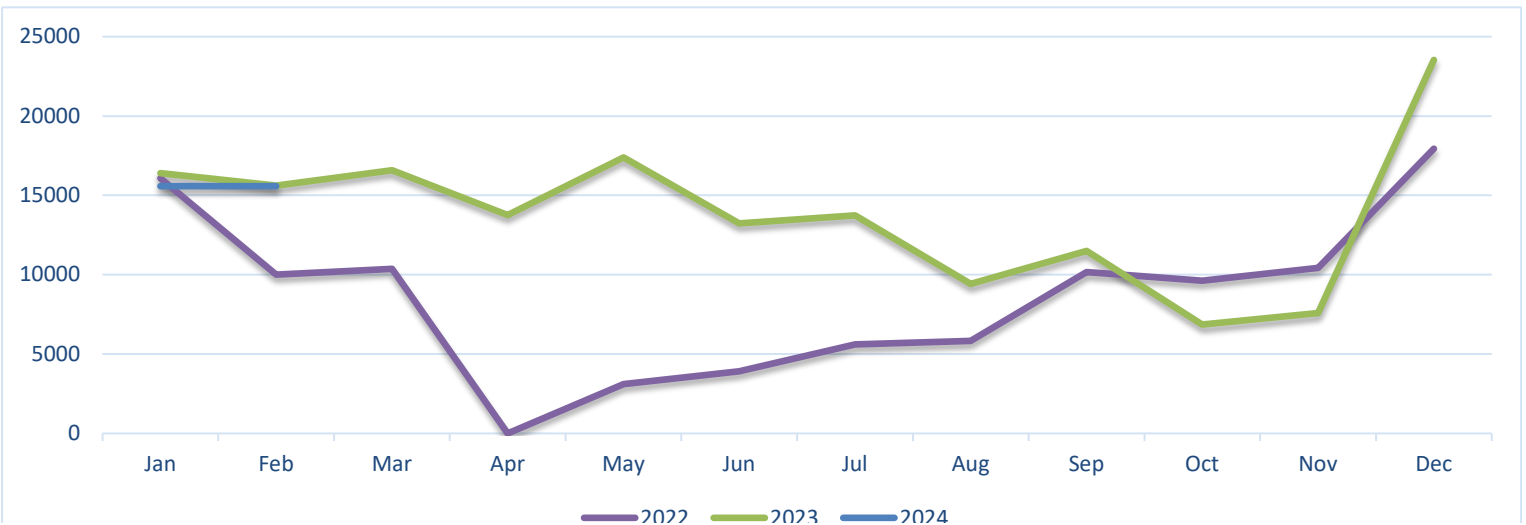
Account Number	Current Month	30 Day Balance	60 Day Balance	90 Day Balance	Total Balance
55454	1,233.90	1,119.48	802.02	0.00	3,155.40
58883	895.00	1,173.83	640.27	0.00	2,709.10
56212	781.93	786.37	533.23	0.00	2,101.53
56308	789.46	669.28	578.92	0.00	2,037.66
47585	438.40	479.84	438.40	0.00	1,356.64
24281	707.40	620.40	0.29	0.00	1,328.09
59429	411.60	327.10	299.60	0.00	1,038.30
57927	284.33	160.37	124.69	0.00	569.39
57476	213.06	213.94	105.37	0.00	532.37
57511	198.29	199.26	116.02	0.00	513.57
58758	159.33	160.45	134.33	0.00	454.11
57736	88.14	88.67	63.14	0.00	239.95
59789	88.14	88.35	25.53	0.00	202.02
Total	\$ 6,288.98	\$ 6,087.34	\$ 3,861.81	\$ -	\$ 16,238.13



Santa Cruz Port District
90+ DAY DELINQUENT ACCOUNTS

The following accounts have balances 90 days delinquent or greater as of January 16, 2024

Account Number	Current Month	30 Day Balance	60 Day Balance	90+ Day Balance	Total Balance	Commercial Slip	Action
4076	2,002.91	1,368.70	2,173.02	1,621.81	7,166.44		Revoke
3094	552.00	435.67	432.32	672.40	2,092.39	X	Revoke
2002	-	-	-	1,794.29	1,974.29		Bad Debt
55382	499.44	382.61	454.08	587.94	1,924.07		Revoke
59229	247.36	252.92	251.06	471.57	1,222.91		Revoke
58302	92.15	93.11	92.55	430.07	707.88		Revoke
29726	-	-	-	420.21	420.21		Bad Debt
57560	88.14	96.68	93.29	65.03	343.14		Revoke
Total	\$ 3,482.00	\$ 2,629.69	\$ 3,496.32	\$ 6,063.32	\$ 15,851.33		





