



Special Closed Session of December 15, 2020

**Santa Cruz Port Commission
MINUTES**

Commission Members Present (Via teleconference):

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

SPECIAL PUBLIC SESSION

Chairman Reed brought the special public session to order at 5:00 PM via teleconference at the Santa Cruz Harbor office conference room, 135 5th Avenue, Santa Cruz, CA 95062.

1. Oral Communication (*There was no discussion during Oral Communication*)
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) Section 54956.8

Chairman Reed announced the Commission will meet in closed session to discuss agenda item 3.

SPECIAL CLOSED SESSION

3. Conference with Real Property Negotiators
Agency Designated Representative: M. Olin
Negotiating Parties: 497 Lake Avenue
Under Negotiation: Potential Acquisition

SPECIAL PUBLIC SESSION

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

Chairman Reed announced that the Commission took no reportable action in closed session on item 3.

Chairman Reed adjourned the special open session following the closed meeting at 5:08 PM.

Toby Goddard, Chairman



Special Closed and Regular Public Session of January 26, 2021

**Santa Cruz Port Commission
MINUTES**

Commission Members Present (via teleconference):

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

SPECIAL PUBLIC SESSION – 5:00 PM

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

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

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

SPECIAL CLOSED SESSION

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

SPECIAL PUBLIC SESSION

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

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

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

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

REGULAR PUBLIC SESSION – 7:00 PM

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

5. Pledge of Allegiance
6. Oral Communication

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

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

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

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

CONSENT AGENDA

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

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

REGULAR AGENDA

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

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

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

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

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

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

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

11. COVID Response Measures Quarterly Report

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

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

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

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

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

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

12. Personnel Policies and Procedures Manual Update

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

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

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

13. Review of 2021 Port Commission Standing Committees

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

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

14. 2021 Port District Priorities

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

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

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

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

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

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

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

INFORMATION

16. Port Director's Report

Santa Cruz Yacht Club (SCYC) Junior Sailing Program

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

Rate of Shoaling – Harbor Entrance

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

PNC – BBVA Compass Bank Merger

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

Aldo's Restaurant

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

FEMA Disaster Assistance Grant

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

Army Civil Works Program – Fiscal Year 2021 Work Plan

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

Twin Lakes Standby Generator

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

Facilities Maintenance Engineering (FME) Manager Recruitment

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

Claims

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

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

California Maritime Infrastructure Authority

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

17. Harbormaster's Report

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

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

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

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

18. Financial Reports

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

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

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

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

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

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

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

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

Toby Goddard, Chairman



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: February 17, 2021
SUBJECT: Approval of Month-to-Month Rental Agreement at Santa Cruz Harbor Boatyard
(Tenant: Michael Podorson)

Recommendation: Approve month-to-month rental agreement.

Boatyard contractor, Michael Podorson, has requested to rent storage space at the boatyard for supplies, tools, and equipment storage. The storage shed space is approximately 8' by 3' (24 SF) and is only accessible during boatyard operating hours when boatyard personnel are present. No work is permitted to be performed inside the premises. Mr. Podorson is amenable to this arrangement.

Staff recommends approval of the rental agreement, outlined below.

Tenant: Michael Podorson
Term: Month-to-Month
Rent: \$42.48/month (\$1.77/SF)
Use: Storage Shed
Space: 8' x 3' (24 SF)
Security Deposit: Equivalent to one month's rent (\$42.48)
Insurance: \$1 million, with Santa Cruz Port District named as additional insured
Utilities: 1% the total monthly cost of PG&E

ATTACHMENTS: A. Rental Agreement – Michael Podorson

**SANTA CRUZ PORT DISTRICT
RENTAL AGREEMENT**

THIS AGREEMENT is made and entered into as of the Agreement date in Section 1, by and between the SANTA CRUZ PORT DISTRICT COMMISSION, a political subdivision, 135 5th Avenue, Santa Cruz, California, 95062, hereafter referred to as "Landlord," and Tenant indicated in Section 1, hereafter referred to as "Tenant."

RECITALS:

A. Landlord is the owner of that certain real property described in Section 1 and located in the City and County of Santa Cruz, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Property").

B. Landlord desires to rent to Tenant and Tenant wishes to rent from Landlord the land and improvements as indicated in Exhibit A and described in Section 1 (the "Premises").

NOW, THEREFORE, in furtherance of the foregoing, and in consideration of the mutual covenants contained herein, Landlord and Tenant hereby agree as follows:

1. Rental of Premises. Landlord hereby rents the Premises to Tenant, and Tenant rents the Premises from Landlord, for the term, at the rental, and upon the other terms and conditions summarized in this Section and more fully described in subsequent sections:

Agreement Date:	March 1, 2021	Term:	Month-to-Month
Tenant:	Michael Podorson,		
Property:	Santa Cruz Harbor Boatyard- 495 Lake Ave Santa Cruz CA 95062		
Premises:	Storage Shed (8' x 3', 24 SF) (EXHIBIT 'A')		

	<i>Fixed Minimum</i>	<i>Time Period</i>	<i>Percentage Rent</i>	<i>Based On</i>
Rent:	\$42.48	per month	N/A	N/A

Rent Payable:	Monthly	on:	the 1 st	starting:	March 1, 2021
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Rent Adjusted:	annually	on:	April 1	based on:	SF Bay Area CPI
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Deposit:	\$42.48	paid:	
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Use: Storage of tools and supplies. No hazardous materials may be stored. No work to be performed inside the premises. Access is limited to Boatyard hours of operation and no after-hours access will be permitted. Tenant shall ensure that landlord has full access to storage room and utilities therein at all times. Locks shall not be installed or changed without prior approval by landlord. No items for resale shall be stored. Storage is limited to 10 gallons or less total liquids.

Tenant Insurance Requirements:	<i>Casualty</i> N/A	<i>Liability</i>	\$1 million
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Notice of Rent Adjustment:	30 days	Notice of Termination:	30 days
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Notice Addresses:	<i>Landlord</i>	<i>Tenant</i>
	Santa Cruz Port District	Michael Podorson
	Attn: Port Director	PO Box 2584
	135 5 th Avenue	Santa Cruz, CA 95063
	Santa Cruz, CA 95062	

2. Term. The term of this agreement shall be month-to-month, commencing as of the date indicated in Section 1.

3. Notice of Termination. Landlord or Tenant may terminate this agreement with advance written notice to the other party. Such written notice must be given on the first day of the calendar month and shall be in advance of its effective date by the number of days indicated in Section 1.

4. Rent.

(a) Fixed Minimum Rent. As described in Section 1, Tenant shall pay to Landlord a fixed amount of rent ("Fixed Minimum Rent") which shall be subject to periodic adjustment as described in subparagraph 4(b).

(b) Adjustment of Fixed Minimum Rent. Landlord shall notify Tenant if rent is to be adjusted as indicated in Section 1. Any adjustment shall be effective as indicated in Section 1.

(c) Payment of Fixed Minimum Rent. Fixed Minimum Rent shall be payable as indicated in Section 1, in advance, without notice, offset, or abatement. All rent and other sums payable by Tenant hereunder shall be paid to Landlord in currency of the United States of America (or by personal check unless Landlord otherwise notifies Tenant) at Landlord's address set forth in Paragraph 23 hereof, or at such other place as Landlord may from time to time designate in writing.

(d) Deposit. Tenant shall also pay the amount indicated in Section 1, to be held as security deposit.

5. Use.

(a) Permitted Uses. Tenant shall use the Premises solely for the use indicated in Section 1 and for no other uses whatsoever. Tenant acknowledges that Landlord has made no warranties or representations to Tenant regarding the suitability of the Premises for Tenant's intended use, and Tenant waives all claims against Landlord regarding the suitability of the Premises for Tenant's intended uses. Landlord reserves the right to fix and determine rates charged (per Section 72 H&N).

(b) Roof. Tenant shall have no right to use any portion of the roof of the Building for any purpose.

(c) Continuous Use. Tenant shall continuously and uninterruptedly during the Agreement term, occupy and use the Premises for the purposes permitted under this Agreement.

(d) Hazardous Materials. No goods, merchandise, or materials shall be kept, stored, or sold in such a manner as to create any unusual hazard on the Premises; and no offensive or dangerous trade, business, or occupation shall be conducted thereon, and nothing shall be done on the Premises which will cause an increase in the rate of or cause a suspension or cancellation of the insurance upon the Premises or upon adjacent properties or improvements thereon.

No machinery or apparatus shall be used or operated on the Premises, which will in any way injure the Premises, or adjacent properties or improvements thereon.

Tenant shall indemnify Landlord from any damages suffered by Landlord, including, without limitation, cleanup costs, as a result of the generation, use, storage, transport, or release of hazardous materials by Tenant in, on, or about the Premises or the Property. For the purpose of this Agreement, the term "hazardous materials" shall mean (A) those substances listed in Title 22 section 66680 of the California Administrative Code, (B) substances within the criteria set forth in Title 22 sections 66693 through 66723 of the California Administrative Code, (C) substances which, at any time during the term hereof, are added to the list described in paragraph (A) above or which are within any future criteria described in subparagraph (B) above, (D) petroleum and all byproducts and distillates thereof, and (E) asbestos. Prior to bringing or allowing any hazardous materials to be brought onto the Premise or Property, Tenant shall notify Landlord as to the identity of said materials and the safeguards to be used in connection therewith. Landlord shall be entitled, in its sole discretion, to refuse to allow hazardous materials to be brought onto the Premises or Property. Landlord's consent to the introduction of any hazardous material onto the Property (i) shall not release Tenant from its duty to indemnify Landlord for any damages resulting from such materials, (ii) shall not be deemed to waive Landlord's right to disapprove of any subsequent introductions of hazardous materials onto the Property whether of the same or of a different nature than the material to which Landlord consented, and (iii) may be revoked at any time, in Landlord's sole discretion, whereupon Tenant shall remove such materials from the Property within five (5) days of receipt of Landlord's demand for removal. In all events, if any hazardous materials become located upon the Property for any reason other than as consented to by Landlord in accordance with the foregoing procedure; Tenant shall immediately notify Landlord as to the same.

(e) Effect on Navigable Waters. Under federal law, no construction, installation, dredging, filling, or other activity, which would have an effect on navigation, may be conducted in or adjoining navigable waters without a permit therefore first being issued by the Secretary of the Army. The Port Director determines whether any proposed facility of Tenant may be construed to have an effect on navigation. In the event the Port Director so determines, Tenant shall prepare at its expense a permit application for submittal by Landlord in Landlord's name to the Corps of Engineers, United States Army. The permit application shall be prepared in strict conformity with regulations published by the United States Army.

(f) Non-permitted Uses. Tenant shall not permit the Premises to be used for any purpose not described in Paragraph 5(a) or for any unlawful purpose; and Tenant shall not perform, permit, or suffer any act of omission or commission upon or about the Premises which would result in a nuisance or a violation of the laws and ordinances of the United States, State of California, or City of Santa Cruz, as the same may be now or hereafter in force and effect. Without limiting the generality of the foregoing, Tenant specifically agrees not to cause or permit generation of unreasonable levels of noise from other sources, which might disturb liveaboard slip licensees, or residential neighbors of the Port District from 9:00 pm until 6:00 am each day during the lease term. Tenant further specifically agrees to prevent emission from the Premises into the air of any smoke or other noxious substances, or any odors reasonably deemed offensive to personnel of Landlord, liveaboard slip licensees or residential neighbors of the Port District.

(g) Compliance with Laws. Tenant shall abide by all applicable rules, codes, regulations, resolutions, ordinances and statutes of Landlord, the City of Santa Cruz, County of Santa Cruz, California Coastal Commission, State of California, or other governmental body where applicable, respecting the use, operation, maintenance, repair or improvement of the Premises and equipment therein, and shall pay for any and all licenses or permits required in connection with the use, operation, maintenance, repair, or improvement of the Premises.

6. Ownership of Improvements. All structures, buildings, improvements, additions, and fixtures now existing or hereafter constructed, erected, or installed in or upon the Premises, and all alterations and additions thereto, shall be deemed a part of the Premises and title thereto shall be deemed vested in and remain in Landlord during the agreement term, and upon expiration or sooner termination of the agreement term shall remain upon and be surrendered with the Premises as part thereof.

7. Construction of Improvements.

(a) No Landlord Improvements. Landlord shall not be obligated to install or construct any improvements, additions, or alterations (collectively called "improvements") on the Premises during the agreement term.

(b) Tenant Improvements. Tenant may, at Tenant's expense, construct certain new additions and improvements to the Premises required in connection with the conduct of Tenant's business; provided, (a) that Tenant shall obtain, at Tenant's expense, all necessary plans and specifications for the construction of said additions and improvements, (2) that Tenant's plans and specifications shall be subject to review and prior written approval by Landlord, and (3) that Tenant shall be responsible for obtaining, at Tenant's expense, all necessary governmental permits and approvals for construction of any new additions or improvements to the Premises.

(c) Liens. Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant. Tenant shall indemnify and hold Landlord harmless against liability, loss, damage, cost, and all other expenses (including but without limitation, attorneys' fees) arising out of claims of lien for work performed or materials or supplies furnished at the request of Tenant or persons claiming under Tenant.

8. Taxes and Assessments.

(a) Payable by Tenant. Tenant shall pay directly to the taxing authority during each year or partial year during the term hereof, all real and personal property taxes, general and special assessments, use and possessory taxes, environmental protection charges, and other charges of every kind or description whatsoever, foreseen or unforeseen, levied on or assessed against the Premises, improvements or personal property therein, the leasehold estate or any personal property therein, the leasehold estate or any subleasehold estate permitted by Landlord. Tenant shall pay each installment of such taxes and assessments prior to the date such installment becomes delinquent. The taxes and assessments to be paid by Tenant hereunder shall be prorated at the end of the agreement term, in order that Tenant will pay only the proportionate part of said taxes and assessments attributable to the period of the agreement term, based on the ratio of the unit's square feet to the building's total square feet.

(b) Substitute Taxes. If at any time during the agreement, under the laws of the United States of America, the State of California, or any political subdivision thereof in which the Premises are located, a tax on rent or other charge by whatever name called, is levied, assessed, or imposed against Landlord, or against the rent payable hereunder to Landlord, as a substitute in whole or in part for any of the taxes described in Paragraph 8(a), Tenant, to the extent such substitute tax or other charge relieves Tenant from the payment of taxes provided for herein, shall pay such tax or other charge in the manner provided in this Paragraph 8.

9. Insurance.

(a) Casualty Insurance. If indicated in Section 1, Landlord shall, at Tenant's expense, procure and maintain in full force and effect at all times during the term of this agreement, fire, and extended coverage insurance satisfactory to Landlord covering the Premises and all improvements therein in an amount not less than ninety percent (90%) of the actual replacement cost thereof. The insurance provided for in this Paragraph 9(a) shall, in Landlord's sole discretion, provide protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk), including earthquake, and loss of rents covering Fixed Minimum Rent for a period of up to twelve (12) months, and shall contain an inflation endorsement. Insurance proceeds thereunder shall be payable to Landlord. Landlord shall have no obligation to insure against loss by Tenant to Tenant's leasehold improvements, fixtures, furniture, or other personal property in or about the Premises occurring from any cause whatsoever and Tenant shall have no interest in the proceeds of any insurance carried by Landlord. Landlord shall be entitled to carry any such insurance in the form of a blanket policy covering property in addition to the Premises. Tenant shall reimburse Landlord upon demand for its share of the cost to Landlord of any insurance policy or policies, which Landlord may carry on the Premises in accordance with this paragraph. Such costs shall include both premiums and deductibles. Tenant's share of the cost of such insurance shall be a prorated share based upon the portion of the building square footage contained within the Premises, or if in Landlord's reasonable judgment the foregoing square footage based apportionment does not fairly apportion the insurance costs related to the building, Landlord may adjust such insurance costs as appropriate to reflect any disparity in risk level or other factors which may affect the relative cost of insurance between and among all tenants of the building; as to any blanket policy of insurance covering properties other than the building, the portion of insurance costs allocable to the building shall be as equitably determined by Landlord. The premiums for such insurance of Landlord shall be prorated as of the expiration of the agreement term so that Tenant pays only for insurance coverage attributable to the agreement term.

(b) Liability Insurance. Tenant, at Tenant's sole expense, shall provide and keep in force at all times during the term of this agreement for the benefit of Landlord and Tenant general liability insurance policies with an insurance company reasonably satisfactory to Landlord, protecting Landlord and Tenant against any and all liability occasioned by any occurrence in, on, about, or related to the Premises in an amount not less than the amount indicated in Section 1, single combined limit for personal injury and property damage. Tenant shall cause Landlord to be named as an additional insured under such policy. (EXHIBIT 'B')

(c) Workers' Compensation Insurance. Tenant shall procure, at its own expense, and shall keep in force during the agreement term, adequate insurance against liability arising on account of injuries or death to workers or employees on the Premises. Such workers' compensation insurance shall be in amounts at least equal to the maximum liability of Tenant, its agents, and contractors under the Workers' Compensation Insurance and Safety Act of the State of California or other applicable laws.

(d) Other Insurance. Tenant shall procure, at its sole cost and expense, and shall keep in force, such other insurance in amounts from time to time reasonably required by Landlord against other insurable risks if at the time they are commonly insured against for business operations similar to that of Tenant.

(e) Written Notice of Cancellation or Reduction. Each policy of insurance, which Tenant is required to procure and maintain in effect, shall contain the following clause:

"It is agreed that this policy shall not be cancelled nor the coverage reduced until thirty (30) days after the Port Director of Santa Cruz Port District shall have received written notice of such cancellation or reduction. The notice shall be sent by certified or registered mail and shall be deemed effective the date delivered to said Port Director, as evidenced by properly validated return receipt."

(f) Waiver of Subrogation. Tenant and Landlord each hereby waives any and all rights of recovery against the other, and against the officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage to the extent of the insurance proceeds actually paid in connection therewith. Tenant and Landlord shall, upon obtaining any of the policies of insurance required or desired hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of rights of recovery is contained in this agreement, and shall each use their best efforts to cause the insurer for each such policy to waive in writing any rights of subrogation it may have against the other party.

(g) Submittal of Policies. Tenant agrees to deposit with Landlord, at or before the times at which the insurance policies necessary to satisfy the insurance provisions of this agreement are required to be in effect, a copy of each such policy or policies required hereunder and to keep such insurance in effect and the policy or policies therefore on deposit with Landlord during the entire term of this agreement.

(h) Review of Coverage. Landlord shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of Landlord, the insurance provisions in this agreement do not provide adequate protection for Landlord and for members of the public using the Premises, Landlord may require Tenant to obtain (or may obtain at Tenant's expense) insurance sufficient in coverage, form and amount to provide adequate protection. Landlord's requirements shall be reasonable but shall be designed to assure protection from and against the kind and extent of the risks, which exist at the time a change in insurance is required.

Landlord shall give Tenant written notice of changes in the insurance requirement and Tenant shall deposit copies of acceptable insurance policies with Landlord incorporating such changes within sixty (60) days following receipt of such notice.

The procuring of such required policy or policies of insurance shall not be construed to limit Tenant's liability hereunder nor to fulfill the indemnification provisions and requirements of this agreement. Notwithstanding said policy or policies or insurance, Tenant shall be obligated for the full and total amount of any damage, injury, or loss caused by Tenant's negligence or neglect connected with this agreement or with use or occupancy of the Premises.

(i) Landlord's Remedies. In case of failure on the part of Tenant to procure or to maintain in effect any insurance which Tenant is required to carry as provided in this Paragraph 9, Landlord may at its discretion, and in addition to any other remedies it may have upon failure of Tenant to procure or to maintain in effect any insurance which Tenant is required to carry as provided in this Paragraph 9, procure or renew such insurance and pay any and all premiums therefore and all monies so paid by Landlord shall be repaid by Tenant to Landlord upon demand.

10. Indemnification.

(a) Tenant's Hold Harmless. Tenant hereby indemnifies Landlord against and holds Landlord harmless from any and all claims, damage, cost, liability, or expense, including but not limited to attorneys' fees and costs of suit, resulting from or arising out of Tenant's use of the Premises, Tenant's default in the performance of any obligation of Tenant under this agreement, any act or failure to act of Tenant or any employees, agents, contractors, customers, or other invitees of Tenant occurring in or about the Premises, or construction of any improvements by Tenant in the Premises. Such indemnification specifically includes without limitation any damage to property or injury or death to any person arising from the use of the Premises by Tenant or from the failure of Tenant to keep the Premises in good condition, order, and repair. Tenant expressly agrees to exercise due care in the handling of fuel or any other flammable materials in, on, or around the Premises. Tenant shall maintain on the Premises adequate firefighting equipment, which shall remain under the use, control, maintenance, and repair of Tenant.

(b) Tenant's Waiver of Claims. Tenant hereby waives all claims against Landlord for damage to any property, goods, wares, or merchandise of Tenant stored in, upon, or about the Premises, and for injury to persons in, upon, or about the Premises from any cause whatsoever arising at any time, except as may be caused by the active negligence or willful misconduct of Landlord. Landlord shall not be liable to Tenant for any damage caused by any act or negligence of any person, other than Landlord's personnel, in, upon, or about the Premises, whether a customer of Tenant or otherwise. Tenant expressly waives any claims against Landlord for damage to Tenant's business on the Premises or loss of goodwill or any other damage to Tenant arising from complete or partial closure of the Santa Cruz Harbor at any time and from time to time, whether such closure shall result from inclement weather, excess deposits of sand in the harbor, or any other reason whatsoever. Landlord shall have no obligation or responsibility to dredge the entrance channel of the Santa Cruz Harbor.

11. Maintenance and Repairs.

(a) Tenant's Obligations. Subject to Paragraph 15 below relating to damage and destruction, and subject to Landlord's maintenance responsibilities set forth in Paragraph 11(c) below, through the term of this agreement Tenant shall, at Tenant's sole cost and expense, maintain the Premises and every part thereof, and all fixtures, machinery and equipment located in or on the Premises and utilized in the conduct of Tenant's business in first class condition, order and repair, and in accordance with all applicable laws, rules, ordinances, orders and regulations of (1) municipal, county, state, federal, and other governmental agencies and bodies having or claiming jurisdiction of the Premises and all their respective departments, bureaus, and officials; and (2) all insurance companies insuring all or any part of the Premises or improves or both. For purposes of this paragraph, the obligation to repair includes the obligation to replace as and when reasonably necessary. Tenant hereby waives such rights as it may have under California Civil Code Sections 1941 and 1942 and any similar or successor laws that permit a tenant to perform repairs and offset the cost thereof against rent.

(b) Outside Areas. Tenant acknowledges that the cleanliness and neat and attractive appearance of the interior and exterior of the Building and all other areas of the Premises are a material concern of Landlord. Accordingly, Tenant shall continuously exercise diligence throughout the agreement term in keeping the Premises and the Outside Area in a neat, clean, sanitary, and attractive condition. Tenant shall arrange for regular and prompt disposal of garbage generated by Tenant's operations on the Premises, and shall not permit garbage or refuse to accumulate in or around the Premises. Tenant shall not cause or permit offensive odors to emanate from the Premises.

(c) Landlord's Obligations. Notwithstanding anything to the contrary contained in this Paragraph 11, and subject to the provisions of Paragraph 15 below relating to damage and destruction, Landlord shall maintain in good condition, order and repair the parking area upon the Property, the heating, ventilation and air conditioning equipment, if any, servicing the Premises, and the structural portions of the Building, including the roof, walls and foundation of the Building, except to the extent any such maintenance is necessitated by damages due to the negligence or greater culpability of Tenant, its agents, employees or invitees. Landlord shall have no obligation to maintain or repair under this Paragraph 11(c) until a reasonable period of time after receipt by Landlord of notice from Tenant of the need therefore, specifying the nature of the maintenance or repair needed.

12. Utilities. Tenant shall pay promptly as the same become due and payable its pro rata share of all bills and costs for water, gas, electricity, refuse pickup, sewer service charges, and any other utilities or services supplied to the Premises as indicated in Section 1. Tenant shall pay its pro rata share of utilities within five (5) days of receiving notice from Landlord as to the amount thereof. The parties hereby agree that Tenant's pro rata share of said utility costs shall be reasonably calculated by Landlord and conveyed to Tenant. In no event shall Landlord be liable to Tenant for any interruption or failure of any utility services to the Premises.

13. Assignment and Subletting.

(a) Landlord's Consent Required. Tenant shall not assign, sublease, mortgage, pledge, hypothecate, encumber, or transfer the Premises or any part thereof, or this agreement or any rights or obligations hereunder without Landlord's written consent.

(b) Incorporation of Terms. Should Landlord consent to any Transfer such consent shall not constitute a waiver of any of the terms, covenants, or conditions of this agreement. Such terms, covenants, or conditions shall apply to each and every transfer hereunder and shall be severally binding upon each and every encumbrancer, assignee, transferee, subtenant, or other successor in interest of tenant. Any document to mortgage, pledge, hypothecate, encumber, transfer, sublet, or assign the Premises or any part thereof shall incorporate directly or by reference all the provisions of this agreement.

14. Damage or Destruction.

(a) Partial Damage-Insured. Subject to the provisions of Paragraphs 15(c) and 15(d), if the Premises or any improvements therein are damaged, such damage involves damage to the building to the extent of less than eighty percent (80%) of the then replacement value thereof (excluding excavations and foundations of the building), such damage was caused by an act or casualty covered under an insurance policy provided for in Paragraph 9, and the proceeds of such insurance received by Landlord are sufficient to repair the damage, Landlord shall at Landlord's expense repair such damage as soon as reasonably possible and this agreement shall continue in full force and effect.

(b) Partial Damage-Uninsured. Subject to the provisions of Paragraphs 15(c) and 15(d), if at any time during the term hereof the Premises or any improvements are damaged, such damage involves damage to the Building to the extent of less than eighty percent (80%) of the then replacement value thereof (excluding excavations and foundations of the building), and the insurance proceeds received by Landlord are not sufficient to repair such damage, or such damage was caused by an act or casualty not covered under an insurance policy, Landlord may at Landlord's option either (a) repair such damage as soon as reasonably possible at Landlord's expense, in which event this continue in full

force and effect, or (b) give written notice to Tenant within thirty (30) days after the date of the occurrence of such damage of Landlord's intention to cancel and terminate this agreement as of the date of the occurrence of such damage.

(c) Total Destruction. If at any time during the term hereof either the Premises or the improvements contained therein are damaged from any cause, whether or not covered by the insurance provided for in Paragraph 9, and such damage involves damage to the Building to the extent of eighty percent (80%) or more of the replacement value thereof (excluding excavations and foundations of the Building), including any total destruction required by any authorized public authority, this Lease shall at the option of Landlord terminate as of the date of such total destruction. Landlord shall exercise its right to terminate this agreement by delivery of notice to Tenant within thirty (30) days after the date that Tenant notifies Landlord of the occurrence of such damage. In the event Landlord does not elect to terminate this agreement, Landlord shall at Landlord's expense repair such damage as soon as reasonably possible, and this Lease shall continue in full force and effect.

(d) Damage Near End of Term. If the Premises or the improvements therein are destroyed or damaged in whole or part during the last six (6) months of the term of this agreement, Landlord may at Landlord's option cancel and terminate this agreement as of the date of occurrence of such damage by giving written notice to Tenant of Landlord's election to do so within thirty (30) days after the date of occurrence of such damage.

(e) Abatement of Rent. Notwithstanding anything to the contrary contained elsewhere in this Lease, if the Premises are partially damaged and Landlord repairs or restores them pursuant to the provisions of this agreement Paragraph 14, the Fixed Minimum Rent payable hereunder for the period commencing on the occurrence of such damage and ending upon completion of such repair or restoration shall be abated in proportion to the degree to which Tenant's use of the Premises is impaired during the period of repair; provided that, nothing herein shall be construed to preclude Landlord from being entitled to collect the full amount of any rental loss insurance proceeds if such rental loss insurance is then carried with respect to the Premises. Except for abatement of rent, if any, Tenant shall have no claim against Landlord for any damage suffered by reason of any such damage, destruction, repair, or restoration.

(f) Waiver. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4), and any similar or successor statutes relating to termination of agreement when the agreement term is substantially or entirely destroyed, and agrees that such event shall be governed by the terms of this agreement.

(g) Tenant's Property. Landlord's obligation to rebuild or restore shall not include restoration of Tenant's equipment, merchandise, or any improvements, alterations or additions made by Tenant to the Premises.

(h) Notice of Damage. Tenant shall notify Landlord within five (5) days after the occurrence thereof of any damage to all or any portion of the Premises. In no event shall Landlord have any obligation to repair or restore the Premises pursuant to this Paragraph 14 until a reasonable period of time after Landlord's receipt of notice from Tenant of the nature and scope of any damage to the Premises, and a reasonable period of time to collect insurance proceeds arising from such damage (unless such damage is clearly not covered by insurance then in effect covering the Premises).

(i) Replacement Cost. The determination in good faith by Landlord of the estimated cost of repair of any damage, or of the replacement cost, shall be conclusive for purposes of this Paragraph 14.

15. Eminent Domain.

(a) Termination. In the event the whole or any part of the Premises is condemned in the lawful exercise of the power of eminent domain by any public entity, then this agreement shall terminate as to the part condemned on the date possession of that part is taken.

(b) Partial Taking Renders Economically Unfeasible. If only a part of the Premises is condemned, but such taking makes it economically unfeasible for Tenant to use the remainder of the Premises for the purposes contemplated by this agreement, then Tenant may, at its option, terminate this agreement as of the date possession of the condemned part is taken by giving written notice to Landlord of its intention within thirty (30) days following the date said possession is taken.

(c) Partial Taking with Business Continued. If only part of the Premises is condemned and this agreement terminated as set forth above, then this Lease shall, as to the condemned portion of the Premises, terminate as of the date possession of such portion is taken. The Fixed Minimum Rent shall thereupon be reduced in the same proportion that the area of the Premises taken bears to the initial total area of the Premises. Fixed Minimum Rent, as so reduced, shall continue to be subject to adjustment in accordance with Paragraph 4 hereof.

(d) Repairs. Tenant shall, at its sole cost and expense and in a prompt and expeditious manner, make all necessary repairs or alterations to the remainder of the Premises so as to make them reasonably suitable for Tenant's continued occupancy for those uses and purposes contemplated by this agreement.

(e) Compensation. All compensation awarded or paid upon the total or partial taking of the fee title to the Premises or part of the Premises, or for the taking of all or any portion of the Premises, shall belong to Landlord. The Building and other improvements made by Landlord on the Premises at Landlord's expense shall belong to Landlord. Landlord shall not be entitled to any compensation paid to Tenant for costs incurred by Tenant in removing its furniture, equipment, and trade fixtures from the condemned Premises.

16. Tenant Default. Tenant shall be deemed in default under this agreement upon occurrence of any of the following:

(a) Tenant Default

(1) Tenant fails to pay a monetary sum when due under this Lease (provided that Tenant shall not be deemed in default if Tenant pays such sum within ten (10) days after notice from Landlord that such sum is overdue; and provided further that, Tenant shall not be entitled to any such ten (10) day grace period or notice and shall be deemed in default immediately upon failure to so pay when due if Landlord has already delivered two notices of overdue payments within the immediately preceding twelve (12) month period;

(2) Tenant fails to perform any of its other obligations under this agreement provided that, if such failure is of the nature that it may be cured, Tenant shall not be deemed in default if Tenant cures such failure within twenty (20) days after notice from Landlord of such failure;

(3) Tenant's interest in the Premises or the Lease, or any part thereof, is assigned or transferred, either voluntarily or by operation of law (except as expressly permitted by other provisions of this agreement), including, without limitation, the filing of an action by or against Tenant, or by any member of Tenant if Tenant is a partnership or joint venture, under any insolvency or bankruptcy laws, or if Tenant makes a general assignment for the benefit of its creditors, or;

(4) Tenant vacates, abandons, or surrenders the Premises during the agreement term. In the event of a default by Tenant under this agreement, Landlord may pursue such remedies as it may have for such default under law or in equity, including but not limited to the remedies set forth below.

