



Special Public Session of July 24, 2019

Santa Cruz Port Commission
Policy-Operations Committee Meeting
MINUTES

Committee Members Present:

Dennis Smith
Toby Goddard

Staff Present:

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

Committee-Chair Smith called the special public session to order at 3:30 PM at the Santa Cruz Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA 95062.

1. Oral Communication

Discussion: Port Commission Vice-chairman Reed announced his attendance at the meeting as a member of the public.

2. Discussion of Electronic Key Access for Dry Storage Customers

Discussion: The Policy-Operations Committee discussed and refined a policy recommendation regarding dock, restroom, and shower access for 7th Avenue and North Harbor dry storage customers to present to the full Commission for consideration.

Harbormaster Marshall reviewed the staff report, recapping background information, previous Commission action, and proposed fees.

Audience member Tom Whieldon spoke in support of allowing dry storage customers access to restroom and shower facilities, but suggested that access to harbor docks should be restricted.

The Committee developed the following recommendation for consideration by the full Commission:

- Upon request, allow 7th Avenue and North Harbor Dry Storage customers to obtain a maximum of two fobs with access to any dock and restroom facility for a \$20 non-refundable purchase price.
- Shower access is not permitted.

3. Consider Request by Team O'Neill LTD to Amend 99-Pak Charter Permit

Discussion: Port Director Olin summarized the negotiation process between Team O'Neill and the Port District. She stated that following approval of the 99-pak charter permit for Team O'Neill LTD's new vessel, representatives of Team O'Neill

expressed concerns about permit provisions, which subsequently led to the submission of the amended application under review today. Port Director Olin stated that while she still believes that operating a passenger vehicle shuttle to remote parking on weekends and holidays is the simplest and most effective way to address increased parking demand during the peak season, she is seeking guidance from the committee on whether there may be other acceptable mitigations.

Mark Massara of O'Neill stated their June 6 application addresses charter fees and parking. He stated they tried to be explicit, clear and transparent in their application. The vessel pak rating will increase from 49 to 99, and Team O'Neill is prepared to provide vehicular assistance to group charters of 50+, and are agreeing to pay a \$2 per passenger fee. Mr. Massara commented that if the Commission does not agree, they are willing to operate as a 49-pak. Mr. Massara commented that staff's aspirations for a shuttle and requirement that O'Neill shoulder that burden are patently unfair.

Commissioner Goddard asked if ticketed charters with a ridership of +49 will be provided with vehicular assistance. Mr. Massara responded that they would be urged to utilize remote parking in the north harbor.

Commissioner Goddard summarized his review of the application. He stated that the Commission must weigh benefits against impacts and that it all comes down to parking. He stated that the mitigation proposed by O'Neill is to require private (group) charters of 50 or more to provide their own transportation. He commented there are other possible mitigations which have not been discussed, including restrictions on the days of the week, number of excursions per day, timing of excursions, the number of passengers, valet service, etc. Commissioner Goddard commented he does not believe it is fair for the Commission to authorize a doubling of the capacity for this charter operation and crowd the lot for other users. He commented that while he could support eliminating the off-peak vehicle shuttle requirement, he is not supportive of the application as written since the only concession is private charters of +49 passengers will be required to provide for their own transport, and public passengers are on their own. He commented that it seems to be a limited concession compared to the Commission's previous approval. Commissioner Goddard noted the peak vehicle shuttle requirement equates to approximately 63 days per year on weekends and holidays.

Tim O'Neill suggested that they could shut off public charters at 49 passengers, and operate at a 99-pak rating for private charters. He stated that the public charters don't sell out often, but can occasionally have a waiting list of 5-10 people. He stated that they can keep the pak rating for public charters at 49, or perhaps the Commission can consider granting them the ability to serve a limited waiting list.

Commissioner Goddard stated that the proposed mitigation strategies being discussed are not outlined in the revised charter application that is being reviewed today. He stated that if a mixed-use rating is proposed in a future application, he would like to see a breakdown of use by private and public charters.

A discussion ensued about the enforceability of operating as a mixed pak rating. Port Director Olin noted that the proposal is likely enforceable, as the manifests are auditable by the Port District. Jenny Duckart of O'Neill stated that maintaining separate manifests for public and private charters is a condition of their USCG certification.

Chairman Smith agreed and suggested a revised application be submitted to staff for review. He commented that there has been a lot of push back by O'Neill on the shuttle requirement, but he is concerned that charters continue to push parking demand and mitigating that demand must be addressed. Commissioner Smith stated the Commission is trying to find a balance, and ensure that businesses can succeed. He directed Team O'Neill to meet with Port Director Olin and address the items from today's discussion in an amended charter application.

The committee did not recommend approval of the charter application dated June 6, 2019 (rev. #4). The Committee suggested that O'Neill submit a modified charter application based on the framework discussed at the meeting for review by the full Commission. Commissioner Goddard added that he would like a modified charter application to provide clarity on how the operation deals with garbage disposal and recycling, i.e., where and capacity. Commissioner Goddard reiterated that he would like to review the current mix of private charters versus public.

The committee agreed that if a modified application is submitted that aligns with the basic framework discussed at the meeting, staff can present it to the full Commission for consideration, without a formal recommendation of the committee.

Committee-Chair Smith adjourned the special public committee meeting at 5:00 PM.



Marian Olin, Port Director