TO: Port Commission
FROM: Sean Rothwell, Assistant Harbormaster
DATE: January 10, 2024
SUBJECT: Harbor Patrol Incident Response Report – December 2023

Search and Rescue, Patrol Boat Response

- 12/2/23 Harbor Patrol responded to a report of a vessel fire in the area of the Santa Cruz Mile Buoy. Upon arrival, Harbor Patrol contacted the vessel operator who indicated they were not in distress. Harbor Patrol returned to the harbor without incident.
- 12/25/23 Harbor Patrol responded to a report of a surfer in distress in the area of Pleasure Point Beach. Prior to arrival, the surfer self-rescued. Harbor Patrol returned to the harbor without incident.

Note: Harbor Patrol received a call for service on December 28, 2023, but was unable to respond due to the powerful surge conditions and breaking surf at the entrance.

Crime Reports, Assist Outside Department, and Incident Reports

- 12/2/23 Harbor Patrol responded to a report of an intoxicated subject in the area of J-Dock. The subject was taken into custody by Harbor Patrol for public intoxication and transported to the Santa Cruz County Jail.
- 12/8/23 Harbor Patrol responded to a report of a medical emergency in the area of the concession parking lot. Upon arrival, it was determined that an infant had fallen and sustained a head injury. The patient was stabilized and transported to Dominican Hospital by ambulance.
- 12/11/23 Harbor Patrol took a stolen property report after tools were reported missing from a vessel in the area of R-Dock. Suspect information was obtained from surveillance footage. The investigation is ongoing.
- 12/14/23 Harbor Patrol cited one individual for HSC §11350(a), possession of a controlled substance.
- 12/16/23 Harbor Patrol cited two bicyclists for CVC 22450(a), failure to stop at a stop sign.

Parking Citations:

December 2023 Parking Citations: 164
December 2022 Parking Citations: 150



**CALL FOR APPLICATIONS
LOCAL AGENCY FORMATION COMMISSION
REGULAR AND ALTERNATE PUBLIC MEMBER SEATS**

Applications are being accepted for two upcoming vacancies with the Local Agency Formation Commission of Santa Cruz County (LAFCO). The two openings are for the Regular and Alternate Public Member seats. Each position has a four-year term beginning in May 2024.

Any person wishing to apply for either of these positions should download an application from LAFCO's website (www.santacruzlafco.org) or request a hard copy from the LAFCO Office. The deadline for submitting an application to LAFCO is **Friday, February 23 by 3:00pm**.

Who can Apply?

Any person appointed to the position must be a resident and a registered voter of Santa Cruz County. Additionally, the appointee cannot be an officer or employee of a public agency within the county, including cities, special districts, or Santa Cruz County.

What is LAFCO?

This state agency determines which local agency is the most logical provider of public services within each county in California. The Commission has regulatory power over the formation of new local agencies and the boundary changes of the existing four cities and 75 special districts in Santa Cruz County.

Questions may be directed to the Executive Officer at 831-454-2055 or via email (joe@santacruzlafco.org). Completed and signed applications can be mailed to LAFCO (701 Ocean Street, Room 318-D, Santa Cruz, CA 95060) or scanned and emailed.

A handwritten signature in blue ink, appearing to read 'Joe A. Serrano', written over a light blue horizontal line.

Joe A. Serrano
Executive Officer
Date: January 15, 2024



**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
REGULAR AND ALTERNATE PUBLIC MEMBER
CALL FOR APPLICATIONS**

INVITATION

Applications are being accepted for the Regular and Alternate Public Member seats on the Local Agency Formation Commission of Santa Cruz County (“LAFCO”). Any person wishing to apply for either position can get an application on LAFCO’s website at www.santacruzlafco.org, or request an application form by calling the LAFCO Office at 831-454-2055. Completed forms should be returned to the LAFCO office.

LAFCO DESCRIPTION

The Commission, which is established by state law, has regulatory power over the formation and boundary changes of cities and special districts (e.g., annexation). In addition, the Commission is responsible for determining spheres of influence (future service areas) for all cities and special districts within the County. Composition of the Commission includes two members from the Board of Supervisors, two city council members, two special district members, and a representative of the general public.