(b) Repossession. Landlord may repossess the Premises and remove all persons and property therefrom. If Landlord repossesses the Premises because of a breach of this Lease, this agreement shall terminate and Landlord may recover from Tenant:

(1) the worth at the time of award of the unpaid rent, which had been earned at the time of termination including interest at ten percent (10%) per annum;

(2) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided including interest at ten percent (10%) per annum;

(3) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided, computed by discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%); and

(4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this agreement or which in the ordinary course of things would be likely to result therefrom.

(c) No repossession. If Landlord does not repossess the Premises, then this agreement shall continue in effect for so long as Landlord does not terminate Tenant's right to possession and Landlord may enforce all of its rights and remedies under this agreement, including the right to recover the rent and other sums due from Tenant hereunder. For the purposes of this Paragraph 16, the following do not constitute a termination of Tenant's right to possession:

(1) Acts of maintenance or preservation by Landlord or efforts by landlord to relent the Premises; or

(2) The appointment of a receiver by landlord to protect Landlord's interest under this agreement.

17. Attorneys' Fees. If any action at law or in equity shall be brought to recover any rent under this Lease, or for or on account of any breach of or to enforce or interpret any of the terms, covenants, agreements, or conditions of this agreement or for the recovery of the possession of the Premises, the prevailing party shall be entitled to recover from the other party, as a part of the

prevailing party's costs, reasonable attorneys' fees, the amount of which shall be fixed by the court and shall be made a part of any judgement rendered. "Prevailing party" within the meaning of this paragraph shall include, without limitation, a party who brings an action against the other party after the other party's breach or default, if such action is settled or dismissed upon the payment by the other party of the sums allegedly due or performance of the covenants allegedly breached or the plaintiff obtains substantially the relief sought by it in the action.

18. Removal of Property. Tenant hereby irrevocably appoints Landlord as agent and attorney in fact of Tenant to enter upon the Premises in the event of a default by Tenant in the payment of any rent herein reserved, or in the performance of any term, covenant, or condition herein contained to be kept or performed by Tenant, and to remove any and all furniture and personal property whatsoever situated upon the Premises, and to place such property in storage for the account of and at the expense of Tenant. In the event that Tenant shall not pay the cost of storing any such property after the property has been stored for a period of ninety (90) days or more, Landlord may sell any or all of such property, at public or private sale, in such manner and at such times and places as Landlord in its sole discretion may deem proper, without notice to Tenant or any demand upon Tenant for the payment of any part of such charge or the removal of any such property and shall apply the proceeds of such sale first to the costs and expenses of such sale, including reasonable attorneys' fees actually incurred; second, to the payment of the costs of any other sums of money which may then or thereafter be due to Landlord from Tenant under any of the terms hereof; and fourth, the balance, if any, to Tenant.

19. Subordination.

(a) Subordination of Lease. This agreement at Landlord's option shall be subordinate to any mortgage, deed of trust, or any other hypothecation for security now or hereafter placed upon all or any portion of the Premises and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding such subordination, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the rent, observe, and perform all of the provisions of this agreement unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee or trustee shall elect to have this agreement prior to the lien of its mortgage or deed of trust, and shall give written notice thereof to Tenant, this agreement shall be deemed prior to such mortgage or deed of trust, whether this agreement is dated prior or subsequent to the date of said mortgage or deed of trust or the date of recording thereof.

(b) Execution of Documents. Tenant agrees to execute any documents required to effectuate such subordination or to make this agreement prior to the lien of any mortgage or deed of trust, as the case may be, and failing to do so within ten (10) days after written demand, does hereby make, constitute and irrevocably appoint Landlord as Tenant's attorney in fact and in Tenant's name, place and stead, to do so.

20. Landlord's Right to Reenter.

(a) Peaceable Surrender. Tenant agrees to yield and peaceably deliver possession of the Premises to Landlord on the date of termination of this agreement regardless of the reason for such termination. Upon giving written notice of termination to Tenant, Landlord shall have the right to reenter and take possession of the Premises on the date such termination becomes effective without further notice of any kind and without institution of summary or regular legal proceedings. Termination of the agreement and reentry of any Premises by Landlord shall in no way alter or diminish any obligation of Tenant under the Lease terms and shall not constitute an acceptance or surrender.

(b) Waiver of Redemption and Stipulated Damages. Tenant waives any and all right of redemption under any existing or future law or statute in the event of eviction from or dispossession of the Premises for any reason or in the event, Landlord reenters and takes possession of the Premises in a lawful manner.

21. Notices. All notices, statements, demands, requests, approvals or consents given hereunder by either party to the other party shall be in writing and shall be sufficiently given and served upon the other party if served personally or if sent by first class mail of the United States Postal Service, certified, return receipt requested, postage prepaid, and addressed to the parties as indicated in Section 1, or to such other address as any party may have furnished to the others as a place for the service of notice. Notices sent by mail shall be deemed served on the date actually received, as indicated on the return receipt.

23. No Commission. Landlord and Tenant each agree that Landlord and Tenant, respectively, have not had any dealings with any realtor, broker, or agent in connection with the execution of this agreement. Tenant shall pay the commission or compensation payable to any agent or broker employed by Tenant in connection with the execution of this agreement.

24. Waiver. The waiver by Landlord or Tenant of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this agreement, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. Landlord's acceptance of partial payments of rent or any other sum due hereunder shall not be deemed a waiver of its right to recover the full amount of such payment and shall not be deemed an accord and satisfaction whether or not the amount due is disputed by the parties.

25. Holding Over. Any holding over after the expiration of the term with the consent of Landlord shall be construed to be a tenancy from month to month on the same terms and conditions specified herein so far as applicable.

26. Parking. Tenant acknowledges that all parking areas and all other common areas within the Santa Cruz Small Craft Harbor shall remain under the operation and control of Landlord. The manner in which such areas and facilities are operated and maintained shall be at the sole discretion of Landlord, and the use of such areas and facilities shall be subject to such rules and regulations as Landlord shall make from time to time. Landlord shall have the right to regulate access and parking and to install parking meters in such parking areas.

27. Non-Discrimination. Tenant agrees in the conduct of Tenant's business not to discriminate against any person or class of persons by reason of sex, race, creed, national origin, age, or physical condition. Tenant shall make its accommodations and services available to all persons on equal and reasonable terms.

28. Entry by Landlord. Landlord and its agents shall be entitled to enter into and upon the Premises at all reasonable times, upon reasonable notice (except in the case of an emergency, in which event no notice shall be required), for purposes of inspecting or making repairs, alterations or additions to all or any portion thereof, or any other part of the Building, including the erection and

maintenance of such scaffolding, canopies, fences and props as may be required, or for the purpose of posting notices of non-responsibility for alterations, additions, or repairs, and during the one hundred eighty (180) day period prior to the expiration of this agreement to place upon the Premises any usual or ordinary "for rent" signs and exhibit the Premises to prospective tenants at reasonable hours, all without any abatement of rent and without liability to Tenant for any injury or inconvenience to or interference with Tenant's business, quiet enjoyment of the Premises, or any other loss occasioned thereby.

29. General.

(a) Entire Agreement. This agreement contains all of the terms, covenants, and conditions agreed to by Landlord and Tenant and it may not be modified orally or in any manner other than by an agreement in writing signed by all of the parties to this agreement or their respective successors in interest.

(b) Covenants and Conditions. Each term and each provision of this agreement performable by Tenant shall be construed to be both a covenant and a condition, all of which conditions shall be for the sole benefit of Landlord.

(c) Binding on Successors. The covenants and conditions hereof, subject to the provisions as to subletting and assignment, shall apply to and bind the heirs, successors, executors, administrators, sublessees, and assigns to the parties.

(d) Joint and Several Liability. All persons who have signed this agreement shall be jointly and severally liable hereunder.

(e) Gender. When the context of this agreement requires, the masculine gender includes the feminine, a corporation, or a partnership, and the singular number includes the plural.

(f) Captions. The captions of the numbered and lettered paragraphs of this agreement are for convenience only and are not a part of this agreement and do not in any way limit or amplify the terms and provisions of this agreement.

(g) Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of California.

(h) Time of Essence. Time is of the essence as to all of the provisions of this agreement.

(i) Partial Invalidity. If any term, covenant, condition, or provision of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

(j) Relationship. Tenant shall not be an agent of Landlord for any purpose, and nothing in this agreement shall be deemed to create a partnership relationship between Tenant and Landlord.

(k) No Recordation. Tenant shall not record either this Agreement or a short form memorandum of this agreement.

(l) Calendar Days. All references herein to "days" shall mean calendar days unless otherwise stated.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first above written.

"LANDLORD"

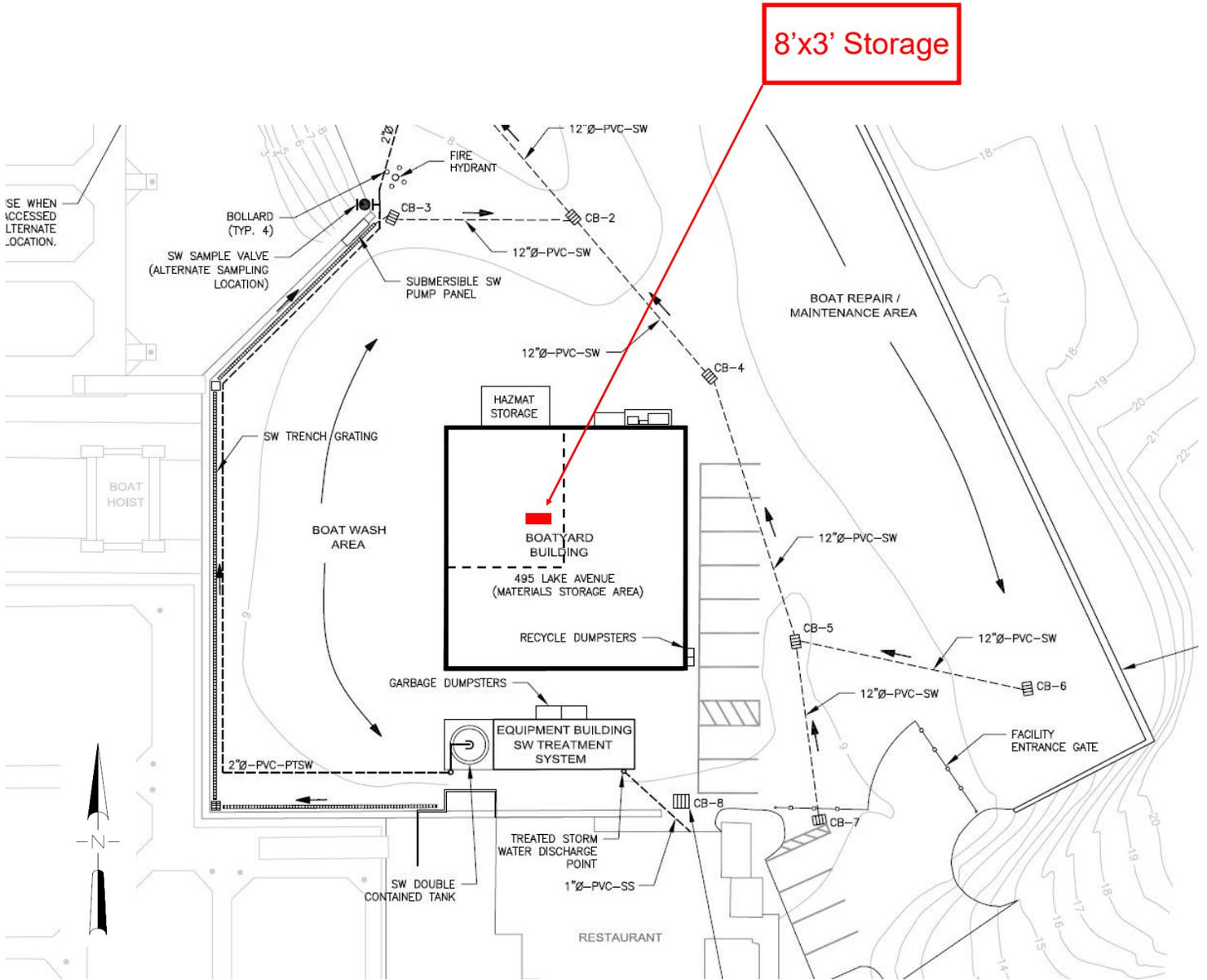
SANTA CRUZ PORT DISTRICT
COMMISSION,
a political subdivision

By _____
Marian Olin, Port Director

"TENANT"

By _____
Michael Podorson

EXHIBIT 'A'
495 LAKE AVENUE
PREMISES MAP





TO: Port Commission
FROM: Marian Olin, Port Director
DATE: February 17, 2021
SUBJECT: Approval of the FY22 Budget and Capital Improvement Plan

Recommendation: Approve the FY22 budget and capital improvement projects.

BACKGROUND

The Port Commission reviewed the draft FY22 budget and proposed list of capital improvement projects (CIP) at their special public budget session on February 9, 2021, including a review of the current year budget (FY21) projections.

Due to impacts from the Coronavirus pandemic, revenue in the current budget year (FY21) is projected to be underbudget by approximately \$360,000, though anticipated revenue losses are projected to be offset by expenditure savings resulting from reduced staffing levels and expense savings across all budgetary programs. Net income in FY21, including depreciation and capitalized expense, is projected at -\$374,469.

The draft FY22 budget was prepared against the backdrop of the Coronavirus pandemic, balancing an anticipated continuing reduction in concession rents against expenditures, without a marina fee increase. The draft budget document presented at the special public session of February 9, had been revised from earlier versions to further cut expenses, capital outlay and contributions to the Dredge Intermediate Fund and Capital Improvement Plan in response to another unanticipated revenue shortfall, due to the U.S. Army Corps of Engineers not programming the Port District's \$385,000 annual dredging reimbursement in its federal FY21 work plan.

As part of its review of the draft FY22 budget, the Port Commission directed staff to restore funding for the highest priority capital projects and proposed \$100,000 in new funding for the Dredge Intermediate Fund. The draft FY22 budget does not include a marina fee increase. Tenant rents will adjust by CPI (+2%), in accordance with existing lease agreements.

The budget worksheet, Capital Improvement Plan and Projected Fund Balance documents have been revised accordingly.

ANALYSIS

Despite revenue losses in the current year, the FY21 budget is projected to meet and exceed its debt service requirements required by loan agreements with BBVA Compass Bank.

By reducing operating expenses in services and supplies across all budgetary programs, the draft FY22 budget is projected to just meet debt service requirements, which require that the Port District prescribe and collect fees for services at least equal to 125% of debt service.

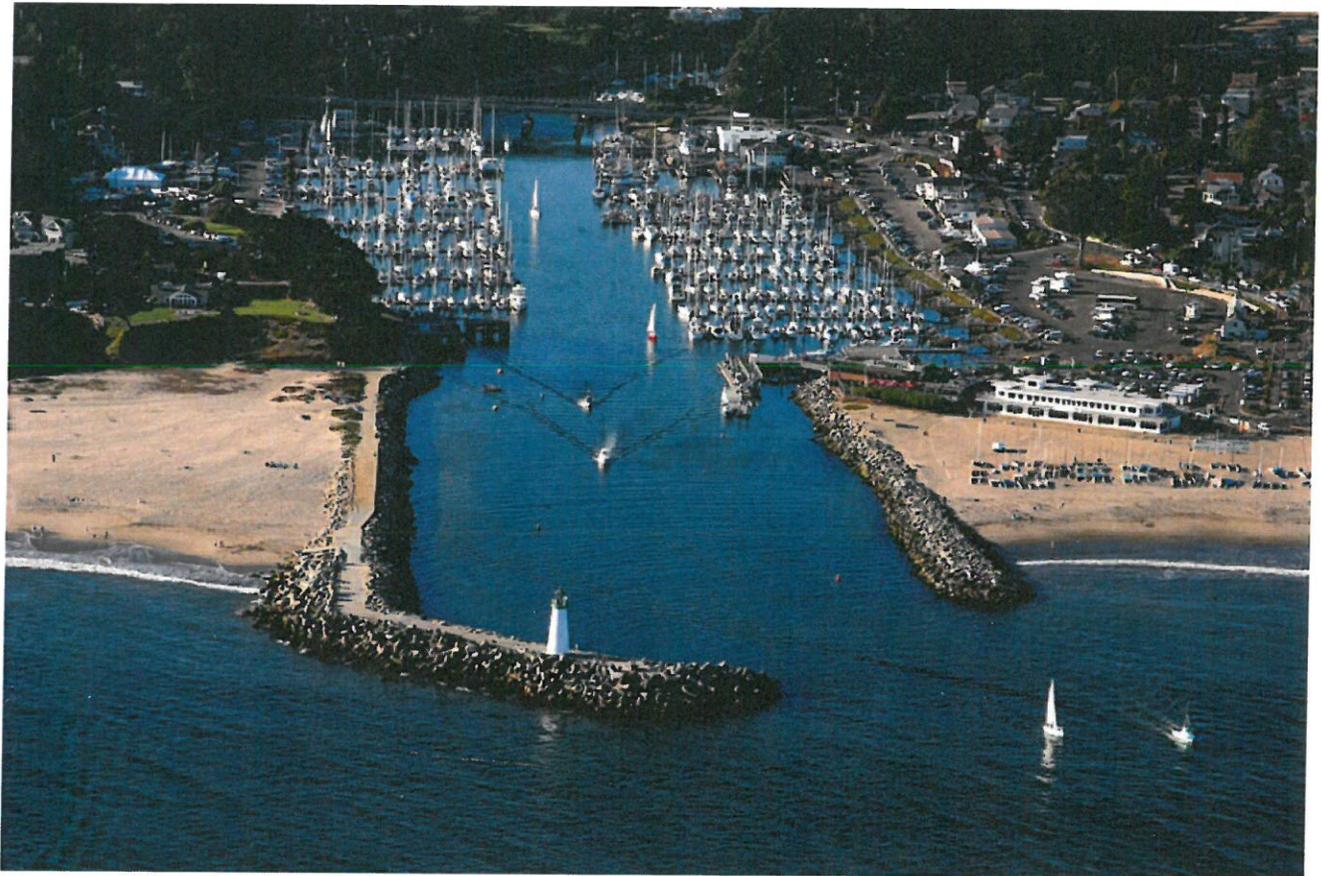
FY22 Budget Highlights

- No marina fee increase.
- 2% CPI increase for landside leases in accordance with existing lease agreements.
- Capital Improvement Plan: \$500,000 contribution funding priority projects including paving repairs, building restoration, restroom rehabilitation and dock upgrades.
- Dredge Intermediate Fund: \$272,762 contribution, adding a new unspecified allowance of \$100,000 to facilitate critical dredge system equipment repair and replacement.
- Full funding for Reserve and Election funds.
- Funds approved labor contracts.
- Restores some part-time / hourly staffing positions for operational support.
- Restores funding for seasonal operation of the water taxi.
- Aligns with identified Port District priorities adopted in January 2021 (Attachment C).

The revised draft FY22 budget is appended as Attachment A.

- ATTACHMENTS:
- A. Final Draft FY22 Budget dated February 23, 2021
 - B. Historic Annual Slip Rent Increases FY12-FY21
 - C. Santa Cruz Port District Priorities 2021
 - D. Budget Presentation from February 9, 2021, special public session
 - E. Staff Report from February 9, 2021, draft budget presentation

**SANTA CRUZ PORT DISTRICT
FISCAL YEAR 22 BUDGET REPORT**



Santa Cruz Port District FY22 Budget Report – **FINAL DRAFT** February 23, 2021

TABLE OF CONTENTS

	<u>Page</u>
1. Policy Statements	1
2. Budget Users Guide	3
3. Financial Summaries	
3.1 Budget Summary	5
3.2 General Fund Revenue Budget	6
3.3 General Fund Expenditure Budget	9
3.4 Expenditures By Department and Program	11
3.5 Debt Service	12
3.6 Fund Balance Projections	13
4. Personnel Profile	14
5. Departments and Programs	16
6. Administrative Services Department	17
6.1 Administration	19
6.2 Finance and Purchasing	20
6.3 Property Management	21
6.4 Environmental and Permitting	22
6.5 Port Commission Support	23
7. Operations Department	24
7.1 Harbor Patrol	26
7.2 Marina Management	27
7.3 Rescue Services	28
7.4 Parking Services	29
7.5 Events	30
7.6 Fuel Services	31
7.7 Santa Cruz Harbor Boatyard	32
8. Facilities Maintenance and Engineering Department	33
8.1 Docks, Piers and Related Structures	35
8.2 Utilities Maintenance	36
8.3 Building Maintenance	37
8.4 Grounds	38
8.5 Aeration Program	39
8.6 Fishery Support	40
8.7 Capital Projects	41
8.8 Dredging Operations	42

TABLE OF CONTENTS (continued)

	<u>Page</u>
9. Dredging Equipment	43
10. Capital Outlay	45
11. Capital Improvement Program	46
12. Debt Service	47
Appendix A – Mission Statement Reserve Policy Investment Policy	
Appendix B – Debt Service Detail and Debt Service Coverage Ratios	
Appendix C – California Public Employees’ Retirement System Required Employer Contribution Rates 2019-20	
Appendix D – 5-Year Capital Improvement Plan	
Appendix E – Vehicle, Vessel and Mobile Equipment Schedules	
Appendix F – Revenue, Expense and Non-Operating Summary Sheets	

POLICY STATEMENTS

The Port District's Reserve Policy, adopted in FY16 (Appendix A), states the Port Commission's intent to preserve capital to finance three months of operations, and to fund future capital improvements at a minimum level to ensure the sustainability of harbor infrastructure. The reserve funding goal was first achieved in the FY19 budget and since policy adoption, annual contributions have been budgeted at the level needed to meet the reserve funding goal. The only exception has been the FY21 budget, when a programmed reserve fund contribution was suspended in response to anticipated revenue reductions due to the novel Coronavirus ("COVID-19") pandemic. The Port Commission's annual funding goal for future capital improvements was initially set at \$500,000 annually. In reviewing the draft FY21 budget on February 11, 2020, the Commission expressed a desire to increase the annual Capital Improvement Program ("CIP") funding goal from \$500,000 to \$750,000 annually, if practicable. In response, the contribution for the FY21 budget was increased from \$500,000 to \$590,000, but due to anticipated COVID-19 budget impacts, the \$590,000 CIP contribution was suspended in its entirety. The FY22 budget includes a \$500,000 contribution to the CIP, though increasing CIP funding in future budgets remains a stated goal.

During FY19, the Port Commission adopted an investment policy (Appendix A), which provides direction to the Port Director on the prudent and beneficial investment of District funds in accordance with laws governing the investment of local agency funds.

The budget recognizes planned Capital Improvement expenditures as encumbrances, thus the funding becomes unavailable for other expenses. Encumbering funds prevents further expenditure that would conflict with commitments already made. Encumbered funds are shown in the Fund Balance Capital Improvement detail in the fiscal year they were encumbered.

Port District finances have historically been managed and reported in accordance with Generally Accepted Accounting Principles (GAAP), and with applicable statements published by the Government Accounting Standards Board (GASB). The Port District does not have specific written policies governing how the budget was to be created or administered. Budget administration and planning incorporates the following assumptions and practices first adopted in FY13:

1. **Balanced Budget:**

The Port District operates with a balanced budget where operating revenues are equal to or exceed operating expenditures. Imbalances to the budget that result from increased expenses, decreased revenues, or a combination of the two, will require a budget revision.

POLICY STATEMENTS

2. Fixed Assets

Fixed (or capital) assets are tangible items individually valued at \$5,000 or more. Examples of fixed assets would be vehicles, equipment, boats, etc. For accounting purposes, fixed assets with an estimated useful life of at least two years after acquisitions are capitalized.

3. Capital Improvements

Capital improvements are physical assets, constructed or installed, with a useful life of ten years or longer and a cost of \$25,000 or more. Services that ultimately result in such physical assets are also budgeted as capital improvements (e.g. engineering design, architectural services, etc.).

4. Depreciation

Depreciation is reported annually as an operating expense (approximately \$1.6 million projected in FY21). The full amount of annual depreciation has not been included in the operating budget.

5. Appropriations

Appropriation balances may be transferred from one expenditure account to another within the operating budget without Port Commission approval. Capital improvement budgets are not considered to be part of any transferable appropriation balance. Any increase in total appropriations must be approved by the Port Commission.

6. Reserves

Reserve funds are not available for use to offset any expenditures that exceed total appropriations. Reserves may only be used as approved by the Port Commission.

7. Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted net assets are applied first.

8. Staffing Levels

The total number of full-time equivalent (FTE) employees shall be approved by the Port Commission.

BUDGET USERS GUIDE

General Fund (i.e., operating) revenues and expenses are presented in the Financial Summaries. FY20 Actual, FY21 Budget and Projected Actual and FY22 Proposed Budget figures are presented for comparison. Terms used in the Financial Summaries and in the program budgets that follow are defined below.

Capital Outlay - Expenses associated with acquiring capital (or "fixed") asset items individually valued at \$5,000 or more. Examples of fixed assets would be vehicles, equipment, boats, etc.

Charges for Services - Revenues received as reimbursement to the Port District for the use of staff, equipment or other resources beyond the services included with other user fees or rents. Examples may include standby of marine rescue personnel for aquatics competitions, emergency response services and after-hours call back for fuel sales.

Debt Service - Principal and interest payments on loans.

Fines - Fines (or "bail amounts") for parking or other citations paid directly to the Port District.

Fuel Sales – Receipts at the fuel pump.

Intergovernmental Revenues - Funds received by the Port District from another government agency. Examples include dredging expenditure reimbursement received from the U.S. Army Corps of Engineers (USACE), contributions from the County of Santa Cruz for marine rescue services, and grants from state, federal or local government sources.

Other/Miscellaneous - Revenues shown as Other/Miscellaneous include sales of key fobs, merchandise, proceeds from lien sales or disposal of surplus items, etc.

Personnel Services - All costs associated with Port District staff compensation for regular and temporary employees, including payroll taxes, workers' compensation, unemployment insurance, pension and employee benefits.

Rents - Rents encompass payments received by the Port District from its land-based tenants. Revenues are classified as either base rent, percentage rents or utility chargebacks as applicable.

Services and Supplies - Costs for all services provided to the Port District by contract or work order, utilities, insurance premiums, purchase of items not classified as fixed assets or "capital outlay," etc.

BUDGET USERS GUIDE

Transfers In/Out - Transfers between Port District funds (e.g. allocations to the Dredge Intermediate Fund may involve a transfer from the General Fund, or any combination of those and other funds).

User Fees - Fees established by the Port Commission for various uses of Port District facilities including boat slips, dry storage, RV and general parking.

Department and Program budget summaries are based on estimated levels of effort for each throughout FY22.

The proposed Capital Improvement Program is presented in Appendix D. Staffing and capital outlay in support of the Capital Improvement are budgeted separately in the Capital Projects section of the Facilities Maintenance and Engineering Department.

FINANCIAL SUMMARIES

GENERAL FUND BUDGET SUMMARY

**FY 22 REVENUES
BY CATEGORY**

Total All Funds

User Fees	\$ 6,798,275
Rents	1,825,000
Charges for Services	30,000
Fines	92,500
Fuel Sales	665,000
Boatyard	314,000
Intergovernmental	50,000
Grants	42,000
Other/Miscellaneous	129,500
TOTAL	\$9,946,275

**FY 22 EXPENDITURES
BY CATEGORY**

Personnel Services	\$ 4,006,084
Services & Supplies	3,853,239
Capital Outlay	22,000
Debt Service - Principal	1,260,274
Other Liabilities	0
TOTAL	\$ 9,141,597

FINANCIAL SUMMARIES

GENERAL FUND REVENUE BUDGET

	FY21 Budget	FY21 Projection	FY22 Budget
User Fees	\$ 6,624,202	\$ 6,459,469	\$ 6,798,275
Rents	2,016,320	1,898,286	1,825,000
Charges for Services	25,000	27,545	30,000
Fines	92,500	84,562	92,500
Fuel Sales	690,000	592,012	665,000
Boatyard	293,000	314,593	314,000
Intergovernmental	435,000	435,000	50,000
Grants	42,000	42,000	42,000
Other/Miscellaneous	230,000	123,286	129,500
TOTAL	\$ 10,448,022	\$ 9,975,753	\$ 9,946,275

FY21 projected revenue is less than anticipated in the budget due to the COVID-19 pandemic. User fees are down, primarily due to lower parking revenue, and concession income is down primarily due to significant impacts the pandemic has had on the restaurant industry. Fuel sales and fuel expense were lower than anticipated, though overall the program is projected to be more profitable in FY21 than FY20 due to improved program oversight and management.

The FY22 budget anticipates continued strength in slip rent revenue and visitor services such as launch and visitor berthing. It anticipates a return to pre-pandemic parking and RV revenue but takes a conservative approach to concession rents to allow time for the restaurant industry to recover.

Intergovernmental revenues in the FY22 budget include \$50,000 from the County of Santa Cruz for marine rescue services. The \$385,000 dredging reimbursement from the US Army Corps of Engineers (USACE) was not included in USACE's FY21 work plan and has been eliminated from the FY22 draft budget, though it is expected that this funding shortfall will be recouped either through reprogramming of USACE carryover funding or in a future work plan. Prior to FY18, reimbursement from the USACE was not included in annual budgets due to uncertainties in funding. It is recommended that future budgets (FY23 and beyond) continue the former practice of not budgeting for this reimbursement to avoid unpredictable funding shortfalls. The dredging reimbursement from USACE is anticipated to increase from \$385,000 to approximately \$525,000 for the remaining 5 years of the agreement

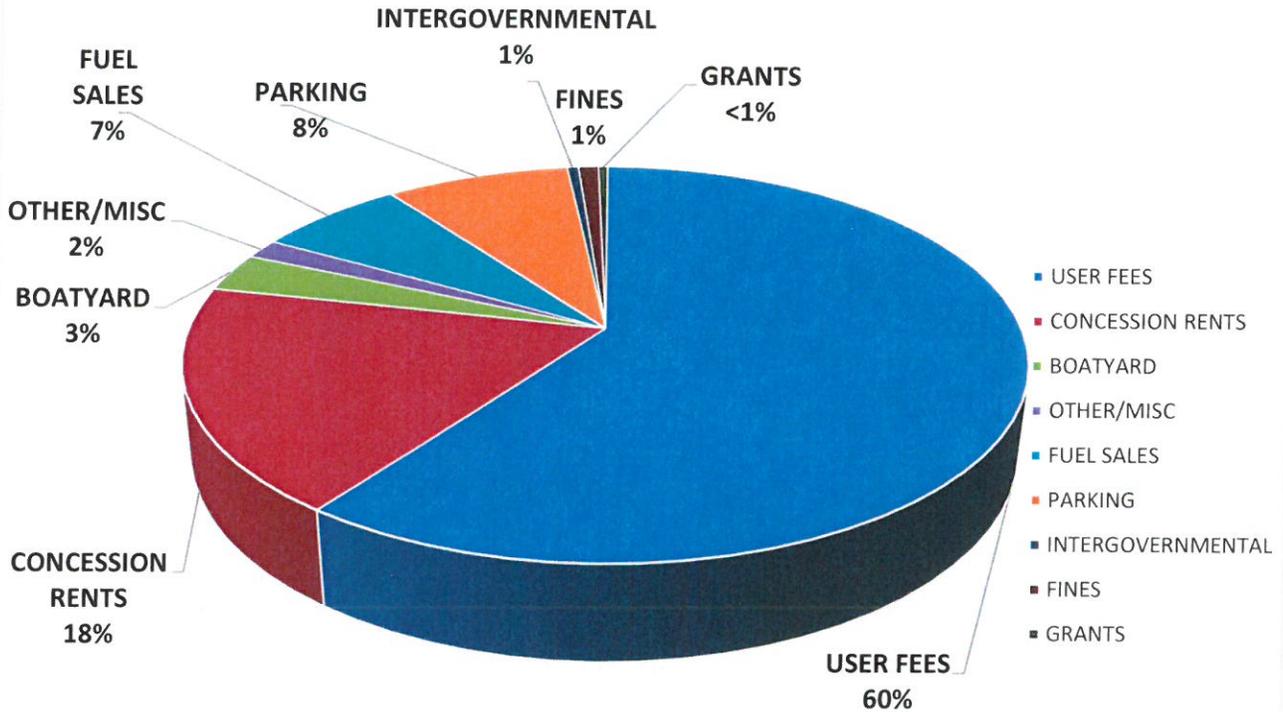
though reimbursement has continued at the \$385,000 level until USACE can complete a review of the Port District's audited dredging expenditures.