The current Regular and Alternate Public Member terms are set to expire in May 2024. The length of each term is four years. The Regular and Alternate Public Members are encouraged to attend all public meetings of LAFCO. The Alternate Public Member is eligible to vote during absences of the Regular Public Member.

The Commission normally meets once a month at 9:00 a.m. on the first Wednesday of each month, except for the months of July and December.

APPOINTMENT PROCESS

LAFCO will accept applications for these two positions until 3:00 p.m. on February 23, 2024.

QUALIFICATIONS

The Regular and Alternate Public Member must be a resident and registered voter of Santa Cruz County. Also, the Regular and Alternate Public Member cannot be an officer or employee of the county, any city in the county, or any special district in the county.

Comments or questions regarding this information should be directed to the Executive Officer at Santa Cruz LAFCO by phone at 831-454-2055 or via email at joe@santacruzlafco.org. Written communications may be sent to LAFCO’s mailing address at 701 Ocean Street, Room 318-D, Santa Cruz CA 95060. More information about LAFCO can be found at www.santacruzlafco.org.

Dated: January 16, 2024

A handwritten signature in blue ink, appearing to read 'Joe A. Serrano', is written over a horizontal line.

Joe A. Serrano
Executive Officer



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
APPLICATION FOR POSITION OF
REGULAR AND ALTERNATE PUBLIC MEMBER

If you are interested in serving as the Regular or Alternate Public Member on LAFCO, please complete the following application and return it to LAFCO, 701 Ocean Street, Room 318-D, Santa Cruz, California 95060. The application deadline is **3:00 p.m. on Friday, February 23, 2024**. Please note that you may apply for both positions.

Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input type="checkbox"/>

NAME: _____

MAILING ADDRESS: _____

PHONE (Home): _____ (Business): _____

EMAIL: _____

LENGTH OF RESIDENCE IN AREA: _____

ARE YOU A REGISTERED VOTER? _____

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:

<u>Organization</u>	<u>Term</u>

WORK / VOLUNTEER EXPERIENCE:

Organization

Term

STATEMENT OF QUALIFICATIONS:

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

CERTIFICATION:

I certify that I am not an officer or employee of the County of Santa Cruz, any city in Santa Cruz County, or any district in Santa Cruz County.

I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

Signature

Date

Santa Cruz Port District

Port Commission Review Calendar / Follow-Up Items 2024-25

2024

January-March

- Committee Assignments for 2024
- Sea Scouts' Biannual Report
- FY 25 Budget
- Review 5-year CIP
- Form 700 Filing (due by 3/31 each year)

April-June

- Café El Palomar Lease Exp. 7/31/2024
2 (5) year option to extend / rent review at first or second option period
- Biennial Update to Conflict-of-Interest Code

July-September

- Annual O'Neill Sea Odyssey Report (annual review of slip rent reduction. PC action Jul-07)
- Dredge Report 2023-24
- Sea Scouts' Biannual Report

October-December

- Mid Fiscal Year Review of CIP
- Review of CalPERS Actuarial Valuation Report
- Annual Vessel Use List Review
- H&H Fresh Fish Lease Exp. 1/31/2025
- Ethics Training Update (due by year-end)
- Port Commission Officers for 2024

2025

January-March

- Committee Assignments for 2025
- Annual Review of Business Use of Slips 2024
- Annual Review of Slip Vacancy / Waiting List Statistics 2024
- Sea Scouts' Biannual Report
- FY 26 Budget
- Review 5-year CIP
- Form 700 Filing (due by 3/31 each year)
- Biennial Anti-Harassment/Anti-Discrimination Training

April-June

- Crow's Nest / Java Junction Rent Review at Option Period Ending 4/30/2025
1 (5) year option to extend
- Dredge Report 2024-25

July-September

- Annual O'Neill Sea Odyssey Report (annual review of slip rent reduction. PC action Jul-07)
- Sea Scouts' Biannual Report

October-December

- Mid Fiscal Year Review of CIP
- Beacon Pointe Advisors Lease Exp. 11/30/2025
- Review of CalPERS Actuarial Valuation Report
- Annual Vessel Use List Review
- Ethics Training Update (due by year-end)
- Port Commission Officers for 2025

Committee Review Items

- Review of Proposal to Purchase a Floating Barge

Future Calendar

- 7th and Brommer Property Assessment
- ABC End-Tie Review after Murray Street Bridge Retrofit
- Pedestrian Traffic Safety Improvements Review

Key

- Pending
- In process
- ✓ Done

Updated 1/17/2024