In FY20, a sliding scale fee for partnerships was adopted (5% for 1 partner; 10% for 2 partners; 15% for 3 partners). FY20 audited revenue reported a 31% reduction in revenue over FY19, from \$39,811 in FY19 to \$27,500. The FY21 budget was reduced accordingly and revenue projections for FY21 meet budget expectations. The partnership fee is up for review with the FY23 budget.

FINANCIAL SUMMARIES

The draft FY22 budget is presented as a balanced budget with no marina fee increase.

FY22 REVENUES BY TYPE



Note: Parking revenue, shown separately in the above chart, is included in User Fees in financial summaries.

FINANCIAL SUMMARIES

GENERAL FUND EXPENDITURE BUDGET

	FY21 Budget	FY21 Projected	FY22 Budget
Personnel Services	\$ 3,983,260	\$ 3,672,189	\$ 4,006,084
Services & Supplies	4,081,148	3,483,982	3,853,239
Capital Outlay	52,000	15,000	22,000
TOTAL OPERATING / CAPITAL OUTLAY	\$ 8,116,408	\$ 7,171,171	\$ 7,881,323
Debt Service Principal Payments	1,285,274	1,285,274	1,260,274
Other Liabilities	0	0	0
 GRAND TOTAL	 \$ 9,401,682	 \$ 8,456,445	 \$ 9,141,597

Projected salary and benefit costs (Personnel Services) for FY21 will be less than budget by approximately 8.5%, due COVID-19 related reductions in labor. Part-time and provisional staffing was reduced in 2020, and full-time equivalent (FTE) staffing was reduced from 29 to 28.

Personnel Services' costs are anticipated to increase in FY22, primarily due to an adjustment in budgeting for medical expense, CalPERS' pension costs, and workers' compensation premium increases. Projected employer pension expense in FY22 is approximately \$605,500, representing approximately 15% of anticipated Personnel Services' expenditures.

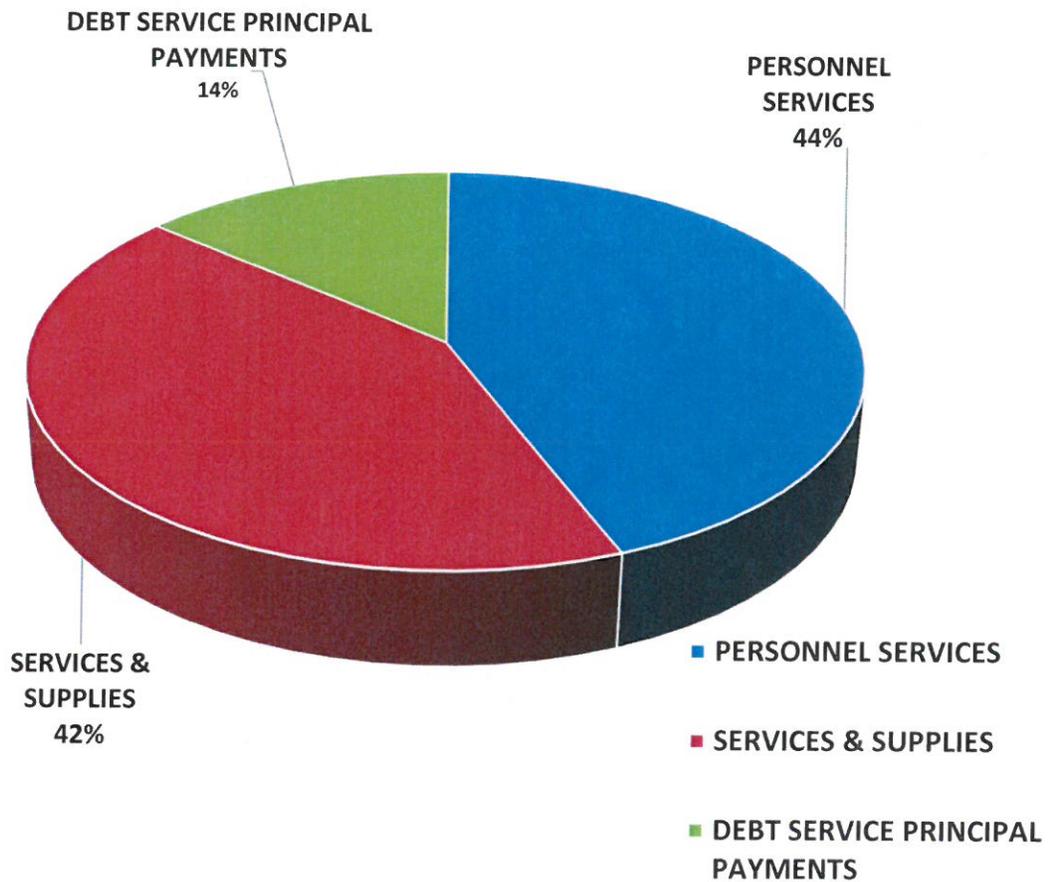
FY22 Services and Supplies' costs are proposed at a level that is approximately 6% lower than FY21, resulting from reducing line item funding where feasible across all departmental programs.

The expenditure summary in FY22 and previous budget years does not include transfers to the Dredge Intermediate Fund. Fund transfers are included in the budget as Non-Operating Expenditures:

- In FY22, the proposed fund transfer to the Dredge Intermediate fund is \$272,762
- In FY21, the budgeted fund transfer to the Dredge Intermediate Fund totaled \$416,091 (in April 2020, the contribution was reduced to \$186,091 as a response to COVID-19 anticipated revenue reductions)
- In FY20, fund transfers to the Dredge Intermediate Fund totaled \$145,956.
- In FY19, fund transfers to the Dredge Intermediate Fund totaled \$378,258.

In FY22, there are no identified expenditures noted as "Other Liabilities."

FY22 Operating Expenditures by Category



FINANCIAL SUMMARIES

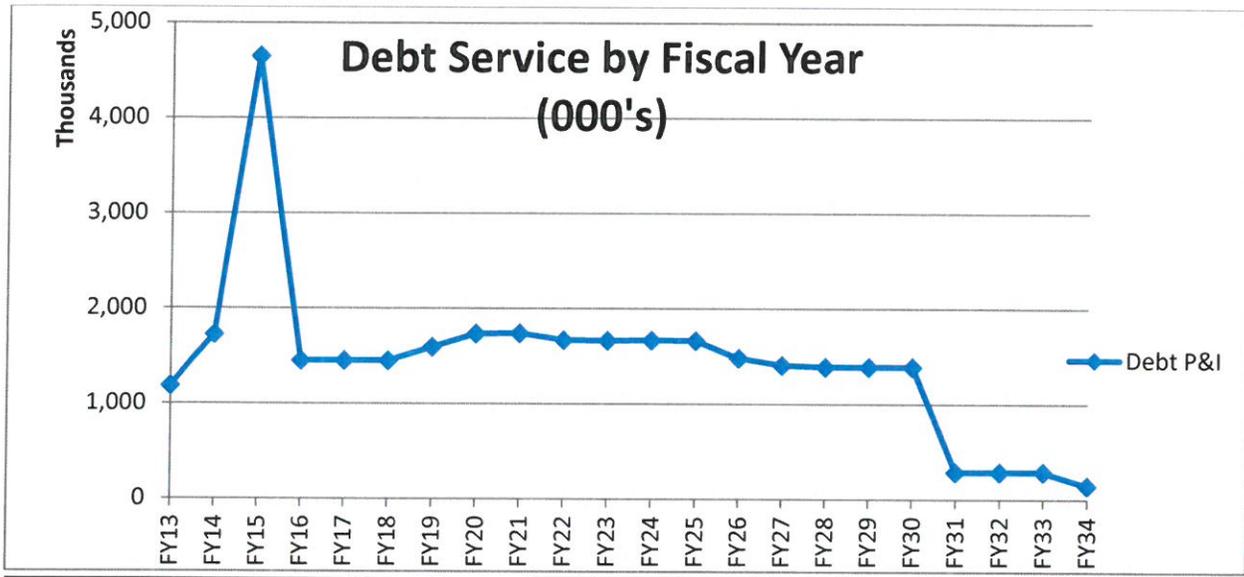
Expenditures by Department and Program

Department and Program	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Proposed
100 Administrative Services Department				
110 Administration	\$ 760,316	\$ 778,728	\$ 786,225	\$ 764,483
120 Finance & Purchasing	181,208	207,570	185,236	209,575
130 Property Management	480,408	538,859	517,755	546,648
140 Environmental & Permitting	174,317	195,610	152,250	195,175
190 Port Commission Support	52,156	80,350	47,484	57,089
Department Total	\$ 1,648,404	\$ 1,801,117	\$ 1,688,950	\$ 1,772,970
200 Operations Department				
210 Harbor Patrol	\$ 683,548	\$ 712,349	\$ 668,509	\$ 721,534
220 Marina Management	434,288	516,390	468,294	512,134
230 Rescue Services	99,550	119,260	88,701	122,463
240 Parking	341,393	371,526	244,044	323,993
250 Events	30,439	34,791	0	35,344
280 Fuel Services	536,061	590,261	394,693	491,444
500 Boatyard	274,978	292,540	291,198	324,636
Department Total	\$ 2,400,257	\$ 2,637,117	\$ 2,155,439	\$ 2,531,548
300 Facilities Maintenance & Engineering				
310 Docks, Piers & Other Marine Structures	\$ 228,719	\$ 263,751	\$ 279,220	\$ 297,927
320 Utilities Maintenance	85,664	125,918	71,645	95,943
330 Building Maintenance	323,550	389,156	345,478	395,252
340 Grounds Maintenance	727,771	837,988	730,006	786,798
350 Aeration Program	38,468	60,578	41,400	57,340
360 Fishery Support	5,679	19,460	6,880	16,322
390 Capital Projects	497,761	459,285	453,773	417,797
400 Dredging Operations	1,377,966	1,470,038	1,383,380	1,487,426
Department Total	\$ 3,285,578	\$ 3,626,174	\$ 3,311,782	\$ 3,554,805
Total Operating Budget	\$ 7,334,239	\$ 8,064,408	\$ 7,156,171	\$ 7,859,323

Note: Interest expense for debt service is included in Program 390-Capital Projects above.

FINANCIAL SUMMARIES

DEBT SERVICE



The chart above shows historic and projected debt service by fiscal year for amounts previously borrowed. Loan payoff will be achieved during FY34.

In FY14, tax-exempt and taxable financing in the amount of \$16,803,405 was obtained from BBVA Compass Bank. The loans had lower interest rates and terms that resulted in loans being fully paid off 12 years earlier, and included \$4 million in funding for the purchase of a new dredge *Twin Lakes* to replace *Seabright* and \$750,000 to pay off pension withdrawal liability. The loans will be paid off in FY30 at a total cost of approximately \$21.6 million. The previous loans would have been paid off in 2042, at a total cost of approximately \$ 26.35 million. Shortening the life of the loans combined with the superior interest rates thus enabled the District to both borrow \$4.75 million and save \$3.9 million.

In FY19, tax-exempt financing totaling \$3,350,000 was obtained from BBVA Compass Bank to fund two Capital Improvement Projects, the Aldo’s Seawall Replacement Project (F027) and the Piling Replacement Project (F005). Low interest financing of 3.5% was obtained. The loans will be paid off in 2034 at a total cost of approximately \$4.3 million.

A term of the FY 19 refinancing package included terminating the District’s \$2 million line of credit with BBVA Compass Bank.

FINANCIAL SUMMARIES

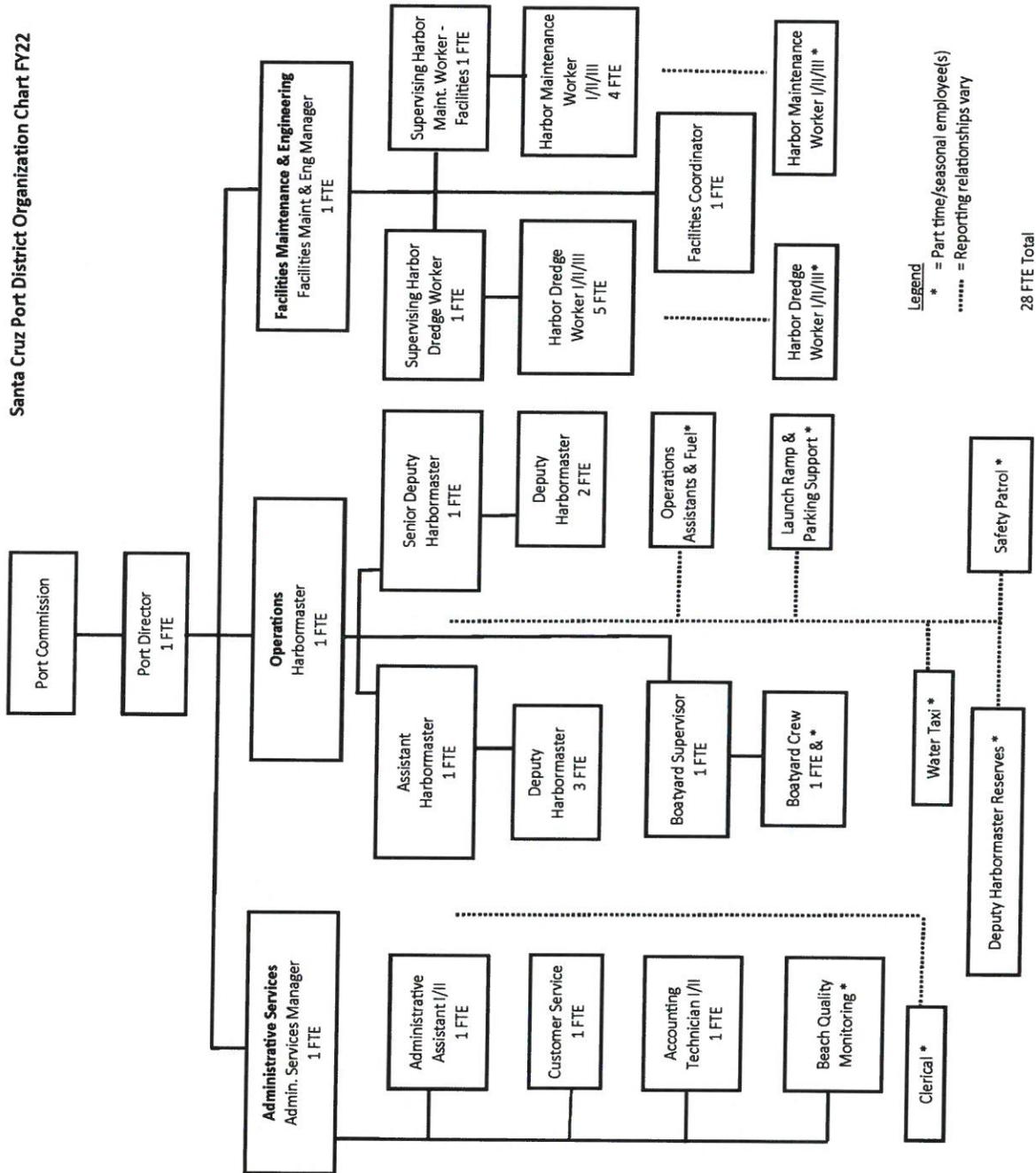
FUND BALANCE PROJECTIONS

**Santa Cruz Port District
Projection of Fund Activity
as of March 31, 2021**

	Unrestricted Funds		Board Designated Funds				Restricted Funds		Total Funds
	General Fund	Intermed. Dredge	Reserve Fund	Capital Improvement	Election	CMIA Bond Reserve	BBVA Reserve		
Begin. Balance Apr. 1, 2020	\$ 24,329,049	\$ 63,729	\$ 1,888,692	\$ 2,076,872	\$ 200,000	\$ -	\$ 1,016,906	\$ 29,574,947	
FY21 Financial Results:									
YTD Budget report (Net Income)	(568,944)							(568,944)	
CIP Projected Expenditures at 3/31/21	668,399			\$ (668,399)				-	
DIF Projected Expenditures at 3/31/21	214,582	\$ (214,582)						-	
BBVA Reserve Account Interest	(330)							-	
September 2020 Election Expense	175				\$ (175)		\$ 330	-	
Budget Designation:									
Mtg dtd 2/25/20 - FY 2021 Budget	(1,133,501)	\$ 416,091	\$ 127,410	\$ 590,000				-	
Mtg dtd 4/28/20 - COVID-19 Impact Responses	947,410	\$ (230,000)	\$ (127,410)	\$ (590,000)				-	
Mtg dtd 9/22/20 - Additional Water Taxi Funding	(5,000)			\$ 5,000				-	
Ending Balance March 31, 2021	\$ 24,451,840	\$ 35,238	\$ 1,888,692	\$ 1,413,172	\$ 199,825	\$ -	\$ 1,017,236	\$ 29,006,003	
FY22 Budget									
CIP Projects FY22 Funding 2/23/21	(500,000)			\$ 500,000				-	
Reserve Policy	(76,139)		\$ 76,139					-	
Dredge Intermediate Fund 2/23/21	(272,762)	\$ 272,762						-	
Election Fund	(175)				\$ 175			-	
Projected Balance April 1, 2021	\$ 23,602,764	\$ 308,000	\$ 1,964,831	\$ 1,913,172	\$ 200,000	\$ -	\$ 1,017,236	\$ 29,006,003	

PERSONNEL PROFILE

Santa Cruz Port District Organization Chart FY22



The organization chart above is the basis of the FY22 budget projections. Positions shown with an associated FTE (full-time equivalent) number are regular, permanent positions assigned to each department. Positions shown with an asterisk and no FTE number are part-time temporary and/or seasonal workers.

PERSONNEL PROFILE

Salary and benefit costs for all employees (regular FTE and temporary/seasonal) for FY20 through FY22 are tabulated below.

Salary and Benefit Costs

Overall Personnel Services costs in FY22 are <1% over FY21. The increase is primarily due to an adjustment in budgeting for medical expense, increased CalPERS' pension costs (approximately \$46,000 higher in FY22 than FY21), and workers' compensation premium costs. Increased costs in FY22 are largely offset by staffing reductions due to COVID-19.

DEPARTMENT/SERVICE	FY20 SALARIES & BENEFITS BUDGET	FY21 SALARIES & BENEFITS BUDGET	FY21 SALARIES & BENEFITS PROJECTED	FY22 SALARIES & BENEFITS BUDGET	FY 21 TO FY22 CHANGE
Administrative Services	668,051	705,504	702,666	731,170	+ 25,666
Operations ³	1,395,112	1,471,177	1,261,022	1,424,232	- 46,945
Boatyard ¹	207,989	211,563	213,399	236,136	+ 24,573
Facilities Maintenance and Engineering ²	706,820	729,278	662,653	723,795	- 5,483
Dredging Operations	812,653	865,738	832,449	890,751	+ 25,013
TOTALS	3,790,625	3,983,260	3,672,189	4,006,084	+ 22,824 (+ <1%)

FY16 Total FTE = 27.67
 FY17 Total FTE = 27.0
 FY18 Total FTE = 27.0

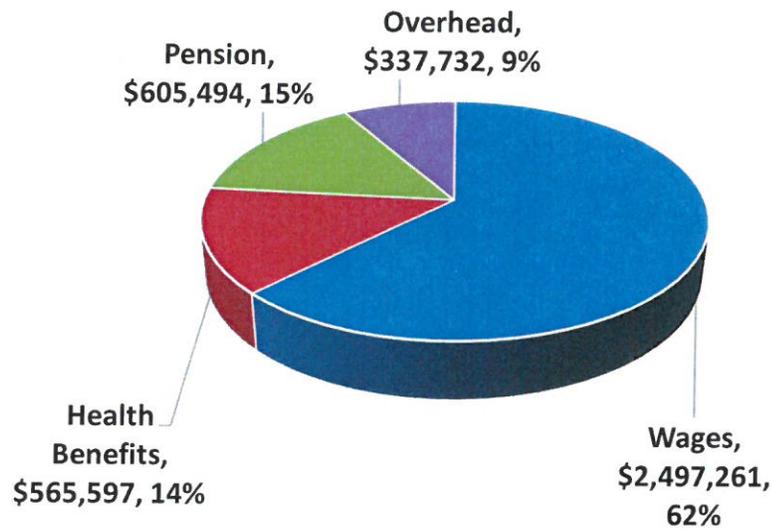
FY19 Total FTE = 29.0
 FY20 Total FTE = 29.0
 FY21 Total FTE = 29.0

FY22 Total FTE = 28.0

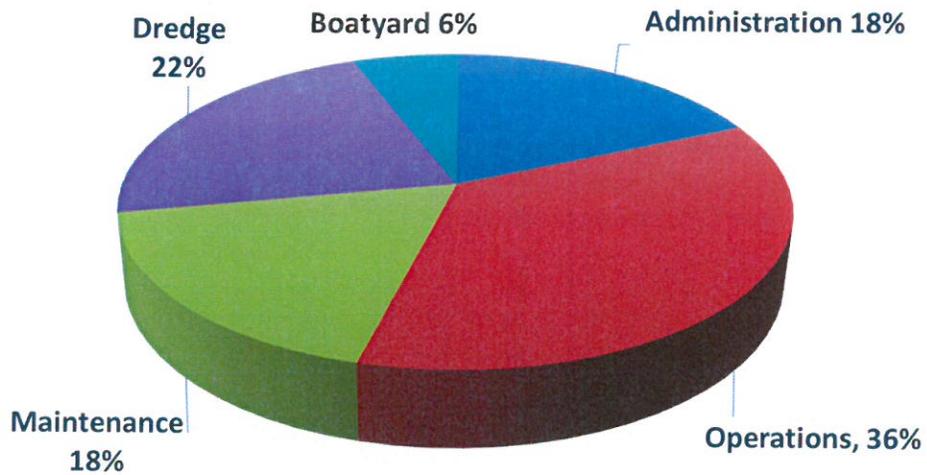
Notes:

1. The Boatyard is shown separately for additional clarity, but is overseen by the Operations Department.
2. Dredging Operations is encompassed under Facilities Maintenance and Engineering, but is shown separately here for added clarity.
3. The position Customer Service Representative is budgeted in Administration, but labor has been allocated to Operations (Marina Management).

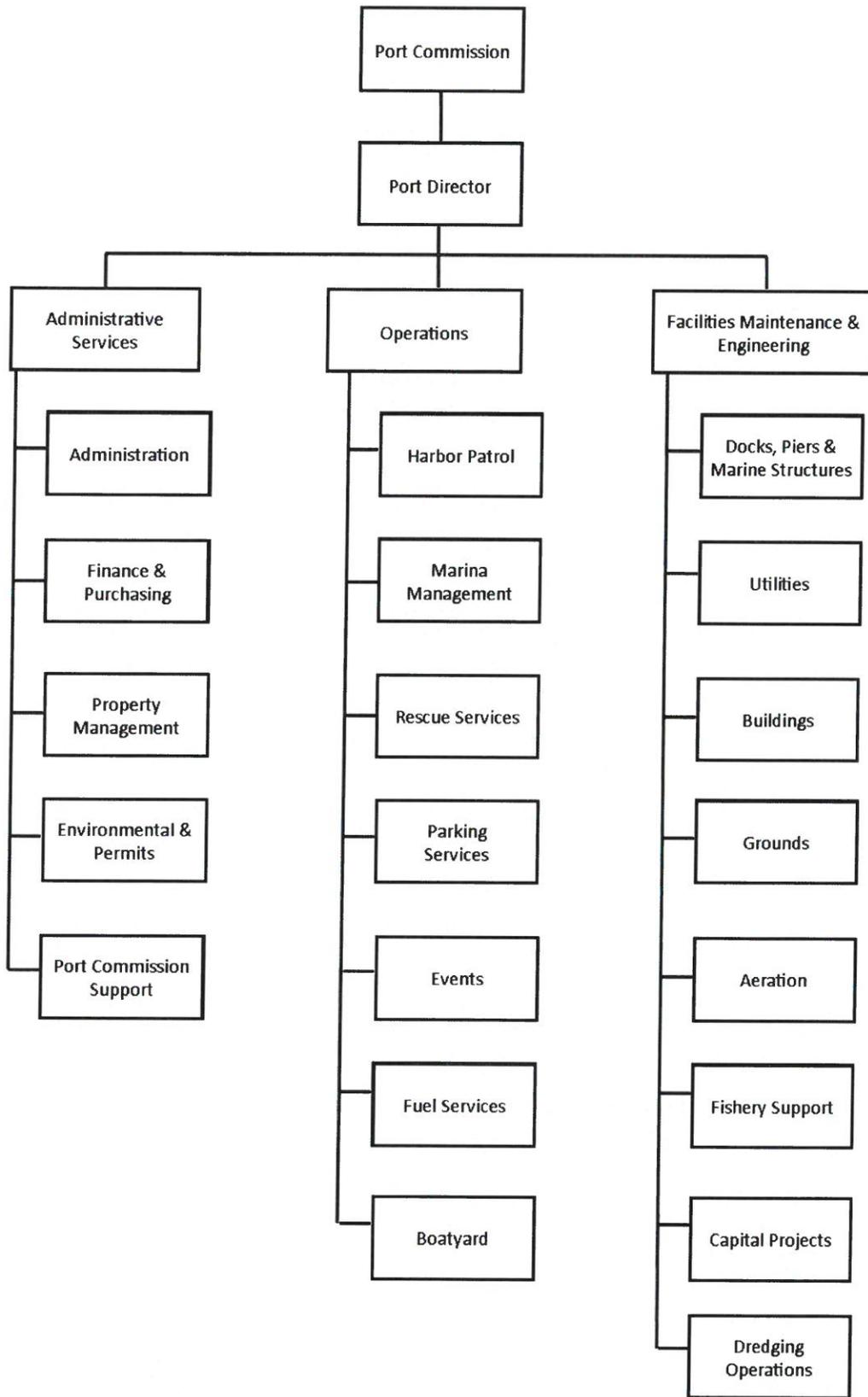
FY22 Personnel Costs by Type \$4,006,084



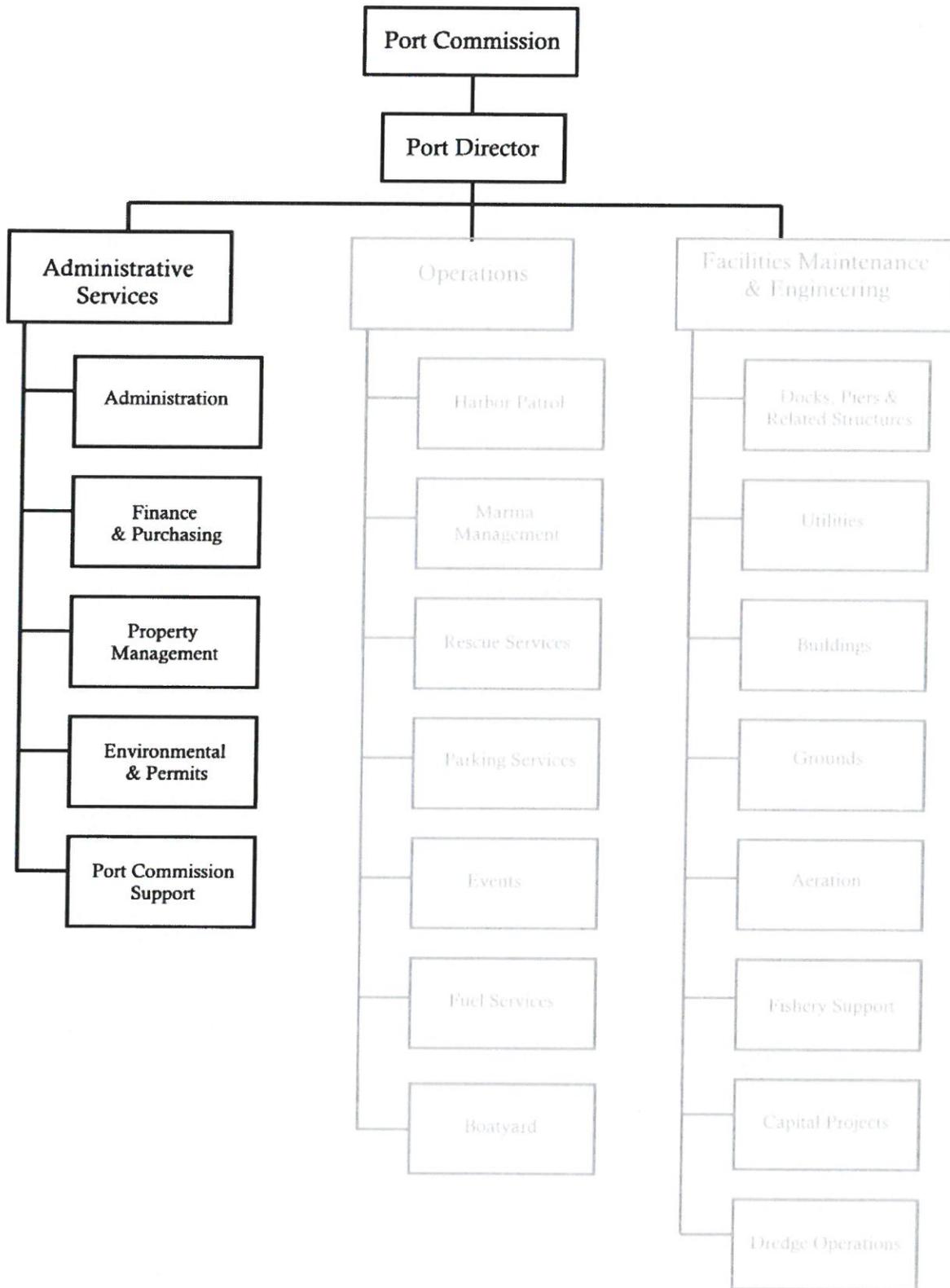
FY22 Salaries and Benefits by Department



DEPARTMENTS AND PROGRAMS



ADMINISTRATIVE SERVICES DEPARTMENT



ADMINISTRATIVE SERVICES DEPARTMENT

Admin. Department Summary

	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Expenditures by Category:				
Personnel Services	651,748	705,504	702,666	731,170
Services & Supplies	996,656	1,095,613	986,284	1,041,800
Capital Outlay	0	0	0	0
Total Expenditures	1,648,404	1,801,117	1,688,950	1,772,970
Expenditures by Program:				
Administration	760,316	778,728	786,225	764,483
Finance & Purchasing	181,208	207,570	185,236	209,575
Property Management	480,408	538,859	517,755	546,648
Environmental & Permitting	174,317	195,610	152,250	195,175
Port Commission Support	52,156	80,350	47,484	57,089
Total Expenditures	1,648,404	1,801,117	1,688,950	1,772,970
Total Regular Personnel Funded	6.3	6.5	6.6	6.3
Temporary/Seasonal Personnel	Beach Monitors	Beach Monitors Office Support	Beach Monitors	Beach Monitors Office Support

Note: FTE equivalents are derived from percentages of salary & benefit costs by program.

ADMINISTRATIVE SERVICES DEPARTMENT

Administration

Administration encompasses the daily oversight of all Port District operations and programs, long-term planning, budget preparation, human resources and benefits management, website maintenance, customer service, public outreach and promotional activities, coordination with local and regional governments and organizations, and various activities undertaken by the Port Director and Administrative Services staff.

Administration (Program 110)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	394,204	401,928	416,170	417,183
Services & Supplies	366,112	376,800	370,055	347,300
Total	760,316	778,728	786,225	764,483
Funding Source(s)				
Rents	380,158	389,000	393,113	382,242
User Fees	380,158	389,728	393,113	382,242
Total	760,316	778,728	786,225	764,483
Regular Personnel	2.8 FTE	2.8 FTE	3.1 FTE	2.7 FTE
Temporary/Seasonal Personnel	Office Support	Office Support	N/A	Office Support

ADMINISTRATIVE SERVICES DEPARTMENT

Finance and Purchasing

Finance and purchasing activities include accounting for all Port District assets, revenues and expenses; administering payroll using an outside payroll processing contractor; financing; preparing budget monitoring and quarterly reports; contracting for services; preparing for and participating in annual outside audits of Port District financial statements; performing tenant-related audits; tracking grant-related expenditures and reimbursements. Finance and purchasing staff perform ongoing work to develop and refine purchasing procedures and financial reporting for transparency purposes.

Finance & Purchasing (Program 120)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	132,121	152,170	138,487	154,175
Services & Supplies	49,087	55,400	46,749	55,400
Total	181,208	207,570	185,236	209,575
Funding Source(s)				
User Fees	181,208	207,570	185,236	209,575
Total	181,208	207,570	185,236	209,575
Regular Personnel				
	.8 FTE	.7 FTE	0.7 FTE	.7 FTE
Temporary/Seasonal Personnel				
	Office Support	Office Support	N/A	Office Support

ADMINISTRATIVE SERVICES DEPARTMENT

Property Management

Property management activities include serving as the primary contact for landside tenants, negotiating new and revised leases and easements, advertising space available for rent, monitoring rental payments and applying rent adjustments. Utilities, garbage service and sanitary district charges for the District's rental properties are included as expenses in this program. Revenues for utility, garbage and sanitary district charges paid by tenants through the Port District are included in Rents. Utility charges paid directly by the tenant to the service provider are not included in the operating budget.

The following long-term leases will expire in FY22 (without an option to renew): Johnny's Harborside August 15, 2021 (currently under negotiation); Bayside Marine January 31, 2022; Santa Cruz Yacht Club Dry Storage March 31, 2022.

Property Management (Program 130)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	12,421	19,296	28,311	26,398
Services & Supplies	467,988	519,563	489,444	520,250
Total	480,408	538,859	517,755	546,648
Funding Source(s)				
Rents	480,408	538,859	517,755	546,648
Total	480,408	538,859	517,755	546,648
Regular Personnel	1.7 FTE	1.9 FTE	2.0 FTE	1.9 FTE
Temporary/Seasonal Personnel	N/A	Office Support	N/A	Office Support

ADMINISTRATIVE SERVICES DEPARTMENT

Environmental and Permitting

The environmental and permitting work includes managing the beach quality monitoring and hydrogen sulfide protocol during dredging activities, negotiating new permits and amendments with the Army Corps of Engineers, US Environmental Protection Agency, California Coastal Commission, Regional Water Quality Control Board, Monterey Bay National Marine Sanctuary, Monterey Bay Unified Air Pollution Control District and other agencies for dredging and disposal operations and permitting for other construction activities, stormwater management and environmental programs. Environmental and permitting oversees the harbor's Clean Marina Program.

Environmental & Permitting (Program 140)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	70,419	83,660	71,155	83,225
Services & Supplies	103,898	111,950	81,095	111,950
Total	174,317	195,610	152,250	195,175
Funding Source(s)				
Intergovernmental	0	0	0	0
User Fees	174,317	195,610	152,250	195,175
Total	174,317	195,610	152,250	195,175
Regular Personnel	.8 FTE	.7 FTE	.6 FTE	.7 FTE
Temporary/Seasonal Personnel	Beach Quality Monitors	Beach Quality Monitors	Beach Quality Monitors	Beach Quality Monitors

ADMINISTRATIVE SERVICES DEPARTMENT

Port Commission Support

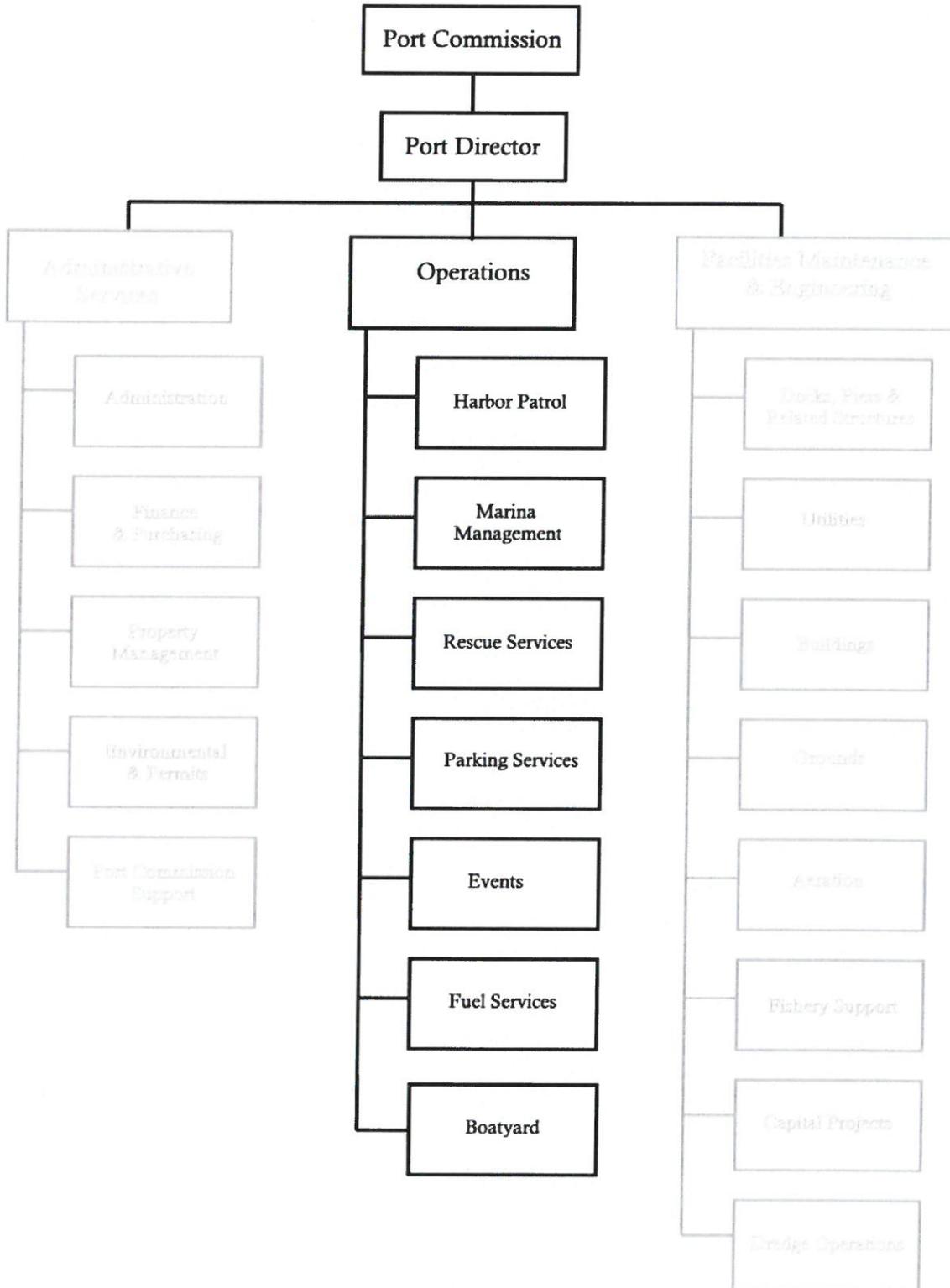
Activities that provide staff support for the Port Commission include developing meeting agendas, staff reports and minutes; coordinating with the County Elections Department and ensuring compliance with the Brown Act; intergovernmental relations and adopted Port Commission policies and procedures.

In FY21, the Port Commission Support program included one-time funding for development of an informational report summarizing Santa Cruz Harbor's economic benefits to the community; however, that report has been delayed indefinitely due to COVID-19-related budget impacts.

Port Commission Support (Program 190)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	42,583	48,450	48,543	50,189
Services & Supplies	9,572	31,900	-1,059	6,900
Total	52,156	80,350	47,484	57,089
Funding Source(s)				
User Fees	52,156	80,350	47,484	57,089
Total	52,156	80,350	47,484	57,089
Regular Personnel				
	.2 FTE	.3 FTE	.2 FTE	.2 FTE
Temporary/Seasonal Personnel				
	Office Support	Office Support	N/A	Office Support

OPERATIONS DEPARTMENT



OPERATIONS DEPARTMENT

Operations Dept. Summary

	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Expenditures by Category:				
Personnel Services	1,563,146	1,682,740	1,474,421	1,660,368
Services & Supplies	837,111	954,377	681,018	871,180
Capital Outlay	0	0	0	22,000
Total Expenditures	2,400,257	2,637,117	2,155,439	2,531,548
Expenditures by Program:				
Harbor Patrol	683,548	712,349	668,509	721,534
Marina Management	434,288	516,390	468,294	512,134
Rescue Services	99,550	119,260	88,701	122,463
Parking Services	341,393	371,526	244,044	323,993
Events	30,439	34,791	0	35,344
Fuel Services	536,061	590,261	394,693	491,444
Boatyard	274,978	292,540	291,198	324,636
Total Expenditures	2,400,257	2,637,117	2,155,439	2,531,548
Total Regular Personnel Funded	10	9.5	8.4	9
Temporary/Seasonal Personnel	Reserve DHM Launch Parking Water Taxi	Reserve DHM Launch Parking Water Taxi	Reserve DHM Launch Parking	Reserve DHM Launch Parking Water Taxi

Note: FTE equivalents are derived from percentages of salary & benefit costs by program.

OPERATIONS DEPARTMENT

Harbor Patrol

The Harbor Patrol with limited assistance from contract operators currently provide security and enforcement of Port District ordinances, California Harbors and Navigation, Penal and Vehicle Codes. Deputy Harbormasters provide site security and traffic control, make arrests, prepare incident reports and provide mutual aid response to other law enforcement agencies. In addition to law enforcement duties, deputy Harbormasters perform vessel search and rescue services, and a wide range of program management and customer services.

The County of Santa Cruz contributes \$50,000 annually in support of the Harbor Patrol's marine search and rescue program. Half of the funding is allocated to support the Harbor Patrol program, and half of the funding supports Rescue Services.

Harbor Patrol (Program 210)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	584,870	605,249	610,325	644,534
Services & Supplies	98,678	107,100	58,184	77,000
Capital Outlay	0	0		
Total	683,548	712,349	668,509	721,534
Funding Source(s)				
Rents	0	284,940	267,405	167,733
User Fees	683,548	402,409	376,104	528,801
Intergovernmental		25,000	25,000	25,000
Total	683,548	712,349	668,509	721,534
Regular Personnel	2.5 FTE	2.6 FTE	2.6 FTE	2.6 FTE
Temporary/Seasonal Personnel	Reserve DHM	Reserve DHM	Reserve DHM	Reserve DHM

OPERATIONS DEPARTMENT

Marina Management

Deputy Harbormaster and Operations staff manage and assigns berths and dry storage areas; monitor docks and dry storage areas for safety; staff the front counter 362 days per year; administer invoicing and payment processes; monitor vessel use and confirm current registration; perform vessel serviceability checks and electrolysis checks on an as needed basis; manage the waiting list; develop delinquency reports; conduct lien sales, provide customer service and manage the harbor's database.

Marina Management (Program 220)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	415,347	480,790	432,566	476,534
Services & Supplies	18,941	35,600	35,728	35,600
Total	434,288	516,390	468,294	512,134
Funding Source(s)				
Rents		0	0	0
User Fees	434,288	516,390	468,294	512,134
Total	434,288	516,390	468,294	512,134
Regular Personnel	1.9 FTE	1.9 FTE	1.8 FTE	1.8 FTE
Temporary/Seasonal Personnel	Reserve DHM	Reserve DHM	Reserve DHM	Reserve DHM

Note: Front desk staffing is budgeted and overseen by Administration, though labor costs have been allocated to Marina Management.

OPERATIONS DEPARTMENT

Rescue Services

Rescue services are provided by the Harbor Patrol aboard the vessel *Almar* or the Zodiac patrol vessel *Scout*. A replacement vessel for the *Almar*, funded entirely by a grant from the State of California, is being fabricated by Moose Boats, Inc. and will be delivered in late-2021.

Rescues performed on *Almar* are often conducted under the Coastal Incident Response Plan (CIRP) in coordination with City, County and State resources. The US Coast Guard staffs its Santa Cruz station in the harbor on weekends between Memorial Day and Labor Day. The Harbor Patrol and USCG coordinate efforts on those days.

Commencing in FY17, the Port District contracted with the City of Santa Cruz to provide staffing and oversight of the beach lifeguard program for approximately the same cost as in-house services. Since FY20, the Port District has contracted with State Parks to provide lifeguard service.

The County of Santa Cruz contributes \$50,000 annually in support of the Harbor Patrol's marine search and rescue program. Half of the funding is allocated to support the Rescue Services program, and half of the funding supports the Harbor Patrol program.

Rescue Services (Program 230)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	62,301	68,360	57,881	71,183
Services & Supplies	37,249	50,900	30,820	51,280
Total	99,550	119,260	88,701	122,463
Funding Source(s)				
Grants / Intergov't	25,000	25,000	25,000	25,000
Rents	10,000	10,000	10,000	7,000
User Fees	64,550	84,260	53,701	90,463
Total	99,550	119,260	88,701	122,463
Regular Personnel	.4 FTE	0.4 FTE	.3 FTE	0.4 FTE
Temporary/Seasonal Personnel	Reserve DHM Safety Boat	Reserve DHM	Reserve DHM Safety Boat Lifeguards	Reserve DHM

OPERATIONS DEPARTMENT

Parking Services

Parking services encompass oversight and daily maintenance of the automated concession parking lot equipment serving 2222 East Cliff Drive (O'Neill Building), the Crow's Nest and its Beach Market, Café el Palomar, the SUP Shack and Harbor Beach; beach parking permit sales; slip licensee and employee parking permits; launch ramp parking and permits; shuttle van and water taxi services, and parking ordinance enforcement. Revenues from parking meters, pay stations, permit sales and concession lot receipts are used to fund parking services. Harbor patrol officers provide parking services with assistance from part-time / temporary staff. One full-time equivalent position and several part-time staff were eliminated in FY21 due to COVID-19-related impacts and subsequent automation of the concession parking lot.

Funding for seasonal water taxi service eliminated in the FY21 budget is restored in the FY22 budget. A replacement water taxi was delivered in January 2021. It is anticipated the new water taxi will be put into service when COVID-19-related restrictions allow operations to resume.

Parking Services (Program 240)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	251,754	261,826	125,576	160,893
Services & Supplies	89,639	109,700	118,468	163,100
Capital Outlay	0	0		
Total	341,393	371,526	244,044	323,993
Funding Source(s)				
User Fees	246,304	279,026	159,482	231,493
Parking Fines	95,089	92,500	84,562	92,500
Total	341,393	371,526	244,044	323,993
Regular Personnel	1.5 FTE	1.3 FTE	1.0 FTE	1.2 FTE
Temporary/Seasonal Personnel	Parking Attendants, Launch Attendants, Land Shuttle, Water Taxi			

OPERATIONS DEPARTMENT

Events

This program is jointly managed by Operations and Administrative Services, and comprises permitting, transportation and security for special events such as the Haunted Harbor and Car Show events hosted by the Port District, the Crow's Nest Thursday night beach barbecues, beach volleyball tournaments, regattas, and other special events.

The Events program budget was cut in FY21 due to COVID-19 related budget impacts. Funding is restored in the FY22 budget.

Events (Program 250)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	21,345	25,591	0	26,144
Services & Supplies	9,094	9,200	0	9,200
Total	30,439	34,791	0	35,344
Funding Source(s)				
Rents	19,067	25,000	0	25,000
Charges for Services	810	5,000	0	5,000
User Fees	10,562	4,791		5,344
Total	30,439	34,791	0	35,344
Regular Personnel	0.2 FTE	0.1 FTE	0 FTE	0.1 FTE
Temporary/Seasonal Personnel	Parking Attendants, Land Shuttle			

OPERATIONS DEPARTMENT

Fuel Services

The Port District took over operation and maintenance of the harbor's fuel dock in July 2010. The program is managed by Deputy Harbormaster staff.

Recurring program costs include staff, fuel purchases, taxes, storage tank fees and maintenance, inspections, insurance, credit card fees, regulatory compliance and spill prevention equipment and supplies.

Fuel Services (Program 280)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	24,723	29,361	34,674	44,944
Services & Supplies	511,338	560,900	360,019	446,500
Capital Outlay*	0	0	0	22,000
Total	536,061	590,261	394,693	491,444
Funding Source(s)				
Charges for Services	0	0	10	0
Fuel Sales	536,061	590,261	394,683	491,444
Total	536,061	590,261	394,693	491,444
Regular Personnel	1.8 FTE	2.1 FTE	1.5 FTE	1.8 FTE
Temporary/Seasonal Personnel	Fuel Dock Attendant	Fuel Dock Attendant	Fuel Dock Attendant	Fuel Dock Attendant

OPERATIONS DEPARTMENT

Santa Cruz Harbor Boatyard

The Port District took over operation and maintenance of the boatyard in 2014. Recurring program costs include staff, spill prevention equipment, supplies, stormwater filtration costs, and equipment maintenance and fuel. Staff, with support from a contract Qualified Industrial Stormwater Practitioner (QISP), is striving to meet increasingly stringent stormwater pollution prevention regulations. Some stormwater service expenditures are captured in Environmental Permitting, while office equipment and claims paid are captured in Administration.

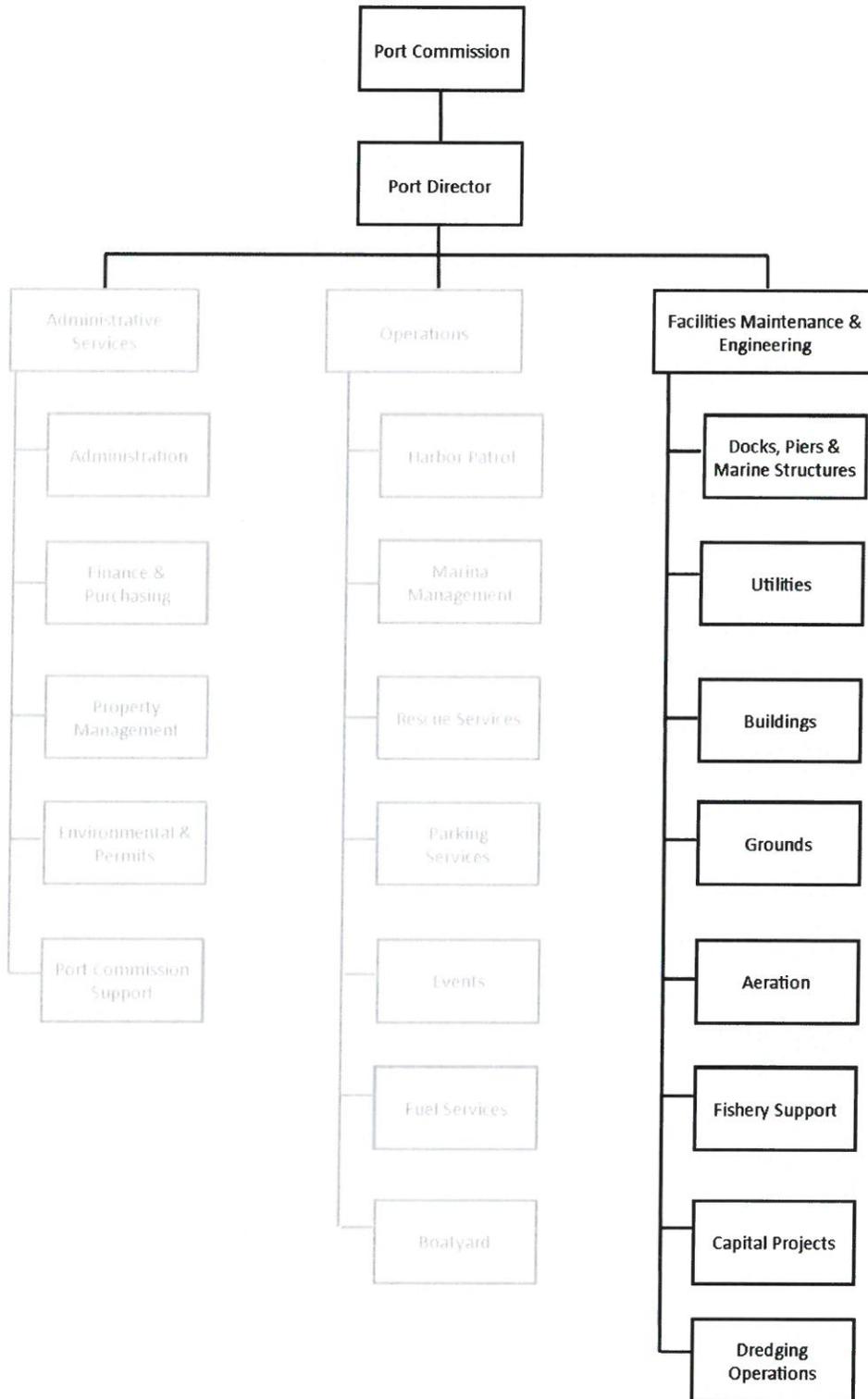
The boatyard is projected to require \$10,636 in proceeds to support expenditures in FY22. Boatyard revenues do not account for interdepartmental services provided by the boatyard. In FY21 to date, the retail value of the interdepartmental services provided by the boatyard is estimated at approximately \$35,500. Boatyard revenue is currently projected to meet program expenses in FY21.

Boatyard and management staff continue to assess the operation to identify opportunities to expand boatyard revenue.

Boatyard (Program 500)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	202,806	211,563	213,399	236,136
Services & Supplies	72,172	80,977	77,799	88,500
Capital Outlay*	0	0		
Total	274,978	292,540	291,198	324,636
Funding Source(s)				
Charges for Services	0	1,000	10	0
Proceeds	0	0	0	10,636
Boatyard Fees	274,978	291,540	291,188	314,000
Total	274,978	292,540	291,198	324,636
Regular Personnel				
	1.1 FTE	1.1 FTE	1.1 FTE	1.2 FTE
Temporary/Seasonal Personnel				
	Boatyard Crew	Boatyard Crew	Boatyard Crew	Boatyard Crew

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT



FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Facilities Maintenance and Engineering Summary

	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Expenditures by Category:				
Personnel Services	1,509,080	1,595,016	1,495,102	1,614,546
Services & Supplies	1,776,498	2,031,158	1,816,680	1,940,259
Capital Outlay	0	52,000	15,000	0
Total Expenditures	3,285,578	3,626,174	3,311,782	3,554,805
Expenditures by Program:				
Docks, Piers, Marine Str.	228,719	263,751	279,220	297,927
Utilities Maintenance	85,664	125,918	71,645	95,943
Building Maintenance	323,550	389,156	345,478	395,252
Grounds Maintenance	727,771	837,988	730,006	786,798
Aeration Program	38,468	60,578	41,400	57,340
Fishery Support	5,679	19,460	6,880	16,322
Capital Projects	497,761	459,285	453,773	417,797
Dredge Operations	1,377,966	1,470,038	1,383,380	1,487,426
Total Expenditures	3,285,578	3,626,174	3,311,782	3,554,805
Total Regular Personnel Funded	12	13	13	12.7
Temporary/Seasonal Personnel	Custodian	Custodian Maint. Support	Custodian Maint. Support	Custodian Maint. Support

Note: FTE equivalents are derived from percentages of salary & benefit costs by program.

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Docks, Piers and Other Marine Structures

Activities in this program include maintenance and repairs of existing docks and piers; routine maintenance of piles and appurtenant equipment; maintenance of floats, seawalls, cranes, jetties, gates, brow piers and gangways.

Docks, Piers, and Other Marine Structures (Program 310)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	80,441	79,001	108,557	121,327
Services & Supplies	148,279	184,750	170,663	176,600
Capital Outlay	0	15,000	15,000	
Total	228,719	263,751	279,220	297,927
Funding Source(s)				
User Fees	228,719	263,751	279,220	297,927
Total	228,719	263,751	279,220	297,927
Regular Personnel	1.0 FTE	.9 FTE	1.1 FTE	1.1 FTE
Temporary/Seasonal Personnel	N/A	N/A	N/A	N/A

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Utilities Maintenance

Utility maintenance includes repairs to landside and dock electrical and plumbing facilities; operation and maintenance of seven sanitary sewer lift stations; maintenance of parking lot, dock and storage area lighting; and storm drain inspections and cleaning.

A capital outlay item to acquire a clamshell attachment for the backhoe to facilitate work on sanitary sewer lift stations that was included in the FY21 budget was eliminated in April 2020, due to COVID-19 related impacts.

Utilities Maintenance (Program 320)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	59,746	88,168	52,008	63,193
Services & Supplies	25,918	37,750	19,637	32,750
Capital Outlay		7,000	0	
Total	85,664	125,918	71,645	95,943
Funding Source(s)				
Rents	46,258	68,000	38,690	57,210
User Fees	39,405	57,918	32,955	38,733
Total	85,664	125,918	71,645	95,943
Regular Personnel	.5 FTE	.5 FTE	.3 FTE	.3 FTE
Temporary/Seasonal Personnel	N/A	N/A	N/A	N/A

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Building Maintenance

There are 25 buildings housing over 40 tenants, harbor administration, operations and maintenance functions, restrooms and miscellaneous storage facilities throughout the harbor. Activities include the full spectrum of repairs, paint, carpet, roofing, HVAC, elevator service, alarm maintenance and cleaning/custodial services.

Building Maintenance (Program 330)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	100,776	102,524	113,272	125,277
Services & Supplies	222,774	286,632	232,206	269,975
Total	323,550	389,156	345,478	395,252
Funding Source(s)				
Rents	323,550	389,156	345,478	395,252
Total	323,550	389,156	345,478	395,252
Regular Personnel	1.1 FTE	1.4 FTE	1.4 FTE	1.4 FTE
Temporary/Seasonal Personnel	N/A	N/A	N/A	N/A

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Grounds

Harbor property encompasses approximately nine landside acres that attract thousands of visitors each year. Activities include maintenance of landscaped areas; parking lots and meters; striping; signs; fences; walkways; commemorative plazas; retaining walls; litter collection, control and transport; recycling services; cleaning of impounded boats for lien sale; pressure washing of docks; street sweeping; and fish table cleaning and maintenance.

Grounds services and general maintenance were previously supported by one unrepresented, provisional employee whose position was eliminated in FY21 due to COVID-19 related budget impacts. Grounds services are being performed by in-house crews, with support from one part-time employee who provides weekend janitorial service and a contractor who provides garbage collection, recycling sorting and transport.

A capital outlay item that was included in the FY21 budget to acquire one used truck (to replace an existing vintage truck #27, 1996 Ford Flatbed) was eliminated in April 2020, due to COVID-19 related impacts.

Grounds (Program 340)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	372,623	409,125	361,684	369,798
Services & Supplies	355,148	428,863	368,322	417,000
Capital Outlay*	0	30,000	0	
Total	727,771	837,988	730,006	786,798
Funding Source(s)				
Rents	225,609	260,000	226,300	243,910
User Fees	502,162	577,988	503,706	542,888
Total	727,771	837,988	730,006	786,798
Regular Personnel				
	2.6 FTE	3.0 FTE	2.9 FTE	2.8 FTE
Temporary/Seasonal Personnel	Weekend Custodian	Weekend Custodian/HMW1 (Prov)	Weekend Custodian/HMW1 (Prov, partial year)	Weekend Custodian

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Aeration Program

This program involves the annual installation of 24 electric powered aerators mounted in strategic locations throughout the harbor to respond to high fish count and low dissolved oxygen events. The harbor had experienced devastating fish kills, primarily schools of anchovies, in years past, requiring costly cleanup and repair operations. The current aeration program is a joint effort between the Facilities Maintenance and Engineering Department and the Harbor Patrol to monitor fish populations and dissolved oxygen levels, and be prepared to respond quickly to ameliorate poor conditions and prevent another kill.

Aeration Program (Program 350)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	16,828	29,078	20,317	26,340
Services & Supplies	21,640	31,500	21,083	31,000
Total	38,468	60,578	41,400	57,340
Funding Source(s)				
User Fees	38,468	60,578	41,400	57,340
Total	38,468	60,578	41,400	57,340
Regular Personnel	.2 FTE	.2 FTE	.2 FTE	.2 FTE
Temporary/Seasonal Personnel	N/A	N/A	N/A	N/A

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Fishery Support

Fishery Support (formerly known as the “Ice Production” program), was established when the large Sunwell ice production plant was still in operation. The plant was removed in 2013, due to repeated failures and the high cost of maintenance and repairs, and was replaced with a smaller, compact machine that is easily managed and operated by the resident fish buyer and harbor staff. As a result, program costs dropped to very low levels.

The commercial fishing fleet, resident fish buyer and the facilities that support their activities is supported by the Port District. The FY22 budget includes funding for maintenance of the hoists, working with commercial fishermen on landings administration, and for updating policies associated with the fishery.

Fishery Support (Program 360)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	5,679	15,960	5,505	12,822
Services & Supplies	0	3,500	1,375	3,500
Total	5,679	19,460	6,880	16,322
Funding Source(s)				
User Fees	5,679	19,460	6,880	16,322
Total	5,679	19,460	6,880	16,322
Regular Personnel	.1 FTE	.1 FTE	<.1 FTE	.1 FTE
Temporary/Seasonal Personnel	N/A	N/A	N/A	N/A

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Capital Projects

This program provides staffing to develop and manage the Port District's Capital Improvement Program. Work in this section may involve preliminary engineering, such as site inspections or concept development, grant applications, and other work in support of capital projects.

Capital projects recommended for FY22 are detailed in the Capital Improvement Program later in this report.

Capital Projects (Program 390)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	458	5,422	1,310	5,038
Services & Supplies	497,304	453,863	452,463	412,759
Total	497,761	459,285	453,773	417,797
Funding Source(s)				
User Fees	497,761	459,285	453,773	417,797
Total	497,761	459,285	453,773	417,797
Regular Personnel	2.0 FTE	1.7 FTE	1.8 FTE	1.5 FTE
Temporary/Seasonal Personnel	N/A	N/A	N/A	N/A

FACILITIES MAINTENANCE AND ENGINEERING DEPARTMENT

Dredging Operations

Activities involve annual dredging of the federal entrance channel and selected areas of the inner-harbor, primarily the north harbor where sedimentation from Arana Gulch most impacts depths. Also included are maintenance and repairs to the dredges *Twin Lakes* and *Squirt* and other equipment required to perform dredging (e.g., crane, submersible pump, dozer, forklift, pipe welder, and anchors).

Environmental efforts in support of Dredging Operations are budgeted separately under the Administrative Services Department and include many of the costs associated with dredge permitting, monitoring and compliance reporting to several regulatory agencies.

The U.S. Army Corps of Engineers provides support for the dredging by reimbursing 35% of the average operations and maintenance costs. The Port District is currently being reimbursed \$385,000/year, though increased annual costs are expected to increase the reimbursement rate to \$525,000/year pending Corps’ review of audited expenditures. There is an anticipated funding shortfall in calendar 2021, because funding was not included in the Corps’ FY21 work plan. Some items were eliminated from the draft FY22 operating budget to ensure a balanced budget.

Dredging Operations (Program 400)

Expenditures	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Budget
Personnel Services	872,530	865,738	832,449	890,751
Services & Supplies	505,436	604,300	550,931	596,675
Capital Outlay	0	0	0	0
Total	1,377,966	1,470,038	1,383,380	1,487,426
Funding Source(s)				
User Fees	1,377,966	1,470,038	1,383,380	1,487,426
Total	1,377,966	1,470,038	1,383,380	1,487,426
Regular Personnel	5.3 FTE	5.3 FTE	5.4 FTE	5.3 FTE
Temporary/Seasonal Personnel	HDW (Prov)	HDW (Prov)	HDW (Prov)	HDW (Prov)

DREDGING EQUIPMENT

A major overhaul of the workboat *Dauntless* was performed in 2018. Two items scheduled as part of that overhaul were replacement of the A-frame and replacement of the deck. Replacement of the deck was reprogrammed in FY20 but never completed. Deck replacement is currently an unfunded item. A-frame replacement is reprogrammed in the Dredge Intermediate Fund (DIF) for completion in FY22.

As noted in the Dredging Operations budget program, the U.S. Army Corps of Engineers provides support for the dredging by reimbursing 35% of the average operations and maintenance costs. The Port District is currently being reimbursed \$385,000/year, though increased annual costs are expected to increase the reimbursement rate to \$525,000/year pending Corps’ review of audited expenditures. There is an anticipated funding shortfall in calendar 2021, because funding was not included in the Corps’ FY21 work plan. As a result, some items were eliminated from the Dredge Intermediate Fund (see “Unfunded Dredge Intermediate Fund Items” on the next page); however, during its review of the draft FY22 budget, the Commission recommended increasing the Dredge Intermediate Fund by providing a \$100,000 allowance to be used for unspecified dredge system equipment replacement / repair needs.

FY 22 BUDGET -- DREDGE INTERMEDIATE FUND

ASSET	ITEM	IDENTIFIED NEEDS
TWIN LAKES	Replace Lincoln welder/generator	\$ 15,000
	Replace standby marine generator	\$ 50,000
	Spare parts replacement	\$ 25,000
		\$ 90,000
DAUNTLESS	A-Frame Repair	\$ 25,000
		\$ 25,000
MISCELLANEOUS		
Pipeline, Fittings and Hoses	16" Flexible Dredge Hoses	\$ 55,000
	Beach Valves (3) and Hydraulics	\$ 38,000
	Allowance -- Unspecified	\$ 100,000
		\$ 193,000
FY22 IDENTIFIED DREDGE INTERMEDIATE FUND NEEDS		\$ 308,000
PROJECTED FY21 DREDGE INTERMEDIATE FUND BALANCE		\$ 35,238
PROJECTED FY22 DREDGE INTERMEDIATE FUNDING NEED		\$ 272,762

DREDGING EQUIPMENT (continued from previous page)

Unfunded Dredge Intermediate Fund Items

The following equipment / recommended funding set-asides are unfunded in the FY22 DIF:

FY22 UNFUNDED DREDGE INTERMEDIATE FUND ITEMS			
<i>Twin Lakes</i>	*Haul (partial set aside)	\$	75,000
	Wireless walkway winch	\$	12,000
<i>Dauntless</i>	Deck replacement	\$	52,000
Miscellaneous	*Tracked Fusion Machine Trailer	\$	8,200
	Truck (est @ \$35,000 to \$70,000)	\$	35,000
	Toyo barge	\$	200,000
	Spare Skagit winch rebuild		<i>Not identified</i>

**Items eliminated from the draft FY22 budget due to loss of FY21 USACE work plan funding*

The Toyo barge was funded in the FY21 DIF, but eliminated in April 2020, due to COVID-19-related budget impacts.

CAPITAL OUTLAY

The following capital outlay items are included in the FY22 budget:

- Fuel Services: \$22,000 for replacement of manholes over the in-ground fuel tanks and pumps.

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program and fund balance propose \$500,000 in funding for capital improvement projects in FY22, and reallocation of some existing funding in support of identified projects.

The proposed 5-Year Capital Improvement Program is included as Appendix D.

DEBT SERVICE

During FY14, the District embarked on a refinancing (aka “refunding”) of its existing debt which comprised loans from the California Department of Boating and Waterways (DBW) and bonds financed through the California Maritime Infrastructure Association (CMIA). The DBW loans carried an interest rate of 4.5%, and interest on the CMIA bonds ranged from 5.3% to 8.4%. The existing debt was scheduled for pay off in 2042. DBW loans had been used to finance reconstruction of G, J, W and X dock following the 1989 Loma Prieta earthquake. CMIA bonds were used to finance improvements at 2222 East Cliff Drive, AA Dock and 555 Brommer Street Extension.

One goal of the refinancing program was to reduce the District’s debt to a level that would allow additional borrowing in order to fund a replacement for the aging dredge *Seabright*. The estimated cost of a new dredge was \$3-4 million.

Funding in the amount of \$4 million to replace the dredge *Seabright* and \$750,000 to pay off existing pension withdrawal liability was added to the financing package for a total amount of \$16,803,405. The table below illustrates the District’s financing needs, refinanced debt and payoff years for each.

Financing Needs	Source	Principal Amount (in 000’s)	Interest Rate	Total Cost	Payoff Year
Tax Exempt Loans	DBW	9,116	4.5%	14,620	2042
Tax Exempt Bonds	CMIA	835	5.3%	1,150	2024
Taxable Bonds ¹	CMIA	1,670	8.4%	2,612	2024
Tax Exempt Loan	CSDA	4,000	7.5%	6,696	2029
Tax Exempt Loan	Unknown	750	7.5%	1,274	2029
TOTALS:		16,371		26,352	
Refinanced					
Tax Exempt Loans	BBVA Compass Bank	14,419	3.09%	18,454	2029
Taxable Bonds	BBVA Compass Bank	2,384	4.74%	3,131	2026
TOTALS:		16,803		21,585	

A term of the refinancing package required the District to terminate its line of credit with Comerica Bank. The District replaced it with a \$4 million line of credit at BBVA Compass Bank, which was needed at the time to provide funding for tsunami repair work. The line of credit limit was reduced in FY15 in order to save “unused credit” fees on the line. In FY18, the term on \$2 million line of credit was extended.

¹ The interest rate the District was paying toward CMIA Series 2004C Bonds was scheduled to increase from 7.5% to 8.4% in May 2014.

DEBT SERVICE

The District’s agreements with BBVA Compass Bank included covenants to maintain adequate coverage for debt service for the life of the loans. Debt Service Ratio (DSR) covenants required the District to prescribe and collect fees and charges for services at least equal to 125% of its debt service after operating and maintenance expenses for the fiscal year. In addition, the District’s revenues were required to at least equal 140% of its debt service after operating and maintenance expenses or be subject to depositing additional funds with the bank to be held in reserve.

During FY19, the Port District secured \$3,350,000 in new tax-exempt financing from BBVA Compass Bank at an interest rate of 3.5% to fund two Capital Improvements Projects: the Aldo’s Seawall Replacement Project (F027) and the Piling Replacement Project (F005). The Port District successfully negotiated a reduction to its Debt Service Ratio (DSR) covenants. While the Port District is required to prescribe and collect fees and charges for services at least equal to 125% of the debt service after operating and maintenance expenses for the fiscal year, it is no longer required to achieve revenues equal to 140% of its debt service after operating and maintenance expenses or be subject to depositing additional funds to be held in reserve. Additionally, BBVA Compass Bank agreed to treat non-cash pension liability like depreciation for purposes of calculating the Port District’s DSR. A term of the new debt financing package required the District to terminate its \$2 million line of credit with BBVA Compass Bank. These amended terms apply to the Port District’s new debt and debt refinanced in FY14.

The table below illustrates the District’s new debt acquired in FY19, and payoff years for each.

Refinanced	Source	Principal Amount (in 000’s)	Interest Rate	Total Cost	Payoff Year
Tax Exempt Loan	BBVA Compass Bank	\$1,750	3.50%	\$2,253	2034
Tax Exempt Loan	BBVA Compass Bank	\$1,600	3.50%	\$2,060	2034
TOTALS:		\$3,350		\$4,314	

Appendix B shows the Port District’s current debt with principal and interest payments for the refunding acquired in FY14, and new debt acquired in FY19, due each year through FY34 assuming no additional borrowing occurs, and provides Debt Service Coverage Ratios (DSRs) for FY18, FY19 and FY20 (audited), FY21 (projected), and FY22 (draft budget).

Santa Cruz Port District
MISSION STATEMENT

The primary mission of the Santa Cruz Port Commission is to ensure that Santa Cruz Harbor is a viable operational and financial entity, providing a full array of boating and marine related opportunities for the public.

GOALS

The Port Commission has adopted the following goals:

- Maintain the harbor and harbor entrance to design depths and in the safest condition practical.
- Maintain the facility at a high level of serviceability in regard to function, modernism, longevity, aesthetics and cleanliness.
- Provide for an expansive array of affordable, accessible and available marine facilities and services for the boating public.
- Meet all current and long-term Port District financial responsibilities.
- Contain costs and keep prices as low as practical while still meeting all other financial and operational objectives.
- Operate the harbor as a regional facility in accordance with the three 1958 federal legislative mandates -- "recreation," "commercial fishing," "harbor of refuge."
- Provide for a variety of businesses as a community resource to be enjoyed by all citizens.
- Provide and encourage marine educational opportunities in the harbor for all, especially school children.
- Provide marine rescue services in conjunction with other agencies to the degree which funds and safety considerations allow.
- Comply with all environmental and regulatory laws which apply to Santa Cruz Harbor operations.
- Participate in the management and stewardship of surrounding watersheds with particular emphasis on erosion control and water quality.
- Provide timely information to the public relating to Port Commission public meetings and actions.

Adopted by the Santa Cruz Port Commission on 01/25/05.

Santa Cruz Port District
General Fund Reserve Policy
Adopted November 24, 2015

Reserve Policy Objectives

To strengthen the financial stability of the District against economic uncertainty, unexpected situations such as natural or man-made disasters, unanticipated drop in revenues, and other unforeseen emergencies or extraordinary circumstances that the Port District may face that are infrequent in occurrence.

Target Amount Held in Reserve

The Port District will strive to hold in reserve an amount equal to 25 percent of the District's annual operating expenses in the current fiscal year's adopted general fund budget. The District recognizes that reserve fund amount may fluctuate and may need to be rebuilt over time as needed.

Funding Sources

The reserve fund will generally come from one-time revenue and from excess revenues over expenditures. Examples of one-time revenue include infrequent sales of Port District assets, infrequent revenues from development and grants, or other sources that are typically non-recurring in nature.

Conditions on Use of Reserves

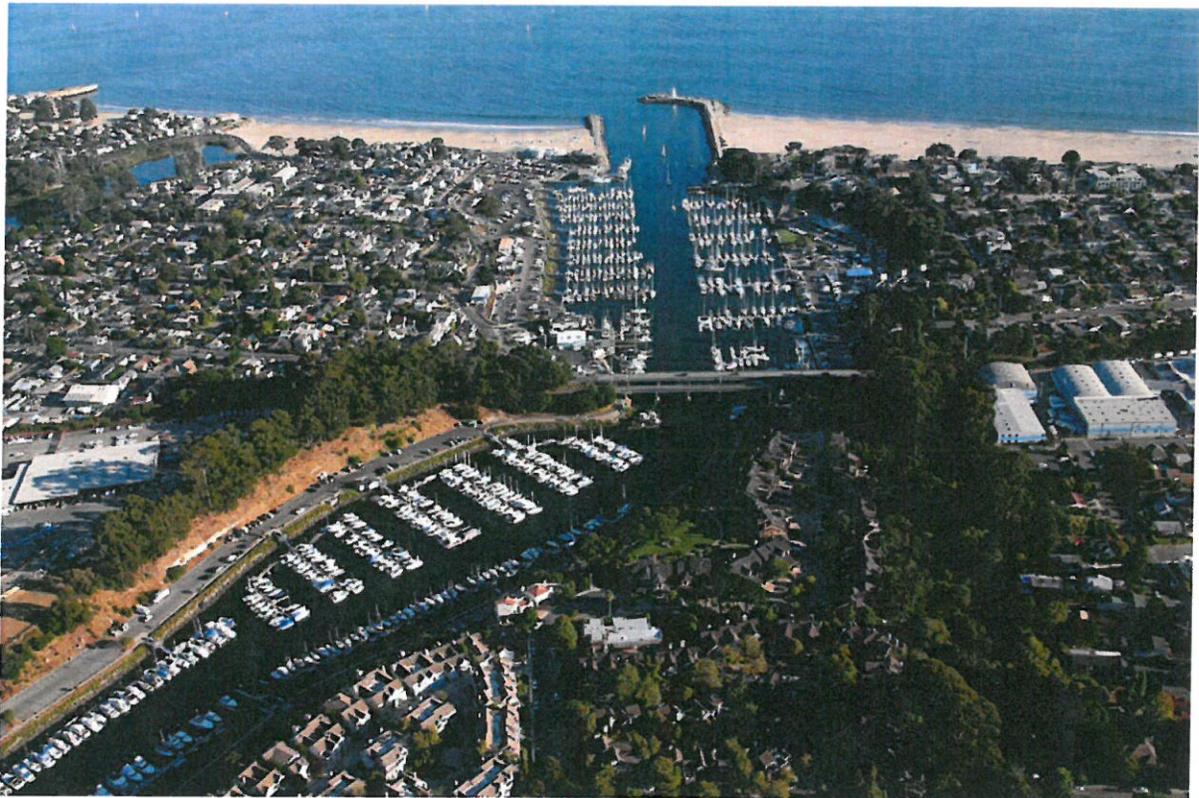
The use of reserves shall generally be limited to unanticipated, non-recurring needs. Reserve fund balances shall not be used for normal or recurring annual operating expenditures.

The Port Director shall make recommendations to the Port Commission for use of reserves. Appropriations from this reserve fund shall require a resolution approved by the Port Commission.

Requests for use of reserves shall occur only after exhausting the current year's budgetary flexibility. The Port Director shall, within six months of its use, present to the Port Commission a plan and timeline for replenishing the reserve fund. .

Santa Cruz Port District

INVESTMENT POLICY



**Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062
(831) 475-6161**

November 27, 2018

INVESTMENT POLICY

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE #</u>
INTRODUCTION	1
PURPOSE	1
AUTHORITY	1
BASIC POLICY AND OBJECTIVES	2
PERMITTED INVESTMENTS AND LIMITATIONS	3
<u>ATTACHMENTS</u>	
CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION (CDIAC)	
A - ALLOWABLE INVESTMENT INSTRUMENTS, FIGURE 1	
B - TABLE OF NOTES FOR FIGURE 1	

Santa Cruz Port District

INVESTMENT POLICY

INTRODUCTION

Santa Cruz Port District is a municipal corporation and a political subdivision of the State of California. It is governed by an elected Board of Commissioners; the investment policy is administered through an executive officer, the Port Director.

The responsibilities and authority of the Santa Cruz Port Commission are prescribed in the State of California Harbors and Navigation Code, Part 4, Sec. 6200.

PURPOSE

This statement is intended to set policy and provide direction to the Port Director of the Santa Cruz Port District for the prudent and beneficial investment of all funds and monies of the District.

AUTHORITY

The Government Code of the State of California (Government Code), primarily section 53601 and related subsections, authorizes the types of investment vehicles allowed in a California local agency's portfolio. The investment vehicles emphasize preservation of capital and are a conservative set of investments. The authority to invest (as defined in the Government Code) is delegated to the local agency's legislative body for re-delegation to its finance officer. Under no circumstance is the local agency finance officer permitted to purchase an investment that is not specifically authorized by law and within the scope of investments delegated by the local agency's governing board.

This Investment Policy grants the Port Director the authority to act as Finance Officer (Trustee) and manage investments for the Santa Cruz Port District. The Santa Cruz Port Commission will serve in the role of investment committee, responsible for setting investment policy and providing oversight.

The Port Commission, under authorized contract, may delegate certain responsibilities to professional experts in various fields, including but not limited to:

- Investment Consultant: An investment consultant may be retained assist the Port Director in selecting investment options in compliance with State of California public fund management

guidelines; reviewing such options over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.

- Designated officers as allowed under California Government Code Sections 53601-53610 and 53620-53622 and/or successor statutes for purposes of assuming fiduciary responsibility for administering and managing certain investments, such as a Section 115 trust to prefund Other Post-Employment Benefits or pension liabilities.
- Additional specialists such as attorneys, auditors, actuaries and others who may be contracted by the District.

Adoption of this policy was made at a regular meeting of the Port Commission on November 27, 2018. The Port Commission, acting as Investment Committee, may adopt other amendments to this policy due to a change in the District's goals and objectives, which shall require an affirmative vote by a majority of the Port Commission. This policy is intended to allow investment in accordance with state and federal laws and successor statutes, and therefore a statute change may not be require a change in this policy. Investment Policy Attachments A and B shall be updated by the Finance Officer, as needed, to reflect current California Debt and Investment Advisory Commission (CDIAC) guidance.

BASIC POLICY AND OBJECTIVES

In accordance with public fund management guidelines, the Santa Cruz Port District investment policy is a conservative policy guided by the objectives of safety, liquidity and yield, in accordance with Government Code Section 53600.5, which states, *"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a Trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control."*

The following are objectives:

Performance Expectations: The Port District's cash management portfolio shall be designed with the objective of regularly meeting or exceeding the average yield of the State of California Local Agency Investment Fund (LAIF). The enabling legislation for LAIF is Section 16429.1 et seq. of the California Government Code. LAIF as an indicator is considered a benchmark for lower risk investment transactions and therefore comprises a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles, when feasible. The investment program may also seek to reduce Other Post Employment (OPEB) or pension liabilities.

Prudence: The standard of prudence to be used by investment officials shall be the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations

from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Reporting Requirements: The quarterly financial reports presented to the Santa Cruz Port Commission, typically presented at regularly scheduled public meetings in July, October, and January, and shall include information about investment performance. (Note: Fiscal year end quarterlies are not typically presented to the Commission, but are reviewed as part of the year-end audit process.)

Performance Review: The Santa Cruz Port Commission shall perform periodic appraisals of the investment portfolio and investment policy to evaluate the effectiveness of the District's investment program. The Investment Policy shall be presented with the annual budget document.

Ethics and Conflicts of Interest: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business, in accordance with applicable laws. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Port District.

Investment Portfolio Compliance: The Port District's investment portfolio must be in compliance with statute at the time that investments are purchased. The investment portfolio shall be monitored, as practical, for subsequent changes in percentages resulting from non-purchase activity or changes in credit rating of existing securities. If, as a result of monitoring, it is discovered that the portfolio or individual investments are deemed to be out of compliance with either statute or this Investment Policy, such non-compliance shall be reported by the Port Director to the Port Commission within five working days along with a detailed explanation for the variance and recommended course of action.

Exceptions: When investing in funds deemed suitable for public investment such as LAIF, a Joint Powers Authority Pool or Voluntary Investment Program Fund as described in Attachment A, California Debt and Investment Advisory Commission (CDIAC) Figure 1, no maximum specified percentage of portfolio shall apply.

Conflicts: In the event any provision this Investment Policy is in conflict with any of the statutes referred to herein or any other State or Federal statutes, the provisions of each statute shall govern.

PERMITTED INVESTMENTS AND LIMITATIONS

Permitted Investments

The California Government Code contains specific provisions regarding the types of investments and practices permitted after considering the broad requirement of preserving principal and maintaining liquidity before seeking yield. These provisions are intended to promote the use of reliable, diverse and safe investments instruments to ensure a prudently managed portfolio worthy of public trust.

Government Code Sections 16340, 16429.1, 53601, 53601.6, 53601.8, 53635, 53635.2, 53635.8, 53638, and 53684 include a number of requirements on how and where public money may be invested. CDIAAC Figure 1 provides a synopsis of the permitted investment instruments and limitations on each, in which all local agencies may invest as summarized by CDIAAC, Local Agency Investment Guidelines, Update for 2018).

The Port District may invest only in those instruments specified in State law; however, the Port Commission may set a more stringent standard.

To the extent allowable by statute, the Finance Officer and Investment Committee (Port Commission) may consider investment in funds, such as those allowable under an irrevocable Section 115 Trust of the Internal Revenue Code, designated for the payment of employee retiree health benefits (Other Post Employment Benefits "OPEB") as authorized under Government Code Sections 53620-53622 or a Pension Prefunding Trust Program "PPTP," currently under development by CalPERS as authorized by SB 1413, which may provide a future investment opportunity.

Limitations on Investments

Limitations as established by law are subject to change as established by the State Treasurer. A listing of limitations on investments are as summarized by CDIAAC, Local Agency Investment Guidelines, Update for 2018, are shown in the Table of Notes appended to Table 1. As noted above, investment options and limitations are subject to change as established by the State Treasurer from time to time.

The Trustee, with guidance and approval of the Investment Committee (Port Commission), may adopt additional limitations on investments over time, which shall be made a part of this policy.

ATTACHMENTS

ATTACHMENT A.....CDIAC ALLOWABLE INVESTMENT INSTRUMENTS, FIGURE 1

ATTACHMENT B.....CDIAC TABLE OF NOTES FOR FIGURE 1

ATTACHMENT A

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2018)^a APPLICABLE TO ALL LOCAL AGENCIES^b

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM MATURITY ^c	MAXIMUM SPECIFIED % OF PORTFOLIO ^d	MINIMUM QUALITY REQUIREMENTS
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations—CA And Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S Agency Obligations	5 years	None	None
Bankers' Acceptances	180 days	40% ^e	None
Commercial Paper—Pooled Funds ^f	270 days	40% of the agency's money ^g	Highest letter and number rating by an NRSRO ^h
Commercial Paper—Non-Pooled Funds ^f	270 days	25% of the agency's money ^g	Highest letter and number rating by an NRSRO ^h
Negotiable Certificates of Deposit	5 years	30% ⁱ	None
Non-negotiable Certificates of Deposit	5 years	None	None
Placement Service Deposits	5 years	30% ^k	None
Placement Service Certificates of Deposit	5 years	30% ^k	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^l	20% of the base value of the portfolio	None ^m
Medium-Term Notes ⁿ	5 years	30%	"A" rating category or its equivalent or better
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple ^{p,q}
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	"AA" rating category or its equivalent or better ^r
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple ^s
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund ^t	N/A	None	None
Supranational Obligations ^u	5 years	30%	"AA" rating category or its equivalent or better

TABLE OF NOTES FOR FIGURE 1

- ^A Sources: Sections 16340, 16429.1, 53601, 53601.8, 53635, 53635.2, 53635.8, and 53638.
- ^B Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.
- ^C Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.
- ^D Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- ^E No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.
- ^F "Select Agencies" are defined as a "city, a district, or other local agency that do[es] not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body."
- ^G Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.
- ^H Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, has program wide credit enhancements, and has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.
- ^I "Other Agencies" are counties, a city and county, or other local agency "that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body." Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set for "Select Agencies," above.
- ^J No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- ^K No more than 30 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service (excludes negotiable certificates of deposit authorized under Section 53601(i)).
- ^L Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- ^M Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
- ^N "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States"
- ^O No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- ^P A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- ^Q A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- ^R Issuer must be rated in a rating category of "A" or its equivalent or better as provided by a nationally recognized statistical rating organization.
- ^S A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- ^T Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- ^U Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).

APPENDIX B

SANTA CRUZ PORT DISTRICT
 PRINCIPAL AND INTEREST DETAIL
 Updated January 28, 2021

INTEREST	Source	Loan #	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
	Cal Boating	5	5,301	2,709																				
	Cal Boating	6	6,975	4,751																				
	Cal Boating	7	10,011	7,671																				
	Cal Boating	8	43,975	40,798																				
	Cal Boating	9	73,044	69,185																				
	Cal Boating	10	67,881	65,545																				
	Cal Boating	*emerg500*	87,371	85,331																				
	Cal Boating	12	0	158,805																				
	Cal Boating	12a	0	0																				
	CMIA		210,843	200,043	92,738																			
	OE3 Pension Trust		57,102	54,365	51,443																			
	BBVA Tax Exempt		183,169	173,581	433,326																			
	BBVA Taxable				110,122																			
	BBVA Tax Exempt					412,836	389,156	364,738	339,560	313,598	286,827	259,768	233,501	206,416	178,487	149,689	119,994	89,374	57,801	16,786				
	BBVA Tax Exempt					103,862	95,642	86,995	77,943	68,503	58,641	48,209	37,296	25,991	11,877	3,718	525							
	BBVA RLOC								20,378	53,583	50,624	47,562	44,391	41,108	37,710	34,191	30,548	26,777	22,872	20,595	16,017	11,278	6,372	1,292
	Subtotal Interest Payments		-562,503	-907,964	-687,630	-516,698	-484,798	-451,734	-460,169	-494,290	-451,463	-407,559	-363,740	-318,477	-269,318	-224,994	-184,479	-145,438	-105,690	-56,211	-30,662	-21,590	-12,197	-2,473
	Cancelled																							
	PRINCIPAL																							
	Cal Boating	5	57,608	60,200	552,388																			
	Cal Boating	6	49,409	51,633																				
	Cal Boating	7	52,002	54,342																				
	Cal Boating	8	70,603	73,781																				
	Cal Boating	9	85,737	89,598																				
	Cal Boating	10	51,902	54,239																				
	Cal Boating	*emerg500*	39,017	41,057																				
	Cal Boating	12	0	0																				
	Cal Boating	12a	0	0																				
	CMIA		175,000	190,000	2,505,000																			
	OE3 Pension Trust		40,663	43,400	46,321																			
	BBVA Tax Exempt																							
	BBVA Taxable																							
	BBVA Tax Exempt																							
	BBVA Tax Exempt																							
	BBVA RLOC																							
	\$1mil borrowed																							
	Subtotal Principal Payments		-621,940	-820,658	-3,960,239	-931,580	-964,351	-997,454	-1,132,039	-1,240,105	-1,285,274	-1,260,274	-1,299,153	-1,348,232	-1,394,754	-1,254,502	-1,221,694	-1,245,448	-1,285,196	-1,334,676	-256,955	-266,027	-275,419	-141,335
	TOTAL PRINCIPAL AND INTEREST PAYMENTS		-1,184,443	-1,728,622	-4,647,868	-1,448,278	-1,449,148	-1,449,188	-1,592,207	-1,734,395	-1,736,737	-1,667,833	-1,662,894	-1,666,710	-1,664,072	-1,479,496	-1,406,173	-1,390,886	-1,390,886	-1,390,887	-287,617	-287,617	-287,616	-143,808

Payments on CMIA bonds were made from funds held in escrow as part of FY14 debt refinance.

**Santa Cruz Port District
Historical Revenues and Expenses
Debt Service Coverage Projection**

	2018 <i>Audited</i>	2019 <i>Audited</i>	2020 <i>Audited</i>	2021 <i>Budget</i>	2021 <i>Projected</i>	2022 <i>Budget</i>
Operating Revenues						
Charges for berthing and services	\$ 7,181,501	\$ 7,372,983	\$ 7,920,084	\$ 7,714,702	\$ 7,472,870	\$ 7,889,775
Rent and concessions	\$ 1,889,238	\$ 1,838,345	\$ 1,893,576	\$ 2,016,320	\$ 1,898,286	\$ 1,825,000
Total Operating Revenues	\$ 9,070,739	\$ 9,211,328	\$ 9,813,660	\$ 9,731,022	\$ 9,371,156	\$ 9,714,775
Operating Expenses						
Depreciation and Amortization	\$ 1,824,754	\$ 1,830,080	\$ 1,954,934			\$ -
CalPERS Unfunded Liability (Non-cash)	\$ 489,486	\$ 313,404	\$ 338,085			\$ -
OPEB Liability (Non-cash)		\$ 70,313	\$ 67,186			\$ -
Dredging Operations	\$ 1,234,002	\$ 1,232,182	\$ 1,369,670	\$ 1,470,038	\$ 1,383,380	\$ 1,487,426
Administrative Services	\$ 632,156	\$ 653,783	\$ 759,880	\$ 778,728	\$ 786,225	\$ 764,483
Grounds	\$ 633,063	\$ 750,251	\$ 727,772	\$ 837,988	\$ 730,006	\$ 786,798
Fuel Services	\$ 350,664	\$ 413,682	\$ 536,061	\$ 590,261	\$ 394,693	\$ 491,444
Harbor Patrol	\$ 627,790	\$ 641,569	\$ 683,549	\$ 712,349	\$ 668,509	\$ 721,534
Property Management	\$ 403,528	\$ 474,209	\$ 480,408	\$ 538,859	\$ 517,755	\$ 546,648
Marina Management	\$ 492,804	\$ 544,303	\$ 434,290	\$ 516,390	\$ 468,294	\$ 512,134
Buildings	\$ 259,087	\$ 322,642	\$ 323,550	\$ 389,156	\$ 345,478	\$ 395,252
Parking Services	\$ 360,565	\$ 357,156	\$ 341,396	\$ 371,526	\$ 244,044	\$ 323,993
Docks, Piers, Marine Structures	\$ 317,187	\$ 270,617	\$ 237,013	\$ 263,751	\$ 279,220	\$ 297,927
Debt issuance costs	\$ -	\$ -	\$ -			\$ -
Finance & Purchasing	\$ 165,863	\$ 170,690	\$ 181,208	\$ 207,570	\$ 185,236	\$ 209,575
Environmental & Permitting	\$ 131,817	\$ 143,423	\$ 174,318	\$ 195,610	\$ 152,250	\$ 195,175
Utilities	\$ 107,964	\$ 87,508	\$ 85,665	\$ 125,918	\$ 71,645	\$ 95,943
Aeration	\$ 44,900	\$ 36,840	\$ 38,467	\$ 60,578	\$ 41,400	\$ 57,340
Rescue Services	\$ 97,308	\$ 95,508	\$ 99,549	\$ 119,260	\$ 88,701	\$ 122,463
Boatyard Operations	\$ 221,938	\$ 254,419	\$ 274,979	\$ 292,540	\$ 291,198	\$ 324,636
Port Commission Support	\$ 48,164	\$ 45,923	\$ 52,156	\$ 80,350	\$ 47,484	\$ 57,089
Capital Projects	\$ 9,716	\$ 1,022	\$ 6,812	\$ 459,285	\$ 453,773	\$ 417,797
Events	\$ 32,313	\$ 30,682	\$ 30,440	\$ 34,791	\$ -	\$ 35,344
Fishery Support	\$ 2,452	\$ 2,762	\$ 5,680	\$ 19,460	\$ 6,880	\$ 16,322
Total Expenses	\$ 8,487,521	\$ 8,742,968	\$ 9,203,068	\$ 8,064,408	\$ 7,156,171	\$ 7,859,323
Non-Operating Revenue (Expenses)						
County revenues for public services	\$ 36,228	\$ 12,493	\$ 49,985	\$ 50,000	\$ 50,000	\$ 50,000
Grants and Other Income	\$ 140,189	\$ 111,403	\$ 37,826	\$ 42,000	\$ 42,000	\$ 42,000
Dredging Reimbursement USACE	\$ 485,000	\$ 449,000	\$ 385,000	\$ 385,000	\$ 385,000	\$ -
Interest Income	\$ 96,293	\$ 242,056	\$ 265,810	\$ 180,000	\$ 73,287	\$ 79,500
Interest Expense	\$ (444,310)	\$ (476,885)	\$ (491,385)	\$ (451,463)	\$ (451,463)	\$ (407,559)
Other Income (Expenses)	\$ 44,912	\$ 188,516	\$ 2,809	\$ 60,000	\$ 55,310	\$ 60,000
Total Non-Operating Income (Expenses)	\$ 358,312	\$ 526,583	\$ 250,045	\$ 265,537	\$ 154,134	\$ (176,059)
Debt Service Coverage Calculation						
(+) Gross Revenues	\$ 9,070,739	\$ 9,211,328	\$ 9,813,660	\$ 9,731,022	\$ 9,371,156	\$ 9,714,775
(-) Maintenance and operating expenses	\$ (8,487,521)	\$ (8,742,968)	\$ (9,203,068)	\$ (8,064,408)	\$ (7,156,171)	\$ (7,859,323)
(+) Depreciation and Amortization	\$ 1,824,754	\$ 1,830,080	\$ 1,954,934			
(+) CalPERS Unfunded Liability (Non-cash)	\$ 489,486	\$ 313,404	\$ 338,085			
(+) OPEB Liability (Non-cash)	\$ -	\$ 70,313	\$ 67,186			
(=) Net Operating Income	\$ 2,897,458	\$ 2,682,157	\$ 2,970,797	\$ 1,666,614	\$ 2,214,985	\$ 1,855,452
(+) Interest Income	\$ 96,293	\$ 242,056	\$ 265,810	\$ 180,000	\$ 73,287	\$ 79,500
(+) Non-operating Income	\$ 44,912	\$ 188,516	\$ 2,809	\$ 60,000	\$ 55,310	\$ 60,000
(+) Grants	\$ 176,417	\$ 123,896	\$ 87,811	\$ 92,000	\$ 92,000	\$ 92,000
(+) Dredging Reimbursement USACE	\$ 485,000	\$ 449,000	\$ 385,000	\$ 385,000	\$ 385,000	\$ -
(=) Net Revenues Available for Debt Service	\$ 3,700,080	\$ 3,685,625	\$ 3,712,227	\$ 2,383,614	\$ 2,820,582	\$ 2,086,952
(+) Current Portion Long Term Debt	\$ 1,048,837	\$ 1,254,451	\$ 1,299,163	\$ 1,285,274	\$ 1,285,274	\$ 1,260,274
(+) Interest Expense	\$ 444,310	\$ 476,885	\$ 491,385	\$ 451,463	\$ 451,463	\$ 407,559
(=) Total Debt Service	\$ 1,493,147	\$ 1,731,336	\$ 1,790,548	\$ 1,736,737	\$ 1,736,737	\$ 1,667,833
Debt Service Coverage Ratio (DSCR)	2.48x	2.13x	2.07x	1.37x	1.62x	1.25x
Required DSCR	1.25x	1.25x	1.25x	1.25x	1.25x	1.25x



**California Public Employees' Retirement System
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July 2020

**Miscellaneous First Tier Plan of the Santa Cruz Port District
(CalPERS ID: 3817767080)
Annual Valuation Report as of June 30, 2019**

Dear Employer,

Attached to this letter, you will find the June 30, 2019 actuarial valuation report of your CalPERS pension plan. **Provided in this report is the determination of the minimum required employer contributions for fiscal year 2021-22.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2019.

Section 2 can be found on the CalPERS website (www.calpers.ca.gov). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2019 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 1, 2020.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution rates as needed. This valuation is based on an investment return assumption of 7.0% which was adopted by the board in December 2016. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017.

Required Contribution

The exhibit below displays the minimum employer contributions, before any cost sharing, for fiscal year 2021-22 along with estimates of the required contributions for fiscal year 2022-23. Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability
2021-22	11.59%	\$352,614
<i>Projected Results</i>		
2022-23	11.6%	\$389,000

The actual investment return for fiscal year 2019-20 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 7.00%. ***To the extent the actual investment return for fiscal year 2019-20 differs from 7.00%, the actual contribution requirements for fiscal year 2022-23 will differ from those shown above.*** For additional details regarding the assumptions and methods used for these projections please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through fiscal year 2026-27.

Changes from Previous Year's Valuation

The CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a 5-year ramp-up and ramp-down on Unfunded Accrued Liability (UAL) bases attributable to assumption and method changes and non-investment gains/losses. The new policy does not utilize a 5-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in Appendix A, "Actuarial Methods and Assumptions." The effects of the changes on the required contributions are included in the "Reconciliation of Required Employer Contributions" section.

Questions

We understand that you might have some questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their results, we ask that you wait until after August 1, 2020 to contact us with actuarial questions. If you have other questions, you may call the Customer Contact Center at (888)-CalPERS or **(888-225-7377)**.

Sincerely,

SCOTT TERANDO
Chief Actuary



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July 2020

**Miscellaneous Second Tier Plan of the Santa Cruz Port District
(CalPERS ID: 3817767080)
Annual Valuation Report as of June 30, 2019**

Dear Employer,

Attached to this letter, you will find the June 30, 2019 actuarial valuation report of your CalPERS pension plan. **Provided in this report is the determination of the minimum required employer contributions for fiscal year 2021-22.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

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Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability
2021-22	8.65%	\$7,214
<i>Projected Results</i>		
2022-23	8.7%	\$7,200

The actual investment return for fiscal year 2019-20 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 7.00%. ***To the extent the actual investment return for fiscal year 2019-20 differs from 7.00%, the actual contribution requirements for fiscal year 2022-23 will differ from those shown above.*** For additional details regarding the assumptions and methods used for these projections please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through fiscal year 2026-27.

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July 2020

PEPRA Miscellaneous Plan of the Santa Cruz Port District

(CalPERS ID: 3817767080)

Annual Valuation Report as of June 30, 2019

Dear Employer,

Attached to this letter, you will find the June 30, 2019 actuarial valuation report of your CalPERS pension plan. **Provided in this report is the determination of the minimum required employer contributions for fiscal year 2021-22.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

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Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability	PEPRA Employee Rate
2021-22	7.59%	\$38,030	6.75%
<i>Projected Results</i>			
2022-23	7.6%	\$0	TBD

The actual investment return for fiscal year 2019-20 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 7.00%. ***To the extent the actual investment return for fiscal year 2019-20 differs from 7.00%, the actual contribution requirements for fiscal year 2022-23 will differ from those shown above.*** For additional details regarding the assumptions and methods used for these projections please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through fiscal year 2026-27.

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Sincerely,

SCOTT TERANDO
Chief Actuary



SANTA CRUZ PORT DISTRICT

FIVE-YEAR
CAPITAL IMPROVEMENT PLAN
FY 22-26



I. INTRODUCTION

This 5-year Capital Improvement Plan (CIP) presents the Santa Cruz Port District's plan for development, maintenance, improvement and acquisition of infrastructure assets to benefit the Santa Cruz Harbor's users, businesses and visitors. It is intended to serve as a guidance document for planning, scheduling and implementing capital improvements and planning projects over the next 5 years.

The 5-year CIP serves as a tool for prioritizing and selecting future projects, and provides an overview of works in progress. The CIP highlights the District's investments in infrastructure development and maintenance (i.e. capital improvements) and other significant capital expenditures that add to or strategically invest in the inventory of assets. Studies of less than \$5,000, and capital expenditures for equipment, vehicles and vessels are typically not included in the CIP, though there are exceptions (e.g., *Water Taxi and Patrol Vessel Replacement*).

II. Developing the Five-Year Capital Improvement Plan

Annual updating of the 5-year CIP is an integral part of the budget process. The CIP is presented with the draft budget to provide time for review by the public and the Port Commission prior to consideration and incorporation into the final budget.

Prior to FY13, many capital improvements were budgeted and completed within line items in the operating budget, such as Pavement Repairs (F006), Building Restoration (F011), Restroom Building Rehabilitation (F012) and Dock Upgrades(F008). Those items are now presented as separate projects within the 5-year CIP with recommended funding amounts for ongoing rehabilitation and repair.

Each year the Commission will adopt an updated 5-year CIP that will include prioritized short and long-term projects. The prioritized list will be used by staff in the development of the annual operating budget. The 5-year CIP will be published in advance of and discussed during a public meeting prior to adoption of the annual budget.

III. Funding the Five-Year Capital Improvement Plan

Funding in the CIP is allocated to the various large and small projects. Non-specific CIP funding is contained in the Unallocated CIP Funds (F099), which is also referred to as the CIP Reserve Fund.

The Port Commission adopted a Reserve Policy in FY16 and established funding goals for reserves and for the 5-year CIP. The Commission initially elected to contribute \$500,000 to the CIP fund each year, whenever practicable. The CIP fund would be allowed to grow over time so that large-scale projects could be planned and accomplished without impacting either the Reserve Fund or operations. In February 2020, the Commission increased the CIP funding goal to \$750,000 annually, whenever practicable, and increased funding in the FY21 budget from \$500,000 to \$590,000.

However, in April 2020, in response to the novel Coronavirus pandemic (COVID-19), the Port Commission eliminated the \$590,000 in capital improvement funding included in the FY21 budget. Funding for designated priority projects was to come from the Unallocated CIP Fund (F009).

As a response measure to budget impacts from COVID-19, FY22 CIP fund includes a \$500,000 contribution, though the annual funding goal remains \$750,000 for future years.

IV. *Project Development and Selection Process*

The projects proposed in this FY22 CIP were derived from a variety of sources, including recommendations from Port District staff, Commission and public input, and projects identified in the Port District Priorities for 2021. No unfunded projects listed in the prior CIP are proposed for funding in FY21, but may have funding anticipated in a future year.

Although not typically included as capital improvements, planning studies may be included in the CIP as part of the planning effort. Studies of less than \$5,000 or capital expenditures for vehicles, equipment and vessels are typically funded in the operating budget.

Six (6) previously identified projects are proposed for funding in FY22, five (5) of which have CIP funding from prior years. There is one (1) new project proposed for funding in FY22. Other projects previously identified as desirable projects that are not currently recommended for funding are incorporated into the index of non-funded projects in Appendix C.

Not including the CIP Reserve Fund, the Fund Balance projection as of April 1, 2021, has 24 identified projects with some level of available funding. The Fund Balance includes the projects in the 5-year CIP, and projects with funding from prior years that may not be listed in the 5-year plan.

V. *Proposed Projects*

Several of the proposed projects in this CIP address ongoing infrastructure or facility maintenance needs and are typically programmed on an annual basis. Examples include Dock Upgrades (F008) Pavement Repairs (F006), Building Restoration (F011), and Restroom Building Rehabilitation (F012).

New project investigations involving maintenance of current infrastructure and/or service expansions proposed for FY 22 are listed in Appendix A. Projects approved in prior fiscal years that are ongoing or have not yet been completed are listed in Appendix B.

VI. *Environmental Review*

The development of this 5-year plan is not a project, as defined in the California Environmental Quality Act (CEQA), and an environmental review is not required for its adoption. Individual projects listed herein may be subject to CEQA. Environmental reviews will be conducted at the appropriate times during implementation of those projects.

Appendix A
Capital Improvement Plan Summary Table

CAPITAL IMPROVEMENT PROJECTS FY22-FY26

Category	FY22	FY23	FY24	FY25	FY26	TOTAL
Docks, Piers & Marine Structures						
Piling Replacement ¹	-	60,000	-	125,000	250,000	435,000
Dock Upgrades	35,000	20,000	20,000	125,000	250,000	450,000
Pier Rehabilitation Project ²	20,000	105,000	60,000	-	-	185,000
Boatyard Marine Ways Inspection / Upgrades	-	40,000	-	-	85,000	125,000
TOTAL	\$ 55,000	\$ 225,000	\$ 80,000	\$ 250,000	\$ 585,000	\$ 1,195,000

1. Delay pile repair/replacement to FY23 and beyond and reassess plan under new RGP permit

2. FY22 funding for inspection of fishery pier piles. FY23 funding for East Public Pier Pile Repair

Buildings						
Building Restoration Projects - Minor	126,605	135,000	50,000	50,000	100,000	461,605
Restroom Building Rehabilitation	156,707	85,000	60,000	25,000	25,000	351,707
Dredge Yard Covered Work Area	-	-	-	15,000	-	15,000
Walton Lighthouse Repainting	-	-	15,000	-	-	15,000
Harbormaster Office Remodel	-	-	-	125,000	-	125,000
Harbor Office Building Improvements	-	15,000	-	-	-	15,000
TOTAL	\$ 283,312	\$ 235,000	125,000	215,000	125,000	\$ 983,312

Landside Infrastructure						
Pavement Repairs ³	126,688	50,000	50,000	75,000	75,000	376,688
Parking Pay Stations	-	30,000	-	100,000	-	130,000
Parking Upgrades	20,000	5,000	5,000	5,000	5,000	40,000
Sidewalk & Plaza Restoration	-	-	-	15,000	25,000	40,000
TOTAL	\$ 146,688	\$ 85,000	55,000	195,000	105,000	\$ 586,688

3. FY22 priorities west harbor repairs; launch ramp reseal; NE harbor

Utility Systems						
Sanitary Sewer Lift Station Upgrades ⁴	-	200,000	200,000	200,000	TBD	600,000
Fuel System Upgrades / UST	-	45,000	-	150,000	-	195,000
Aeration System Upgrades	-	10,000	10,000	-	-	20,000
Storm Drain System Repairs and Maintenance	-	20,000	20,000	30,000	30,000	100,000
Water and Sewer System Repairs and Maintenance	-	40,000	40,000	TBD	TBD	80,000
TOTAL	\$ -	\$ 315,000	\$ 270,000	\$ 380,000	\$ 30,000	\$ 995,000

4. Funding eliminated in FY21 and 22. Total available funding approx \$348,000

CAPITAL IMPROVEMENT PROJECTS FY22-FY26

Category	FY22	FY23	FY24	FY25	FY26	TOTAL
Planning Projects & Studies						
Commercial Fishery/Marine Services Center Upgrades		-	TBD	80,000	-	80,000
West Side Master Plan	-	-	75,000	-	-	75,000
7th & Brommer Property Site Assessment	TBD	TBD	TBD	TBD	TBD	-
SH Revetment and Seawall		60,000	250,000	TBD	TBD	310,000
Harborwide Wifi	-	25,000	TBD	TBD	TBD	25,000
Embankment Assessment	15,000	-	-	-	-	15,000
Arana Gulch Grade Control Structure Feasibility Study	-	85,000	TBD	TBD	TBD	85,000
TOTAL	\$ 15,000	\$ 170,000	\$ 325,000	\$ 80,000	\$ -	\$ 590,000

Other/Miscellaneous						
CIP Reserve Fund	-	-	-	-	-	-
Harborwide Refuse/Recycling Study	-	50,000	-	-	-	50,000
Harbor Security Infrastructure Upgrades ⁵		20,000	TBD	TBD	TBD	20,000
West Jetty Walkway Project	-	-	40,000	40,000	-	80,000
TOTAL	\$ -	\$ 70,000	\$ 40,000	\$ 40,000	\$ -	\$ 150,000

5. FY23 funding for add'l security cameras

						GRAND TOTAL
FISCAL YEAR TOTALS	\$ 500,000	\$ 1,100,000	\$ 895,000	\$ 1,160,000	\$ 845,000	\$ 4,500,000

Appendix B
Overview of Previously Funded Projects

Overview of Previously Funded Projects

Commercial Fishery/Marine Services Center Upgrades – Phase I (F003)

Status: Architectural review preliminarily commenced; project on hold. Limited funding available from FY13.

This project would involve improvements to the facilities located at 493 and 495 Lake Avenue, buildings that currently house H&H Fresh Fish, Johnny’s Harborside Restaurant and the Santa Cruz Harbor Boatyard. The first phase of the project will involve outreach and preliminary planning for ice production and storage, evaluation of the expansion potential for the restaurant facility, and potential upgrades to serve the commercial fishery. Additional work will involve identification of funding sources/partners, and use of the boat yard during the City of Santa Cruz’ upcoming Murray Street Bridge Rehabilitation project.

Sanitary Sewer Lift Stations (F004)

Status: Funding eliminated in FY22. Recommend assessment of project in FY22 and additional funding in FY23 and beyond. Funding from previous years totals \$348,547.

This project will involve hiring a consulting engineer for a complete assessment of the nine existing sanitary sewer lift stations, development of construction documents for upgrades or replacements as required, and coordination with the City of Santa Cruz and the County of Santa Cruz for future maintenance. Preliminary engineering began during FY13. Priority tasks previously identified include replacing the lift station control panels and performing ultrasound inspections of existing steel tubing, replacing or relining existing tanks and upgrading access to pumps for maintenance.

Piling Replacement (F005)

Status: Phase 1, 2 and 3 projects complete. Additional funding recommended for FY23 and beyond.

The Port District maintains approximately 700 piles to support its docks.

125 damaged piles were replaced as a result of the March 2011 tsunami.

Project financing for pile removal and replacement was obtained in FY19 and all loan funding has been expended. In FY19, a Phase 1 project was completed that replaced 70 piles. A Phase 2 project was completed in FY20 which replaced 80 piles and repaired 3 piles supporting the boatyard’s marine ways. A follow-on Phase 3 project funded out of Pier Rehabilitation repaired 3 piles supporting the east public pier in FY21. The permit authorized replacement of approximately 220 piles, 18 of which were for reconfiguration of H and I dock. Approximately 46 piles remain permitted for replacement, though nearly all of the remaining piles identified for replacement have been deemed challenging to complete under the current permit. The permit is valid through December 31, 2022, though it is likely that future pile replacements and repair will be accomplished under a new Regional General Permit which was applied for in January 2021.

Pavement Repairs (F006)

Status: Limited funding from prior years exists; additional funding recommended in FY22, including influx of funding from Unallocated CIP (F099).

Ongoing project to maintain, resurface and restripe harbor parking lots and roads.

Santa Cruz Yacht Club resealed and restriped their dry storage yard in 2020, and repaved a portion of the District's west side road and parking area damaged by their boat rinse facility.

Sealing and repaving the launch ramp area was identified as a priority in FY21, though CIP funding was eliminated due to COVID-19. When funding was eliminated, pavement repairs were identified as a priority with funding available from the Unallocated CIP (F099). Funding from the Unallocated CIP is recommended to complete launch ramp sealing and repaving in FY22.

A project to repave the northeast harbor roadway from the RV park south to U-dock is funded in FY22, as well as paving repairs in the harbor's west side parking lot damaged by storm events that occurred in late-January 2021.

Dock Upgrades (F008)

Status: Aluminum gangways acquired for southeast harbor docks in FY21. Funding remains from prior years; additional funding recommended for FY22.

The 30 distinct docks that make up the Santa Cruz Harbor provide berthing for over 800 vessels, fulfilling the mission of being a federal and state harbor of refuge. This funding provides for small projects involving repairs or upgrades to the existing docks and appurtenant structures such as gates, brow piers, ramps, etc.

Fabrication of new aluminum dock gates supporting conversion to electronic key system for dock gates and restrooms was completed in FY19. Southeast harbor brow pier repairs completed in FY19; installation of new aluminum gangways acquired in FY21 for southeast harbor brow piers pends. Additional funding recommended in FY22 to facilitate installation of the new gangways and provide funding for any design work that may be required.

Pier Rehabilitation Project (F009)

Status: Funding from prior years exists; additional funding recommended in FY23.

The harbor's three piers require periodic inspection and maintenance to ensure they remain safe for public access and serviceable for their various uses. This ongoing project provides for periodic funding for inspections, repairs and upkeep.

In FY21 a repair project was completed in which 3 piles supporting the east public pier deemed to be in critical condition were jacketed and filled with cementitious grout. It is recommended that 4 additional east public pier piles previously programmed for a similar repair in FY22 be pushed back to FY23 and combined with repair of 3 piles programmed for FY23. Additional funding for repair of the piles supporting the east public pier and the boatyard marine ways is recommended in FY23. The rehabilitation project is anticipated to be completed under a new Regional General Permit issued by the US Army Corps of Engineers.

Building Restoration – Minor (F011)

Status: Several projects completed in FY21. Additional funding recommended for FY22.

Projects to be programmed on an annual basis include minor improvements that extend the useful life of systems and equipment in District-owned buildings that are rented out to various tenants.

Work completed in FY21 included painting 333 Lake Avenue, re-roofing the concession lot information kiosk and replacing damaged gutters and flooring at 413 Lake Avenue. During the painting project at 333 Lake Avenue, damage to the building's north exterior wall was discovered and repair is expected to be completed in FY21.

Future projects (FY22 and beyond) include 333 Lake Avenue rewiring and submetering, roofing and stairway replacement; re-roofing the concession lot restroom structure; maintenance facility re-roofing; roofing repairs at 2218 East Cliff Drive; and other necessary maintenance and repair projects.

Restroom Building Rehabilitation (F012)

Status: FY22 funding and ongoing funding recommended to facilitate phased rehabilitation of restroom facilities.

Projects are planned on an annual basis to extend the useful life of the District's 11 restroom buildings. Rehabilitation of the concession lot public restroom was completed in FY21. Future priority projects include remodel of the V-dock restroom facility to separate unisex facilities serving boaters and the public and phased upgrades to boaters' restrooms throughout the harbor and re-roofing the D-dock restroom which was programmed in FY21, but delayed due to elimination of CIP funding due to COVID-19.

Sidewalk and Plaza Restoration (F013)

Status: No major restoration of sidewalks and plazas was completed in FY21.

This ongoing project includes resealing tiles, repairing broken curbs and gutters, applying stain to the Beach Plaza and resealing the compass rose at Townsend Plaza.

Storm Drain System (F014)

Status: No major repair or replacement work completed in FY21; additional funding recommended for F22.

This ongoing project involves maintenance, repairs and cleaning of the harbor's storm drain pipes, inlets and catch basins, and upgrades needed to comply with the State of California Industrial Stormwater Permit.

Water and Sewer System (F015)

Status: Funding from prior years exists.

This ongoing project funds upgrades, improvements and major replacement / repair to the harbor's water and sewer services.

Parking Pay Stations (F018)

Status: Funding eliminated in FY21 due to COVID-19; additional funding recommended in FY23 and beyond.

This ongoing project funds replacement of the aging parking meters with pay stations throughout the harbor, beginning on the west side. Recommend funding in FY23 to facilitate acquisition and installation of a second pay station and construction of a roof structure for two pay stations located adjacent to 493 Lake Avenue. Future projects anticipate pay station replacement and rehabilitation.

Aeration System Upgrades (F019)

Status: Ongoing project for aerator replacement and servicing; no additional funding proposed in FY22.

Annual maintenance of the aerator motors and floats is performed as part of the Aeration program. This project differs from the annual program as it provides for replacement of aerators worked beyond their rated capacity. Two aerators identified as needing replacement in FY21, pend.

Ice Machine Upgrades (F020)

Status: Funding from prior years exists; no specific projects identified in the FY22-26 CIP.

This project was initially funded to add cold storage and/or an ice delivery system to serve the commercial fishing fleet following replacement of the former Sunwell ice system. The resident buyer has a concept for improving ice production and delivery which may be an appropriate use of this funding subject to Port Commission review and approval.

7th and Brommer Reconnaissance (F021)

Status: Funding from prior years exists.

Site assessment and engineering work for future development of Port District's property in the area of 7th and Brommer, and coordination and interface with other opportunities in the area to ensure Port District and community interests are served.

Site assessment of the Port District-owned parcel on northwest parcel was initiated in FY21; a marketing and feasibility study was initiated in FY21 to consider opportunities that may be available to the Port District on County-owned property located on the southwest corner of 7th and Brommer (pends completion).

South Harbor Revetment and Seawall (F022)

Status: Funding recommended in FY23

Originally funded in FY15, this project was for engineering assessment and recommendations involving the seawall along the harbor's west side. The seawall at 616 Atlantic Avenue (Aldo's Restaurant site) was replaced in FY20 and is similar vintage to the west side seawall. FY23 funding is recommended for completion of an engineering assessment of the seawall including a dive assessment. Additional funding is recommended in FY24 for anticipated for repair and/or replacement design and engineering.

Murray Street Bridge Reconstruction (F024)

Status: Limited funding from prior years remains.

Port District coordination with the City of Santa Cruz on the Murray Street bridge reconstruction project. Contract services for engineering oversight and legal counsel will be needed.

The bridge replacement project was delayed while the Santa Cruz County Sanitation District completed planning and design for relocation of the sanitary sewer pipeline. City staff and consultants restarted efforts to update appraisals and update cost estimates in 2020. The City hopes to go to bid on the project in Fall 2021, though the timeline is likely optimistic.

Aldo's Seawall Replacement (F027)

Status: Construction of a new seawall was completed by Granite Construction in FY20. The project was partially funded by financing obtained in FY19. All loan funding has been expended. Approximately \$189,151 remains in the CIP following project close-out, to provide funding for any future District costs associated with accessway improvements and Tenant reconstruction of the restaurant structure.

Parking Upgrades (F028)

Status: FY22 funding recommended.

The Santa Cruz Harbor Parking Management Plan completed during FY16 included several recommendations for upgrading ADA parking facilities throughout the harbor. This project involves assessing current inventory and adding new accessible spaces in key locations.

In FY21 one additional ADA space was added in the concession parking lot and existing spaces were relocated and reconfigured to bring them to current ADA standards.

FY22 funding is to assess and complete any necessary upgrades to bring the path of travel between the concession lot public restroom and the beach plaza / concession area to current standards.

Pappy Park (F032)

Status: Project completed in 2020. Reallocate remaining funding.

The project involves construction of a display cradle for the vessel *Pappy* and associated sitework.

Patrol Vessel Replacement (F033)

Status: Replacement is fully funded through State of California grant (FY20 budget allocation) and partial funding was allocated to the CIP in FY19.

Grant funding in the State of California budget was secured in FY20 for replacement of the Port District's Almar patrol vessel, fully funding capital equipment acquisition anticipated to cost \$530,000. The State of California is providing grant reimbursement to the Port District on an ongoing basis as costs are incurred.

Boatyard Marine Ways Inspection / Upgrades F035

Status: Project completed in 2020. Reallocate limited funding remaining.

Visual inspections of the boatyard marine ways were performed on March 12, 2011, and on November 8, 2018. An analysis of the design capacity of the marine ways was completed in FY20, and three of the critical piles supporting the boatyard marine ways were repaired (jacket / cementitious grout). The pile repairs were completed as a change order under the Pile Repair and Replacement Project (F005). New decking for the marine ways was purchased in FY20, and installed in FY21.

In September 2020, an emergency condition assessment was performed by Moffatt & Nichol after a stringer on the north way cracked. Stringers on the north and south ways were replaced and I-beams were installed per the engineer's recommendations, requiring that the new decking be removed and replaced. This emergency repair work was completed by in-house crews and was funded out of the operating budget.

Dredge Yard Hazmat shed (F037)

Status: Project completed in FY20. Reallocate remaining funding.

The County of Santa Cruz Environmental Health Service required replacement of the 3-sided waste oil shed in the dredge yard with a fully contained hazmat shed.

Harborwide Sign Study (F038)

Status: Limited project completed in-house in FY21. Reallocate remaining funding.

Project to development of sign design criteria for multi-tenant buildings in the southeast harbor area. New sign program for multi-tenant buildings in the southeast harbor developed in-house.

Harborwide Refuse / Recycling Study (F039)

Status: Limited project funding allocated in FY20; supplemental funding eliminated in FY21 due to COVID-19; additional funding recommended in FY23.

Project is for sanitation engineering study of refuse and recycling systems and recommended improvements.

Harbor Security (HO01)

Status: Limited funding from prior years remains; additional funding recommended in FY23 for acquisition of additional security cameras.

This project was approved to provide for increased security systems throughout the harbor to reduce unauthorized uses, and to improve monitoring and law enforcement capabilities. Cameras and recording devices with remote monitoring capabilities have been installed at key locations and expansion of the camera system is recommended. Fencing and lighting upgrades were previously completed in the north harbor dry storage and dredge yard.

Previously completed projects include restroom door and gate rekeying in FY16, FY17 and FY19, and acquisition of electronic system components in FY19. Fabrication of dock gates to support the new electronic key system were funded as separate project (Dock Upgrades F008).

Security cameras were installed in FY20 and FY21. Additional funding planned in FY23 is for additional cameras to be placed at harbor entry/exit points and in the maintenance yard.

Water Taxi Replacement (H002)

Status: New water taxi delivered in FY21; anticipated to go into service in Summer 2021, depending on status of pandemic-related tiers governing social distancing.

West Jetty Walkway (J001)

Status: On hold. Limited funding from prior years.

A Phase 1 project to complete resurfacing of the west jetty walkway was completed in 2012, utilizing grant funding provided by the Coastal Conservancy.

Phase 2, which will complete an accessible walkway between AA-dock and Walton Lighthouse featuring donor-funded amenities including benches, plazas, a gateway and overlooks, is on hold pending completion of the Aldo's restaurant building replacement, and subsequent West Side Master Plan.

Concession Lot Automation Project (OP02)

Status: Project completed in FY20; project closed out and funding reallocated in FY21.

Appendix C
Index of Non-Funded Projects

Non-Funded Projects List FY22

Wifi System

Status: FY23 funding for a feasibility study and Request for Proposals (“RFP”) for installation of a harborwide wifi system

This project involves design and installation of a wifi system available to harbor customers and tenants. Installation costs are presumed to be borne by a wifi vendor to be selected through a public bidding process, though there are numerous other options researched by Port District staff which may impact the type of service provided, installation costs, ongoing monthly costs, vendor-provided support, maintenance and customer service, fee-based upgrade options, etc.

A feasibility study by an outside consultant is recommended to identify and assess available options. Any wifi system should include comprehensive vendor-provided support as a top priority. Should the Commission direct staff to pursue the project following completion of a feasibility study, subsequent development of an RFP for installation of a wifi system by a qualified consultant is recommended.

Funding for this project was anticipated to be programmed for FY22, but delayed to FY23 due to an anticipated shortfall in dredge expense reimbursement potentially impacting revenues in calendar 2021.

Arana Gulch Grade Control Structure Feasibility Study – FEMA Hazard Mitigation Grant Application

Estimated Cost: \$50,000

Funding Source(s): Federal Emergency Management Agency Hazard Mitigation Grant Program and Local Cost Share. Limited CIP funding anticipated in FY23

This project would involve developing a grant proposal to fund engineering design and construction of several sediment-reduction measures in Arana Gulch, upstream of the north harbor. Work on this project commenced in FY 11 with a preliminary application submitted on the Port District's behalf. The application process was suspended because the Port District is not eligible to serve as lead agency for the grant and cooperative agreements had not been executed with the City of Santa Cruz and the County of Santa Cruz for extraterritorial work sponsored by the Port District. Funding for the local cost share for this project is anticipated in the FY22 CIP.

West Side Master Plan

Estimated Cost: \$75,000

Funding Source(s): Capital Improvement Program Funding

Master Plan study to follow reconstruction of Aldo’s restaurant for the purposes of completing accessible public improvements along the walkway and jetty area between AA Dock and Walton Lighthouse, as envisioned in the 2008 West Jetty Walkway project. The West Side Master Plan needs to seamlessly tie in access to any future replacement of the SH Revetment and Seawall (F022).

Electric Vehicle Charging Station

Estimated Cost: TBD

Funding Source(s): Grant Funding and/or Capital Improvement Program Funding

Identification of location(s) for placement of electric vehicle charging station(s) throughout the harbor, including assessment of power requirements and ongoing utility costs and maintenance.

Elevator Replacement Fund

Estimated Cost: \$75,000 to \$100,000 funding level recommended

Funding Source(s): Capital Improvement Program Funding

Fund for future replacement of Port District elevator(s).

Appendix D
New Projects Proposed for FY22

New Projects List FY22

Embankment Assessment (F040)

Status: New project funding recommended in FY22

The embankment area at the site of the crane pad on the east access road adjacent to *Twin Lakes'* off-season mooring has visible erosion. This new project in FY22 is to inspect the area, assess the significance of the erosion and develop a repair plan suitable to support the crane and associated activities.

FY13 CIP

	<u>CF Marine Svc Center F003</u>	<u>Harbor Security H001</u>	<u>Sanitary Sewer Lift Stations F004</u>	<u>Piling Repair/ Replacement F005</u>	<u>Pavement Repairs F006</u>
Begin. Balance Apr. 1, 2020	\$ 10,000	\$ 7,322	\$ 355,903	\$ -	\$ 11,037
Budget Designation: <u>FY 2021 Budget</u>	\$	\$ 5,000	\$ 75,000	\$	\$ 65,000
Board Designation: Mtg dtd 4/28/20 - COVID-19 Impact Responses Mtg dtd 5/26/20 - Con Lot PARCS Close-Out Mtg dtd 8/25/20 - Award of Contact for East Public Pier Mtg dtd 9/22/20 - Additional Water Taxi Funding Projected Expenditures -- 3/31/21 Projected Reallocations -- 3/31/21	\$	\$ (5,000)	\$ (75,000)	\$	\$ (65,000)
Project Expenditures	\$	\$ (6,548)	\$ (7,356)	\$	\$ (2,725)
Ending Balance March 31, 2021	\$ 10,000	\$ 774	\$ 348,547	\$ -	\$ 8,312
Budget Designation FY22 Mtg dtd 2-09-21 Proposed Funding Reallocations Mtg dtd 2-23-21 (Proposed CIP Funding)	\$	\$	\$	\$	\$ 65,000
Projected CIP Balance at 3/31/21	\$ 10,000	\$ 774	\$ 348,547	\$ -	\$ 200,000

FY14 CIP

	<u>Dock Upgrades F008</u>	<u>Pier Rehab. F009</u>	<u>Building Restoration F011</u>	<u>Restroom Bldg Rehab F012</u>	<u>Sidewalk & Plaza Restoration F013</u>	<u>Storm Drain System F014</u>	<u>Water & Sewer System F015</u>	<u>Parking Pay Stations F018</u>	<u>Aeration System Upgrades F019</u>	<u>Ice Machine F020</u>	<u>West Jetty Walkway J001</u>	<u>7th and Brommer Recon F021</u>
Begin. Balance Apr. 1, 2020	\$ 157,513	\$ 90,868	\$ 142,461	\$ 46,817	\$ 33,000	\$ 30,000	\$ 51,771	\$ (0)	\$ 31,304	\$ 19,222	\$ 799	\$ 17,183
Budget Designation:												
<u>FY 2021 Budget</u>	\$ 30,000	\$ 27,000	\$ 50,000	\$ 38,000	\$	\$ 20,000	\$	\$ 35,000	\$	\$	\$	\$ 60,000
Board Designation:												
Mtg dtd 4/28/20 - COVID-19 Impact Responses	\$ (30,000)	\$ (27,000)	\$ (50,000)	\$ (38,000)	\$	\$ (20,000)	\$	\$ (35,000)	\$	\$	\$	\$ (60,000)
Mtg dtd 5/26/20 - Con Lot PARCS Close-Out				\$ 15,890								
Mtg dtd 8/25/20 - Award of Contact for East Public Pier	\$	\$ 20,310										
Mtg dtd 9/22/20 - Additional Water Taxi Funding	\$	\$ (5,651)	\$ (20,000)									\$ (52,139)
Projected Expenditures -- 3/31/21												\$ 115,000
Projected Reallocations -- 3/31/21												\$
Project Expenditures	\$ (86,054)	\$ (98,817)	\$ (26,230)	\$ (44,413)	\$	\$	\$	\$	\$	\$	\$	\$ (67,861)
Ending Balance March 31, 2021	\$ 71,458	\$ 6,710	\$ 96,231	\$ 18,293	\$ 33,000	\$ 30,000	\$ 51,771	\$ (0)	\$ 31,304	\$ 19,222	\$ 799	\$ 12,183
Budget Designation FY22												
Mtg dtd 2-09-21 Proposed Funding Reallocations	\$ 35,000	\$ 20,000	\$ 126,605	\$ 156,707								
Mtg dtd 2-23-21 (Proposed CIP Funding)												
Projected CIP Balance at 3/31/21	\$ 106,458	\$ 26,710	\$ 222,836	\$ 175,000	\$ 33,000	\$ 30,000	\$ 51,771	\$ (0)	\$ 31,304	\$ 19,222	\$ 799	\$ 12,183

	FY15 CIP		FY16 CIP		FY17 CIP		FY19 CIP	
	SH Revetment & Seawall F022	Murray St. Bridge F024	Unallocated CIP Funds F099	Aldo's Seawall Replace F027	Parking Upgrades F028	Concession Lot Automation OP02	Pappy Park (F032)	Patrol Vessel Replacement (F033)
Begin. Balance Apr. 1, 2020	\$ 78,499	\$ 9,603	\$ 509,949	\$ 282,000	\$ 5,000	\$ 60,872	\$ 2,414	\$ 18,277
Budget Designation:			\$ 90,000		\$ 45,000			
FY 2021 Budget								
Board Designation:								
Mtg dtd 4/28/20 - COVID-19 Impact Responses			\$ (90,000)		\$ (45,000)			
Mtg dtd 5/26/20 - Con Lot PARCS Close-Out					\$ 23,232	\$ (39,121)		
Mtg dtd 8/25/20 - Award of Contact for East Public Pier			\$ (20,310)					
Mtg dtd 9/22/20 - Additional Water Taxi Funding								
Projected Expenditures -- 3/31/21			\$ (115,000)					
Projected Reallocations -- 3/31/21								
Project Expenditures	\$ (832)			\$ (92,848)	\$ (28,232)	\$ (21,751)	\$ (2,326)	\$ (14,768)
Ending Balance March 31, 2021	\$ 78,499	\$ 8,772	\$ 374,639	\$ 189,151	\$ -	\$ -	\$ 88	\$ 3,509
Budget Designation FY22								
Mtg dtd 2-09-21 Proposed Funding Reallocations			\$ (55,173)				\$ (88)	
Mtg dtd 2-23-21 (Proposed CIP Funding)				\$ 20,000				
Projected CIP Balance at 3/31/21	\$ 78,499	\$ 8,772	\$ 319,466	\$ 189,151	\$ 20,000	\$ -	\$ 0	\$ 3,509

FY20 CIP	FY22 CIP
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	<u>Boatyard Marine Ways Inspection / Upgrades F035</u>	<u>Dredge Yard Hazmat Shed F037</u>	<u>Harborwide Sign Study F038</u>	<u>Harborwide Refuse/Recyclin g Study F039</u>	<u>Water Taxi F040</u>	<u>Embankment Assessment F040</u>	<u>Total Funds</u>
Begin. Balance Apr. 1, 2020	\$ 10,022	\$ 4,735	\$ 5,000	\$ 10,000	\$ 75,000		\$ 2,076,571
Budget Designation: <u>FY 2021 Budget</u>			\$ 50,000				\$ 590,000
Board Designation:				\$ (50,000)			\$ (590,000)
Mtg dtd 4/28/20 - COVID-19 Impact Responses							\$ -
Mtg dtd 5/26/20 - Con Lot PARCS Close-Out							\$ -
Mtg dtd 8/25/20 - Award of Contact for East Public Pier					\$ 5,000		\$ 5,000
Mtg dtd 9/22/20 - Additional Water Taxi Funding					\$ (61,331)		\$ (139,121)
Projected Expenditures -- 3/31/21							\$ -
Projected Reallocations -- 3/31/21							\$ -
Project Expenditures	\$ (9,302)		\$ (717)		\$ (18,500)		\$ (529,278)
Ending Balance March 31, 2021	\$ 721	\$ 4,735	\$ 4,283	\$ 10,000	\$ 169		\$ 1,413,172
Budget Designation FY22							
Mtg dtd 2-09-21 Proposed Funding Reallocations	\$ (721)	\$ (4,735)	\$ (4,283)				\$ -
Mtg dtd 2-23-21 (Proposed CIP Funding)						\$ 15,000	\$ 500,000
Projected CIP Balance at 3/31/21	\$ (0)	\$ -	\$ 0	\$ 10,000	\$ 169	\$ 15,000	\$ 1,913,172

Santa Cruz Port District
 Vehicle / Vessel / Trailer Registration Information
 Updated 02/08/2021
 BAIRFLEET #GE 941248

Department	Vehicle / Vessel ID	License / CF #	VIN/INH	Year / Make	Model / HP	Registration Ex Date	Pink Slip (Y/N)	Key	Insurance Exp.	Purchase Date	STATUS
Maintenance (Randy)	#27	012035	1FTHF25H3TLA67464	1996 Ford	F-250 Flatbed	Perm. Exempt	Y	175	4/1/2021	December 1995	ACTIVE
Maintenance (Jose)	#36	1144740	1FTNF20L23EA53283	2003 Ford	F250 Super Duty	Perm. Exempt	Y	182	4/1/2021	April 2003	ACTIVE
Maintenance (Jorge)	#40	1273734	1FDWF36548EA99008	2008 Ford	F350 Super Duty	Perm. Exempt	Y	186	4/1/2021	July 2007	ACTIVE
Maintenance (Mitt)	#45	5G47958	2FTHF25G6RCA48787	1994 Ford	Truck	Perm. Exempt	Y	172	4/1/2021	November 2010	ACTIVE
Operations	#46	1353237	1GNNEC13T5SR183167	2003 Chevy	Tahoe	Perm. Exempt	Y	178	4/1/2021	September 2012	ACTIVE
Maintenance/Dredge	#47	1408238	1FTHX26G9VEB95184	1997 Ford	F250 XLT Truck	Perm. Exempt	Y	190	4/1/2021	December 2013 (\$6,000)	ACTIVE
Dredge	#48	7KGZ773	1GNCT18W7YK196870	2000 Chevy	Blazer	Perm. Exempt	Y	177	4/1/2021	September 2015	ACTIVE
Harbor Patrol	#50	1503184	1FTEW1EG0GKE77932	2016 Ford	F-150	Perm. Exempt	Y	203	4/1/2021	June 2016 (\$36,866)	ACTIVE
Maintenance	#51	1479778	1FTHF2668CE05111	2012 Ford	F250 SD	Perm. Exempt	Y	204	4/1/2021	June 2017 (\$19,995)	ACTIVE
Maintenance (Brenda)	#52	1480336	2C4RDBG0JR180344	2018 Dodge	Truck Grand Caravan	Perm. Exempt	Y	205	4/1/2021	March 2018 (\$23,905)	ACTIVE
Maintenance	#53	1119599	1FDXF46P56EC74164	2008 Ford	F450 Bucket Truck	Perm. Exempt	Y	207	4/1/2021	September 2018 (\$21,576)	ACTIVE
Maintenance	#54	50102R2	1FTHF1CT2EK37024	2014 Ford	F-150	Perm. Exempt	Y	208	4/1/2021	May 2019	ACTIVE
Maintenance	#55	AB90A45	1GC0KVG5BF213557	2011 Chevy	Silverado 2500	Perm. Exempt	Y	209	4/1/2021	April 2019	ACTIVE
Harbor Patrol	#56	1578911	1FTEW1E45KKE84003	2018 Ford	F150 Supercrew 4-door 4x4	Perm. Exempt	Y	181	4/1/2021	October 2019	ACTIVE
Dredge	#57	1530015	1FD7X2B69DEB24676	2013 Ford	F250 SD XLT Flitbed	Perm. Exempt	Y	171	4/1/2021	August 2020	ACTIVE
Dredge	#E32	N/A	Serial # 30051	1998 Taylor-Dunn	T48 Burden Carrier	Perm. Exempt	Y	179	N/A	July 1998	ACTIVE
Harbor Patrol	Boat 1 (Almar)	CF 9660 XC	AUC275S1699	1999 Almar	RAIV / 2 - 225 hp	Exp. 12/31/2021	Y	191	N/A	N/A	ACTIVE
Dredge	Dauntless	907-939		Nichols Boat Works	Work Boat 2 - 215hp engines	Exp. 8/31/2021	Doc	195	N/A	1986	ACTIVE
Operations	Never Late		FVP9025KA121	2021 Fietta	Grande Customer Tritoon 40HP, 4-Stroke, SN: 1C020059			88		January 2021	ACTIVE
Maintenance	Odd Job	CF 5355 XC	Hull #32078	Boston Whaler	Work Boat 1 - 50 hp engine	Exp. 12/31/2021	Y	197	N/A	N/A	ACTIVE
Harbor Patrol	Patrol Bicycle 1	N/A	SN:W5BC602216296N	Specialized Rockhopper Pro 1x, Black/Chrome, Large				N	N/A	June 2019	ACTIVE
Harbor Patrol	Patrol Bicycle 2	N/A	SN:W5BC60227326N	Specialized Rockhopper Pro 1x, Black/Chrome, Large				N	N/A	June 2019	ACTIVE
Harbor Patrol	Patrol Bicycle 3	N/A	SN:W5BC602111019N	Specialized Rockhopper Pro 1x, Black/Chrome, X-Large				N	N/A	June 2019	ACTIVE
N/A	Recovery Trailer	4KX7676	4RACS0813AK032254	2010 INTST	Victor VICT508SAFS	Perm. Exempt	Y	199	4/1/2021	February 2010	ACTIVE
Harbor Patrol	Scout	CF 9858 XS	XDCB747YL913	2013 Zodiac	DRR650 RB	Exp. 12/31/2021	N	199	N/A	August 2013	ACTIVE
Dredge	Side Kick	CF 2613 XC	CFZ2813X0089C	1989 Coast Marine	Skiff	Exp. 12/31/2021	Y	196	N/A	N/A	ACTIVE
Dredge	Squirt	CF 2744 XC	CFZ2744X1900	Homemade	Dredge	Exp. 12/31/2021	Y		N/A	N/A	ACTIVE
N/A	Trailer	914656	40R1KG224NAK04923	1992 Pacific	Carrier for Almar	Perm. Exempt	Y	NA	N/A	N/A	ACTIVE
N/A	Trailer	329428	79EZL103410	1997 EZ Loader	Carrier for HBI	Perm. Exempt	Y	NA	4/1/2021		ACTIVE
N/A	Trailer	311039		1949 David	BX Trailer for Odd Job	Perm. Exempt	Y	NA	4/1/2021		ACTIVE
N/A	Trailer	1209499	IT0BS14SXDS066696	1983 TRLRT	Carrier for Free Ride I	Perm. Exempt	Y	NA	4/1/2021		ACTIVE
N/A	Trailer	VW4779		Zieman	Carrier for Free Ride II	Perm. Exempt	Y	NA	N/A		ACTIVE
N/A	Trailer	1314600	SNHUBL62X8T418000 (Note: combo lock 0001)	2008 Blaze Carrier	OSPR Spill Response	Perm. Exempt	Y	165	4/1/2021	July 2008	ACTIVE
N/A	Trailer	4MY8144	4OR6A2J63EA030612	2014 Pacific Trailers	ALC19TW4.5 Dual Axle for Scout	Perm. Exempt	N	NA	4/1/2021	August 2013	ACTIVE
Dredge	Twin Lakes	1273058	IMO or Other: 1100020106	Dredge Supply Company	Dredge	Exp. 9/30/2021	Doc		N/A	July 2016	ACTIVE

Department	Vehicle / Vessel ID	License / CF #	VIN/HIN	Year / Make	Model / HP	Registration Ex Date	Pink Slip (Y/N) Certificate of Origin	Key	Insurance Exp.	Purchase Date	STATUS
N/A	UTV 1	None	A4PUTXHCCEAA24877	2014 American Sportworks	Trailwagon	N/A		206	N/A	March 2015 (\$5,000)	ACTIVE
N/A	Peppy	CF 5719 XC	Hull #DRD00030178	1978 Dreadnaug	21' PV / Sail	Exp. 12/31/2021	Y	NA	N/A	March 2016	LIEN ACQUISITION

**Santa Cruz Port District
Mobile Equipment Schedule
Revised January 28, 2020**

Description	Model/Serial #	HP	Replacement Value
1998 Taylor-Dunn (E32)	130051		\$15,000
Gas/Diesel Station 10,000 Gallons Each Fuel Tank (2) (built 1984; double wall)			\$150,000
Dredge Pipe System (seasonal use)			\$400,000
Tennant Sweeper	Model S30 Rider Sweeper	29 hp	\$23,308
Caterpillar Forklift (14,000 lb, propane powered)	V140; Serial No 59W00442	58 hp	\$85,000
Marine Travelift	50 BFMI Mobile Boat Hoist	80 hp	\$448,000
Nissan Forklift	CPJ02A25PV	60 hp	\$7,995
American Sportworks 2014 Trailwagon UTV	A4PUTXHCCEAA24877	12 hp	\$5,000
Caterpillar "Bobcat"	S130	46 hp	\$21,438
2004 Link-Belt 4x4 rough terrain 50-ton crane w/ Cummins Engine	Crane RTC8050; Engine B5.9-C	185 hp	\$200,000
Hyster Forklift (14,000 lb)	Model H155XL2; Serial No G006V04495D	85 hp	\$60,000
Komatsu Forklift	Model FG25ST-15	55.7 hp	\$10,000
Caterpillar Bulldozer	Model D6K LGP	130 hp	\$207,131
Toyo Submersible Pump w/ pipe flange	DPF-75B-MT2	75 hp	\$80,000
Portable Generator MQ Power WhisperWatt 150 Model DCA150SSJ	606HF285 (J. Deere Engine); TRLR150XFH (Trailer)	216 hp	\$20,000
McElroy Pipe Fuser (Trac Star 618)	Model #AT1830101; diesel powered	20 hp	\$73,000
TOTAL:		0 hp	\$1,805,872

APPENDIX F

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
OPERATING INCOME					
000-000-000-0000-4000	Slip Rent Permanent	User	\$4,579,964	\$4,668,700	\$4,668,000
000-000-000-0000-4002	Slip Rent Visitors	User	\$125,000	\$145,000	\$145,000
000-000-000-0000-4003	Annual Slip Rent Discount	User	(\$1,000)	(\$1,225)	(\$1,225)
000-000-000-0000-4006	Tenant Concession Rent	Conc Rent	\$1,866,320	\$1,749,000	\$1,685,000
000-000-000-0000-4008	Misc. Tenant Rent (Sewer)	Conc Rent	\$150,000	\$149,286	\$140,000
000-000-000-0000-4010	Launch Fees	User	\$100,000	\$159,500	\$140,000
000-000-000-0000-4012	Liveaboard	User	\$76,000	\$71,050	\$70,000
000-000-000-0000-4014	Catamaran Storage	User	\$26,650	\$25,806	\$25,500
000-000-000-0000-4016	North Harbor Dry Storage	User	\$179,631	\$186,000	\$185,000
000-000-000-0000-4018	7th Ave Dry Storage	User	\$115,313	\$117,076	\$115,500
000-000-000-0000-4020	Waiting List	User	\$105,000	\$120,000	\$120,000
000-000-000-0000-4024	Slip Leave Option	User	\$2,500	\$2,500	\$2,500
000-000-000-0000-4026	Partnership Fees	User	\$27,250	\$28,917	\$27,250
000-000-000-0000-4028	Sublease Fees	User	\$25,113	\$29,347	\$28,000
000-000-000-0000-4030	Variable/Utility Fees	User	\$200,031	\$196,201	\$195,000
000-000-000-0000-4032	Late Fees	User	\$50,000	\$43,500	\$50,000
000-000-000-0000-4036	Citations	Fines	\$92,500	\$84,562	\$92,500
000-000-000-0000-4040	Credit Card Convenience Charges	Other / Misc	\$15,000	\$22,225	\$20,000
000-000-000-0000-4100	Parking - Concession Lot	User (Pkg)	\$800,000	\$550,000	\$800,000
000-000-000-0000-4102	Parking - Launch Area	User (Pkg)			
000-000-000-0000-4104	Parking - Westside	User (Pkg)			
000-000-000-0000-4118	Meter Permits & Coin	User (Pkg)			
000-000-000-0000-4120	Slip Renter Parking Permits	User (Pkg)	\$21,500	\$8,720	\$36,500
000-000-000-0000-4122	RV Parking	User	\$185,000	\$106,000	\$185,000
000-000-000-0000-4200	Fuel Sales Gasoline	Fuel	\$285,000	\$250,000	\$265,000
000-000-000-0000-4202	Fuel Sales Diesel	Fuel	\$405,000	\$342,012	\$400,000
000-000-000-0000-4204	Fuel Service Call Back Charges	Other / Misc		\$10	\$0
000-000-000-0000-4210	Wash Rack	User	\$6,250	\$2,377	\$6,250
000-000-000-0000-4220	Boatyard Retail	BY	\$10,500	\$11,000	\$10,500
000-000-000-0000-4225	Boatyard Labor	BY	\$1,000		\$1,000
000-000-000-0000-4230	Boatyard Rental	BY	\$2,500	\$2,600	\$2,500
000-000-000-0000-4235	Boatyard Misc.	BY	\$25,000	\$31,088	\$30,000
000-000-000-0000-4240	Lay Days/Storage	BY	\$100,000	\$116,650	\$115,000
000-000-000-0000-4245	Vessel Haulout	BY	\$124,000	\$126,755	\$125,000
000-000-000-0000-4250	Vessel Berthing	BY	\$30,000	\$26,500	\$30,000
000-000-000-0000-4299	Unallocated Revenue			\$0	\$0
OPERATING INCOME			\$9,731,022	\$9,371,156	\$9,714,775
EXPENSE SUMMARY BY PROGRAM					
	Administrative Services (110)		\$778,728	\$786,225	\$764,483
	Finance & Purchasing (120)		\$207,570	\$185,236	\$209,575
	Property Management (130)		\$538,859	\$517,755	\$546,648
	Environmental & Permitting (140)		\$195,610	\$152,250	\$195,175
	Port Commission Support (190)		\$80,350	\$47,484	\$57,089
	Harbor Patrol (210)		\$712,349	\$668,509	\$721,534
	Marina Management (220)		\$516,390	\$468,294	\$512,134
	Rescue Services (230)		\$119,260	\$88,701	\$122,463
	Parking Services (240)		\$371,526	\$244,044	\$323,993
	Events (250)		\$34,791	\$0	\$35,344
	Fuel Services (280)		\$590,261	\$394,693	\$491,444
	Docks, Piers, Marine Structures (310)		\$263,751	\$279,220	\$297,927
	Utilities (320)		\$125,918	\$71,645	\$95,943
	Buildings (330)		\$389,156	\$345,478	\$395,252
	Grounds (340)		\$837,988	\$730,006	\$786,798
	Aeration (350)		\$60,578	\$41,400	\$57,340
	Fishery Support (360)		\$19,460	\$6,880	\$16,322
	Capital Projects (390)		\$459,285	\$453,773	\$417,797
	Dredging Operations (400)		\$1,470,038	\$1,383,380	\$1,487,426
	Boatyard Operations (500)		\$292,540	\$291,198	\$324,636
OPERATING EXPENSES			\$8,064,408	\$7,156,171	\$7,859,323
OPERATING PROFIT			\$1,666,614	\$2,214,985	\$1,855,452

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
NON OPERATING INCOME/(EXPENSE)					
000-000-000-0000-4300	Harbor Services Charge	Other / Misc	\$10,000	\$5,310	\$10,000
000-000-000-0000-4308	Interest Income	Other / Misc	\$180,000	\$73,287	\$79,500
000-000-000-0000-4310	Other Income	Other / Misc	\$50,000	\$50,000	\$50,000
000-000-000-0000-4375	USACE Reimbursement	Intergov	\$385,000	\$385,000	\$0
000-000-000-0000-4402	Grants - Federal	Grants		\$0	\$0
000-000-000-0000-4405	Grants - DBAW	Grants	\$30,000	\$30,000	\$30,000
000-000-000-0000-4406	County Rescue Contribution	Intergov	\$50,000	\$50,000	\$50,000
000-000-000-0000-4408	Waste Oil Grant	Grants	\$12,000	\$12,000	\$12,000
000-000-000-0000-4500	Gain/(Loss) on Asset Disposal	Other / Misc		\$0	\$0
000-000-000-0000-4600	Cash Over/Under			\$0	\$0
000-000-000-0000-4900	Election Expense			(\$175)	\$0
	Principal Debt Payments		(\$1,285,274)	(\$1,285,274)	(\$1,260,274)
	Capital Improvement Program		(\$590,000)	\$0	(\$500,000)
	Capitalized Expenses / Dredge Intermediate Fund		(\$468,091)	(\$229,582)	(\$294,762)
	Depreciation		\$0	(\$1,680,020)	\$0
NET INCOME/(LOSS)			\$40,249	(\$374,469)	\$31,916
FY21 INCOME PROJECTION NET OF DEPRECIATION / CAP EXPENSES					
	Capital Improvement Program				
	Capitalized Expenses / Dredge Intermediate Fund			\$229,582	
	Depreciation			\$1,680,020	
PROJECTED NET INCOME FY21				\$1,535,133	
FY22 Projected Reserve Fund Contribution					(\$76,139)
FY22 Projected Election Fund Contribution					(\$175)

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
ADMINISTRATIVE SERVICES (110)					
100-100-110-0000-5000	Salaries - Regular		\$245,358	\$245,192	\$247,000
100-100-110-0000-5005	Salaries - Overtime		\$500	\$0	\$500
100-100-110-0000-5010	Wages - Part Time/Temporary		\$1,000	\$0	\$1,000
100-100-110-0000-5020	Salaries - Vacation Pay		\$5,000	\$17,122	\$5,000
100-100-110-0000-5030	Salaries - Sick Pay			\$921	\$0
100-100-110-0000-5055	Unemployment Insurance (SUI)		\$2,000	\$795	\$1,500
100-100-110-0000-5060	FICA Medicare/Social Security		\$18,500	\$18,353	\$18,627
100-100-110-0000-5075	Auto Allowance		\$2,400	\$2,400	\$2,400
100-100-110-0000-5105	Workers' Compensation		\$9,293	\$9,624	\$10,178
100-100-110-0000-5110	CalPERS Employer Share		\$30,998	\$28,695	\$29,524
100-100-110-0000-5112	CalPERS Unfunded Liability		\$43,425	\$45,090	\$51,006
100-100-110-0000-5115	Health Insurance		\$39,332	\$43,435	\$46,307
100-100-110-0000-5120	Dental Insurance		\$2,847	\$3,363	\$3,389
100-100-110-0000-5125	Long Term Disability/Life/AD&D		\$1,275	\$1,180	\$752
100-100-110-0000-5200	Printing & Newsletter		\$14,000	\$14,636	\$14,000
100-100-110-0000-5202	Legal Notices		\$1,000	\$250	\$1,000
100-100-110-0000-5204	Advertising		\$3,000	\$2,949	\$3,000
100-100-110-0000-5206	Postage		\$12,000	\$7,329	\$10,000
100-100-110-0000-5208	Promotional Expense		\$4,000	\$0	\$4,000
100-100-110-0000-5214	Office Supplies		\$14,000	\$10,773	\$14,000
100-100-110-0000-5217	Supplies		\$1,000	\$500	\$1,000
100-100-110-0000-5240	Miscellaneous Employee Training		\$2,000	\$600	\$2,000
100-100-110-0000-5242	Pre-Employment Physicals		\$1,000	\$100	\$1,000
100-100-110-0000-5256	Equipment Rental		\$1,000	\$0	\$1,000
100-100-110-0000-5262	Insurance Premiums		\$20,000	\$18,815	\$21,000
100-100-110-0000-5264	Insurance Claims		\$6,000	\$9,980	\$6,000
100-100-110-0000-5266	Memberships, Dues, Subscriptions		\$13,500	\$6,390	\$7,000
100-100-110-0000-5268	Meetings & Training		\$5,000	\$500	\$5,000
100-100-110-0000-5270	Books		\$300	\$0	\$300
100-100-110-0000-5282	Bank Service Charges		\$16,000	\$13,691	\$16,000
100-100-110-0000-5284	Credit Card Fees		\$40,000	\$30,924	\$40,000
100-100-110-0000-5286	Data Storage		\$3,000	\$3,336	\$3,000
100-100-110-0000-5288	Employee Recognition		\$3,000	\$0	\$3,000
100-100-110-0000-5290	Miscellaneous Expenses		\$1,000	\$500	\$1,000
100-100-110-0000-5298	Interest Expense		\$2,000	\$712	\$2,000
100-100-110-0000-5310	Telephone & Alarms		\$30,000	\$30,745	\$31,000
100-100-110-0000-5415	Miscellaneous Professional Services		\$12,000	\$10,800	\$12,000
100-100-110-0000-5416	Legal Consultation		\$62,000	\$57,773	\$40,000
100-100-110-0000-5420	Technical Services		\$20,000	\$20,275	\$21,000
100-100-110-0000-5425	Contract Services		\$12,000	\$10,650	\$12,000
100-100-110-0000-5450	Other Services		\$10,000	\$5,569	\$10,000
100-100-110-0000-5465	Software License & Application		\$25,000	\$24,196	\$28,000
100-100-110-0000-5470	LAFCO Assessment		\$14,000	\$11,519	\$14,000
100-100-110-0000-5500	Mileage Reimbursement		\$1,000	\$250	\$1,000
100-100-110-0000-5510	Meetings & Seminars		\$3,000	\$0	\$3,000
100-100-110-0000-5694	Office Equipment R&M		\$15,000	\$2,500	\$12,000
100-100-110-0000-5698	Equipment/Equipment R&M		\$10,000	\$5,109	\$8,000
100-100-110-CO19-5000	COVID-19 Labor			\$14,718	
100-100-110-CO19-6300	COVID-19 Expenses			\$53,965	
TOTAL ADMINISTRATIVE SERVICES			\$778,728	\$786,225	\$764,483

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
FINANCE & PURCHASING (120)					
100-100-120-0000-5000	Salaries - Regular		\$99,702	\$91,583	\$97,165
100-100-120-0000-5005	Salaries - Overtime		\$1,000	\$0	\$500
100-100-120-0000-5010	Wages - Part Time/Temporary		\$1,000	\$0	\$1,000
100-100-120-0000-5015	Salaries - Comp. Time			\$0	\$0
100-100-120-0000-5025	Salaries - Holiday Pay			\$0	\$0
100-100-120-0000-5030	Salaries - Sick Pay			\$0	\$0
100-100-120-0000-5055	Unemployment Insurance (SUI)		\$1,000	\$539	\$1,000
100-100-120-0000-5060	FICA Medicare/Social Security		\$8,004	\$6,578	\$8,138
100-100-120-0000-5105	Workers' Compensation		\$3,927	\$4,301	\$4,301
100-100-120-0000-5110	CalPERS Employer Share		\$8,064	\$6,578	\$7,681
100-100-120-0000-5112	CalPERS Unfunded Liability		\$11,297	\$11,297	\$13,269
100-100-120-0000-5115	Health Insurance		\$16,434	\$15,949	\$19,382
100-100-120-0000-5120	Dental Insurance		\$1,203	\$1,230	\$1,432
100-100-120-0000-5125	Long Term Disability/Life/AD&D		\$539	\$432	\$307
100-100-120-0000-5214	Office Supplies		\$750	\$750	\$750
100-100-120-0000-5266	Memberships, Dues, Subscriptions		\$500	\$490	\$500
100-100-120-0000-5268	Meetings & Training		\$2,000	\$250	\$2,000
100-100-120-0000-5272	Software		\$500	\$0	\$500
100-100-120-0000-5290	Miscellaneous Expenses		\$1,000	\$1,000	\$1,000
100-100-120-0000-5420	Technical Services		\$2,000	\$250	\$2,000
100-100-120-0000-5460	Accounting & Auditing		\$46,000	\$43,759	\$46,000
100-100-120-0000-5465	Software License & Application		\$500	\$0	\$500
100-100-120-0000-5500	Mileage Reimbursement		\$150	\$0	\$150
100-100-120-0000-5698	Equipment/Equipment R&M		\$2,000	\$250	\$2,000
	TOTAL FINANCE & PURCHASING		\$207,570	\$185,236	\$209,575
PROPERTY MANAGEMENT (130)					
100-100-130-0000-5000	Salaries - Regular		\$10,446	\$19,764	\$15,764
100-100-130-0000-5055	Unemployment Insurance (SUI)		\$125	\$55	\$125
100-100-130-0000-5060	FICA Medicare/Social Security		\$786	\$768	\$1,755
100-100-130-0000-5105	Workers' Compensation		\$410	\$449	\$449
100-100-130-0000-5110	CalPERS Employer Share		\$2,377	\$2,087	\$2,264
100-100-130-0000-5112	CalPERS Unfunded Liability		\$3,330	\$3,330	\$3,912
100-100-130-0000-5115	Health Insurance		\$1,641	\$1,685	\$1,948
100-100-130-0000-5120	Dental Insurance		\$125	\$128	\$149
100-100-130-0000-5125	Long Term Disability/Life/AD&D		\$56	\$45	\$32
100-100-130-0000-5204	Advertising		\$1,500	\$500	\$1,500
100-100-130-0000-5262	Insurance Premiums		\$110,000	\$108,996	\$112,000
100-100-130-0000-5268	Meetings & Training		\$750	\$0	\$750
100-100-130-0000-5290	Miscellaneous Expenses		\$4,000	\$1,000	\$3,000
100-100-130-0000-5300	Gas & Electricity		\$80,000	\$76,933	\$82,500
100-100-130-0000-5305	Water, Sewer & Garbage		\$184,313	\$168,747	\$184,000
100-100-130-0000-5310	Telephone & Alarms		\$7,000	\$8,267	\$8,500
100-100-130-0000-5315	Sanitary Dist Charges		\$126,000	\$119,000	\$122,000
100-100-130-0000-5416	Legal Consultation		\$6,000	\$6,000	\$6,000
	TOTAL PROPERTY MANAGEMENT		\$538,859	\$517,755	\$546,648

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
ENVIRONMENTAL & PERMITTING (140)					
100-100-140-0000-5000	Salaries - Regular		\$17,740	\$10,716	\$14,117
100-100-140-0000-5005	Salaries - Overtime		\$3,500	\$3,500	\$3,500
100-100-140-0000-5010	Wages - Part Time/Temporary		\$43,000	\$38,167	\$45,000
100-100-140-0000-5030	Salaries - Sick Pay			\$426	\$0
100-100-140-0000-5055	Unemployment Insurance (SUI)		\$1,000	\$489	\$1,000
100-100-140-0000-5060	FICA Medicare/Social Security		\$3,725	\$3,270	\$3,226
100-100-140-0000-5105	Workers' Compensation		\$1,208	\$1,323	\$1,323
100-100-140-0000-5110	CalPERS Employer Share		\$3,379	\$2,967	\$3,219
100-100-140-0000-5112	CalPERS Unfunded Liability		\$4,734	\$4,734	\$5,561
100-100-140-0000-5115	Health Insurance		\$4,838	\$5,053	\$5,744
100-100-140-0000-5120	Dental Insurance		\$370	\$378	\$440
100-100-140-0000-5125	Long Term Disability/Life/AD&D		\$166	\$132	\$95
100-100-140-0000-5217	Supplies		\$1,000	\$500	\$1,000
100-100-140-0000-5235	Vehicle & Equipment Fuel		\$500	\$405	\$500
100-100-140-0000-5268	Meetings & Training		\$500	\$400	\$500
100-100-140-0000-5276	Permit Fees		\$8,000	\$6,800	\$8,000
100-100-140-0000-5292	Uniform Cleaning/Laundry		\$250	\$250	\$250
100-100-140-0000-5420	Technical Services		\$90,000	\$62,340	\$90,000
100-100-140-0000-5500	Mileage Reimbursement		\$500	\$0	\$500
100-100-140-0000-5625	Signage		\$200	\$100	\$200
100-100-140-0000-5665	Vehicle Maintenance		\$2,000	\$2,000	\$2,000
100-100-140-0000-5696	Permits & Inspections		\$2,500	\$1,800	\$2,500
100-100-140-0000-5698	Equipment/Equipment R&M		\$6,500	\$6,500	\$6,500
	TOTAL ENVIRONMENTAL & PERMITTING		\$195,610	\$152,250	\$195,175
PORT COMMISSION SUPPORT (190)					
100-100-190-0000-5000	Salaries - Regular		\$28,903	\$31,320	\$29,120
100-100-190-0000-5005	Salaries - Overtime		\$1,000	\$0	\$500
100-100-190-0000-5010	Wages - Part Time/Temporary		\$1,000	\$0	\$1,000
100-100-190-0000-5055	Unemployment Insurance (SUI)		\$100	\$29	\$100
100-100-190-0000-5060	FICA Medicare/Social Security		\$2,020	\$1,880	\$2,284
100-100-190-0000-5105	Workers' Compensation		\$1,239	\$1,357	\$1,357
100-100-190-0000-5110	CalPERS Employer Share		\$3,613	\$3,172	\$3,441
100-100-190-0000-5112	CalPERS Unfunded Liability		\$5,061	\$5,061	\$5,944
100-100-190-0000-5115	Health Insurance		\$4,964	\$5,198	\$5,894
100-100-190-0000-5120	Dental Insurance		\$380	\$389	\$452
100-100-190-0000-5125	Long Term Disability/Life/AD&D		\$170	\$137	\$97
100-100-190-0000-5214	Office Supplies		\$200	\$0	\$200
100-100-190-0000-5217	Supplies		\$100	\$50	\$100
100-100-190-0000-5268	Meetings & Training		\$6,000	(\$1,109)	\$6,000
100-100-190-0000-5270	Books		\$100	\$0	\$100
100-100-190-0000-5290	Miscellaneous Expenses		\$25,000	\$0	\$0
100-100-190-0000-5294	Commission Expenses		\$500	\$0	\$500
	TOTAL PORT COMMISSION SUPPORT		\$80,350	\$47,484	\$57,089

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
HARBOR PATROL (210)					
100-200-210-0000-5000	Salaries - Regular		\$330,715	\$339,851	\$342,000
100-200-210-0000-5005	Salaries - Overtime		\$12,000	\$7,189	\$10,000
100-200-210-0000-5010	Wages - Part Time/Temporary		\$16,000	\$9,865	\$16,000
100-200-210-0000-5020	Salaries - Vacation Pay		\$5,000	\$6,400	\$5,000
100-200-210-0000-5025	Salaries - Holiday Pay		\$5,000	\$7,391	\$5,000
100-200-210-0000-5030	Salaries - Sick Pay			\$0	\$0
100-200-210-0000-5040	Salaries - Call Back		\$1,500	\$1,200	\$1,500
100-200-210-0000-5045	Salaries - Call Ready		\$3,500	\$2,050	\$3,000
100-200-210-0000-5050	Salaries - Night Differential		\$3,500	\$7,185	\$7,500
100-200-210-0000-5055	Unemployment Insurance (SUI)		\$4,000	\$2,475	\$3,607
100-200-210-0000-5060	FICA Medicare/Social Security		\$31,320	\$29,116	\$31,900
100-200-210-0000-5100	Uniform Allowance		\$6,500	\$6,500	\$6,500
100-200-210-0000-5105	Workers' Compensation		\$15,204	\$17,250	\$17,250
100-200-210-0000-5110	CalPERS Employer Share		\$43,420	\$38,136	\$41,911
100-200-210-0000-5112	CalPERS Unfunded Liability		\$60,827	\$60,827	\$72,406
100-200-210-0000-5115	Health Insurance		\$66,518	\$74,958	\$80,527
100-200-210-0000-5120	Dental Insurance		\$4,659	\$4,761	\$5,744
100-200-210-0000-5125	Long Term Disability/Life/AD&D		\$2,086	\$1,671	\$1,189
100-200-210-0000-5217	Supplies		\$2,500	\$1,300	\$2,500
100-200-210-0000-5218	Tools		\$1,000	\$800	\$1,000
100-200-210-0000-5220	Harbor Patrol Supplies		\$3,000	\$3,000	\$3,000
100-200-210-0000-5224	Almar Maintenance		\$2,500	\$2,200	\$2,500
100-200-210-0000-5235	Vehicle & Equipment Fuel		\$8,000	\$5,500	\$8,000
100-200-210-0000-5236	Harbor Patrol Training		\$12,000	\$6,484	\$12,000
100-200-210-0000-5238	Harbor Patrol Misc. Expense		\$4,000	\$3,900	\$6,500
100-200-210-0000-5244	Background Investigations		\$1,500	\$2,800	\$3,000
100-200-210-0000-5262	Insurance Premiums		\$3,600	\$3,220	\$3,500
100-200-210-0000-5278	Booking Fees		\$2,000	\$0	\$2,000
100-200-210-0000-5415	Miscellaneous Professional Services		\$1,000	\$130	\$1,000
100-200-210-0000-5450	Other Services		\$50,000	\$18,000	\$16,000
100-200-210-0000-5500	Mileage Reimbursement		\$1,500	\$0	\$1,500
100-200-210-0000-5510	Meetings & Seminars		\$2,000	\$350	\$2,000
100-200-210-0000-5665	Vehicle Maintenance		\$4,000	\$3,800	\$4,000
100-200-210-0000-5692	Communications Maintenance		\$2,000	\$200	\$2,000
100-200-210-0000-6100	Capitalized Equip. Xfer 1100				
TOTAL HARBOR PATROL			\$712,349	\$668,509	\$721,534
MARINA MANAGEMENT (220)					
100-200-220-0000-5000	Salaries - Regular		\$277,993	\$241,010	\$264,817
100-200-220-0000-5005	Salaries - Overtime		\$1,000	\$364	\$500
100-200-220-0000-5010	Wages - Part Time/Temporary		\$27,500	\$20,050	\$26,000
100-200-220-0000-5020	Salaries - Vacation Pay		\$0	\$3,028	\$0
100-200-220-0000-5025	Salaries - Holiday Pay		\$1,000	\$4,581	\$2,500
100-200-220-0000-5040	Salaries - Call Back		\$350	\$0	\$0
100-200-220-0000-5055	Unemployment Insurance (SUI)		\$2,125	\$987	\$2,125
100-200-220-0000-5060	FICA Medicare/Social Security		\$23,500	\$17,093	\$17,725
100-200-220-0000-5105	Workers' Compensation		\$8,684	\$9,511	\$9,511
100-200-220-0000-5110	CalPERS Employer Share		\$41,649	\$36,582	\$39,669
100-200-220-0000-5112	CalPERS Unfunded Liability		\$58,346	\$58,346	\$68,532
100-200-220-0000-5115	Health Insurance		\$34,792	\$37,340	\$41,309
100-200-220-0000-5120	Dental Insurance		\$2,660	\$2,720	\$3,167
100-200-220-0000-5125	Long Term Disability/Life/AD&D		\$1,191	\$954	\$679
100-200-220-0000-5217	Supplies		\$2,000	\$3,138	\$6,000
100-200-220-0000-5222	HBI Maintenance		\$2,500	\$67	\$2,500
100-200-220-0000-5224	Almar Maintenance		\$5,000	\$0	\$5,000
100-200-220-0000-5262	Insurance Premiums		\$7,000	\$5,483	\$6,000
100-200-220-0000-5279	Bad Debt Expense		\$15,000	\$12,000	\$12,000
100-200-220-0000-5280	Lien Sale Expenses		\$2,500	\$15,000	\$2,500
100-200-220-0000-5465	Software License & Application		\$1,000	\$0	\$1,000
100-200-220-0000-5500	Mileage Reimbursement		\$600	\$40	\$600
TOTAL MARINA MANAGEMENT			\$516,390	\$468,294	\$512,134

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
RESCUE SERVICES (230)					
100-200-230-0000-5000	Salaries - Regular		\$24,500	\$18,868	\$24,684
100-200-230-0000-5005	Salaries - Overtime		\$1,000	\$964	\$1,000
100-200-230-0000-5010	Wages - Part Time/Temporary		\$1,000	\$0	\$1,000
100-200-230-0000-5040	Salaries - Call Back		\$3,750	\$2,074	\$3,750
100-200-230-0000-5045	Salaries - Call Ready		\$18,500	\$17,168	\$18,500
100-200-230-0000-5050	Salaries - Night Differential			\$0	\$0
100-200-230-0000-5055	Unemployment Insurance (SUI)		\$200	\$170	\$200
100-200-230-0000-5060	FICA Medicare/Social Security		\$3,468	\$2,699	\$4,079
100-200-230-0000-5105	Workers' Compensation		\$1,806	\$1,978	\$1,978
100-200-230-0000-5110	CalPERS Employer Share		\$2,540	\$2,232	\$2,420
100-200-230-0000-5112	CalPERS Unfunded Liability		\$3,559	\$3,559	\$4,180
100-200-230-0000-5115	Health Insurance		\$7,236	\$7,405	\$8,592
100-200-230-0000-5120	Dental Insurance		\$553	\$566	\$659
100-200-230-0000-5125	Long Term Disability/Life/AD&D		\$248	\$198	\$141
100-200-230-0000-5212	Safety Supplies		\$2,000	\$500	\$2,000
100-200-230-0000-5217	Supplies		\$500	\$0	\$500
100-200-230-0000-5222	Scout Maintenance		\$2,500	\$2,000	\$2,500
100-200-230-0000-5224	Almar Maintenance		\$4,500	\$4,300	\$4,500
100-200-230-0000-5226	Boat Fuel - Patrol Boats		\$8,900	\$5,000	\$7,000
100-200-230-0000-5228	Boat Fuel - Scout				
100-200-230-0000-5236	Harbor Patrol Training		\$7,000	\$0	\$7,000
100-200-230-0000-5238	Harbor Patrol Miscellaneous Expense		\$1,000	\$0	\$1,000
100-200-230-0000-5262	Insurance Premiums		\$4,500	\$4,020	\$4,500
100-200-230-0000-5425	Contract Services		\$20,000	\$15,000	\$22,280
	TOTAL RESCUE SERVICES		\$119,260	\$88,701	\$122,463
PARKING SERVICES (240)					
100-200-240-0000-5000	Salaries - Regular		\$79,025	\$23,146	\$25,075
100-200-240-0000-5005	Salaries - Overtime		\$1,000	\$612	\$500
100-200-240-0000-5010	Wages - Part Time/Temporary		\$115,000	\$52,969	\$95,000
100-200-240-0000-5020	Salaries - Vacation Pay			\$143	\$0
100-200-240-0000-5025	Salaries - Holiday Pay			\$474	\$0
100-200-240-0000-5030	Salaries - Sick Pay		\$1,000	\$540	\$1,000
100-200-240-0000-5055	Unemployment Insurance (SUI)		\$5,753	\$1,118	\$3,500
100-200-240-0000-5060	FICA Medicare/Social Security		\$14,699	\$6,782	\$11,071
100-200-240-0000-5105	Workers' Compensation		\$3,654	\$2,001	\$2,001
100-200-240-0000-5110	CalPERS Employer Share		\$10,302	\$9,049	\$4,817
100-200-240-0000-5112	CalPERS Unfunded Liability		\$14,431	\$14,431	\$8,322
100-200-240-0000-5115	Health Insurance		\$15,341	\$12,764	\$8,691
100-200-240-0000-5120	Dental Insurance		\$1,120	\$1,145	\$666
100-200-240-0000-5125	Long Term Disability/Life/AD&D		\$501	\$402	\$250
100-200-240-0000-5212	Safety Supplies		\$500	\$0	\$500
100-200-240-0000-5217	Supplies		\$12,000	\$13,000	\$12,000
100-200-240-0000-5218	Tools		\$100	\$0	\$100
100-200-240-0000-5231	Boat Fuel - Water Taxi <i>(Renamed)</i>				\$1,000
100-200-240-0000-5235	Vehicle & Equipment Fuel		\$2,500	\$1,200	\$2,500
100-200-240-0000-5240	Miscellaneous Employee Training		\$1,800	\$800	\$1,200
100-200-240-0000-5254	Rent & Leases		\$10,000	\$6,000	\$8,000
100-200-240-0000-5284	Credit Card Fees		\$27,000	\$45,000	\$50,000
100-200-240-0000-5292	Uniform Cleaning/Laundry		\$500	\$367	\$500
100-200-240-0000-5425	Contract Services		\$12,000	\$11,500	\$40,000
100-200-240-0000-5450	Other Services		\$30,000	\$32,000	\$32,000
100-200-240-0000-5465	Software License & Application		\$1,500	\$0	\$1,500
100-200-240-0000-5610	Water Taxi Maintenance				\$3,000
100-200-240-0000-5625	Signage		\$1,000	\$2,795	\$1,000
100-200-240-0000-5635	Parking Meters R&M		\$1,800	\$400	\$1,800
100-200-240-0000-5665	Vehicle Maintenance		\$4,000	\$500	\$3,000
100-200-240-0000-5698	Equipment/Equipment R&M		\$5,000	\$4,906	\$5,000
	TOTAL PARKING SERVICES		\$371,526	\$244,044	\$323,993

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
EVENTS (250)					
100-200-250-0000-5000	Salaries - Regular		\$9,135	\$0	\$9,204
100-200-250-0000-5005	Salaries - Overtime		\$2,000	\$0	\$1,000
100-200-250-0000-5010	Wages - Part Time/Temporary		\$3,000	\$0	\$3,000
100-200-250-0000-5055	Unemployment Insurance (SUI)		\$44	\$0	\$44
100-200-250-0000-5060	FICA Medicare/Social Security		\$660	\$0	\$700
100-200-250-0000-5105	Workers' Compensation		\$1,449	\$0	\$1,587
100-200-250-0000-5110	CalPERS Employer Share		\$1,189	\$0	\$1,132
100-200-250-0000-5112	CalPERS Unfunded Liability		\$1,665	\$0	\$1,956
100-200-250-0000-5115	Health Insurance		\$5,806	\$0	\$6,893
100-200-250-0000-5120	Dental Insurance		\$444	\$0	\$528
100-200-250-0000-5125	Long Term Disability/Life/AD&D		\$199	\$0	\$100
100-200-250-0000-5217	Supplies		\$4,200	\$0	\$4,200
100-200-250-0000-5256	Equipment Rental		\$1,000	\$0	\$1,000
100-200-250-0000-5290	Misc. Expenses		\$3,500	\$0	\$3,500
100-200-250-0000-5625	Signage		\$500	\$0	\$500
	TOTAL EVENTS		\$34,791	\$0	\$35,344
FUEL SERVICES (280)					
100-200-280-0000-5000	Salaries - Regular		\$2,291	\$9,071	\$9,140
100-200-280-0000-5005	Salaries - Overtime			\$5	\$0
100-200-280-0000-5010	Wages - Part Time/Temporary		\$20,000	\$16,881	\$22,000
100-200-280-0000-5030	Salaries - Sick Pay		\$300	\$0	\$300
100-200-280-0000-5055	Unemployment Insurance (SUI)		\$109	\$245	\$328
100-200-280-0000-5060	FICA Medicare/Social Security		\$2,030	\$1,842	\$2,342
100-200-280-0000-5105	Workers' Compensation		\$357	\$1,392	\$1,392
100-200-280-0000-5110	CalPERS Employer Share		\$1,119	\$982	\$1,066
100-200-280-0000-5112	CalPERS Unfunded Liability		\$1,567	\$1,567	\$1,841
100-200-280-0000-5115	Health Insurance		\$1,430	\$2,537	\$6,044
100-200-280-0000-5120	Dental Insurance		\$109	\$113	\$463
100-200-280-0000-5125	Long Term Disability/Life/AD&D		\$49	\$39	\$28
100-200-280-0000-5217	Supplies		\$1,000	\$0	\$1,000
100-200-280-0000-5218	Tools		\$100	\$0	\$100
100-200-280-0000-5245	Fuel Dock Gasoline		\$240,000	\$162,000	\$195,000
100-200-280-0000-5246	Fuel Dock Diesel		\$295,000	\$172,000	\$225,000
100-200-280-0000-5250	Fuel Dock Equipment & Supplies		\$1,000	\$100	\$1,000
100-200-280-0000-5252	Underground Storage Tank Maintenance		\$5,000	\$5,600	\$5,000
100-200-280-0000-5262	Insurance Premiums		\$4,000	\$1,934	\$4,000
100-200-280-0000-5276	Permit Fees		\$3,800	\$3,885	\$3,900
100-200-280-0000-5284	Credit Card Fees		\$7,500	\$7,500	\$8,000
100-200-280-0000-5465	Software License & Application		\$1,000	\$0	\$1,000
100-200-280-0000-5607	Fueling Equipment R&M		\$2,500	\$7,000	\$2,500
100-200-280-0000-6100	Capitalized Equip Xfer to 1100				\$22,000
	TOTAL FUEL SERVICES		\$590,261	\$394,693	\$491,444

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
DOCKS, PIERS, MARINE STRUCTURES (310)					
100-300-310-0000-5000	Salaries - Regular		\$40,099	\$69,536	\$65,775
100-300-310-0000-5005	Salaries - Overtime		\$2,000	\$2,000	\$2,000
100-300-310-0000-5010	Wages - Part Time/Temporary		\$4,000	\$0	\$4,000
100-300-310-0000-5055	Unemployment Insurance (SUI)		\$750	\$447	\$750
100-300-310-0000-5060	FICA Medicare/Social Security		\$2,800	\$6,963	\$7,830
100-300-310-0000-5105	Workers' Compensation		\$2,331	\$2,956	\$2,956
100-300-310-0000-5110	CalPERS Employer Share		\$6,642	\$5,835	\$8,547
100-300-310-0000-5112	CalPERS Unfunded Liability		\$9,305	\$9,305	\$14,765
100-300-310-0000-5115	Health Insurance		\$10,040	\$10,527	\$13,537
100-300-310-0000-5120	Dental Insurance		\$714	\$731	\$984
100-300-310-0000-5125	Long Term Disability/Life/AD&D		\$320	\$257	\$183
100-300-310-0000-5212	Safety Supplies		\$1,000	\$575	\$1,000
100-300-310-0000-5214	Office Supplies		\$250	\$44	\$250
100-300-310-0000-5217	Supplies		\$1,000	\$780	\$1,000
100-300-310-0000-5218	Tools		\$5,000	\$2,500	\$2,500
100-300-310-0000-5230	Boat Fuel - Odd Job		\$750	\$75	\$500
100-300-310-0000-5235	Vehicle & Equipment Fuel		\$2,500	\$1,940	\$2,500
100-300-310-0000-5240	Miscellaneous Employee Training		\$5,000	\$5,000	\$5,000
100-300-310-0000-5256	Equipment Rental		\$2,000	\$0	\$2,000
100-300-310-0000-5262	Insurance Premiums		\$130,000	\$122,920	\$126,000
100-300-310-0000-5268	Meetings & Training		\$1,500	\$0	\$1,000
100-300-310-0000-5282	Bank Service Charges			\$0	\$0
100-300-310-0000-5290	Miscellaneous Expenses		\$750	\$668	\$750
100-300-310-0000-5292	Uniform Cleaning/Laundry		\$500	\$578	\$600
100-300-310-0000-5430	Engineering Services		\$3,000	\$3,000	\$3,000
100-300-310-0000-5500	Mileage Reimbursement		\$500	\$0	\$500
100-300-310-0000-5605	Piers & Marine Structures R&M		\$15,000	\$23,326	\$15,000
100-300-310-0000-5615	Maintenance Work Boat R&M		\$1,000	\$1,000	\$1,000
100-300-310-0000-5620	Paint & Supplies		\$3,000	\$2,250	\$3,000
100-300-310-0000-5625	Signage		\$2,000	\$57	\$1,000
100-300-310-0000-5665	Vehicle Maintenance		\$3,000	\$3,000	\$3,000
100-300-310-0000-5698	Equipment/Equipment R&M		\$4,500	\$2,500	\$4,500
100-300-310-0000-5725	Welding Supplies		\$2,500	\$450	\$2,500
100-300-310-0000-6100	Capitalized Equip Xfer to 1100		\$15,000	\$15,000	
100-300-310-0000-5672	Other Repairs & Maintenance				
TOTAL DOCKS, PIERS, MARINE STRUCTURES			\$263,751	\$279,220	\$297,927
UTILITIES (320)					
100-300-320-0000-5000	Salaries - Regular		\$52,856	\$20,079	\$24,500
100-300-320-0000-5005	Salaries - Overtime		\$1,000	\$0	\$1,000
100-300-320-0000-5010	Wages - Part Time/Temporary		\$1,000	\$0	\$1,000
100-300-320-0000-5055	Unemployment Insurance (SUI)		\$750	\$170	\$750
100-300-320-0000-5060	FICA Medicare/Social Security		\$1,800	\$1,386	\$1,422
100-300-320-0000-5105	Workers' Compensation		\$3,108	\$3,404	\$3,404
100-300-320-0000-5110	CalPERS Employer Share		\$5,757	\$5,058	\$5,483
100-300-320-0000-5112	CalPERS Unfunded Liability		\$8,065	\$8,065	\$9,473
100-300-320-0000-5115	Health Insurance		\$12,453	\$12,530	\$14,785
100-300-320-0000-5120	Dental Insurance		\$953	\$974	\$1,133
100-300-320-0000-5125	Long Term Disability/Life/AD&D		\$426	\$342	\$243
100-300-320-0000-5212	Safety Supplies		\$3,000	\$564	\$3,000
100-300-320-0000-5217	Supplies		\$1,000	\$1,006	\$1,000
100-300-320-0000-5240	Miscellaneous Employee Training		\$3,500	\$3,500	\$3,500
100-300-320-0000-5290	Miscellaneous Expenses		\$250	\$0	\$250
100-300-320-0000-5600	Building Repairs & Maintenance				
100-300-320-0000-5650	Storm Drain Maintenance		\$5,000	\$3,886	\$5,000
100-300-320-0000-5665	Vehicle Maintenance		\$3,000	\$2,500	\$3,000
100-300-320-0000-5670	Utility Maintenance		\$17,000	\$7,590	\$12,000
100-300-320-0000-5698	Equipment/Equipment R&M		\$5,000	\$591	\$5,000
100-300-320-0000-6100	Capitalized Equipment Xfer to 1100		\$7,000	\$0	
TOTAL UTILITIES			\$125,918	\$71,645	\$95,943

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
BUILDINGS (330)					
100-300-330-0000-5000	Salaries - Regular		\$50,431	\$65,127	\$62,127
100-300-330-0000-5005	Salaries - Overtime		\$1,000	\$1,209	\$1,000
100-300-330-0000-5010	Wages - Part Time/Temporary		\$5,000	\$0	\$5,000
100-300-330-0000-5015	Salaries - Comp. Time		\$1,000	\$0	\$1,000
100-300-330-0000-5020	Salaries - Vacation Pay		\$1,000	\$2,895	\$1,000
100-300-330-0000-5025	Salaries - Holiday Pay			\$103	\$0
100-300-330-0000-5040	Salaries - Call Back			\$825	\$500
100-300-330-0000-5045	Salaries - Call Ready		\$5,000	\$5,000	\$5,000
100-300-330-0000-5055	Unemployment Insurance (SUI)		\$896	\$313	\$896
100-300-330-0000-5060	FICA Medicare/Social Security		\$4,858	\$5,115	\$5,728
100-300-330-0000-5105	Workers' Compensation		\$3,108	\$3,404	\$3,404
100-300-330-0000-5110	CalPERS Employer Share		\$5,081	\$4,461	\$7,059
100-300-330-0000-5112	CalPERS Unfunded Liability		\$7,118	\$7,118	\$12,195
100-300-330-0000-5115	Health Insurance		\$16,653	\$16,386	\$18,985
100-300-330-0000-5120	Dental Insurance		\$953	\$974	\$1,133
100-300-330-0000-5125	Long Term Disability/Life/AD&D		\$426	\$342	\$250
100-300-330-0000-5212	Safety Supplies		\$2,000		\$2,000
100-300-330-0000-5216	Janitorial Supplies		\$30,000	\$26,344	\$30,000
100-300-330-0000-5217	Supplies		\$4,000	\$2,000	\$4,000
100-300-330-0000-5218	Tools		\$5,000	\$883	\$2,500
100-300-330-0000-5235	Vehicle & Equipment Fuel		\$2,500	\$2,403	\$2,750
100-300-330-0000-5240	Miscellaneous Employee Training		\$2,500	\$2,500	\$2,500
100-300-330-0000-5256	Equipment Rental		\$500	\$0	\$500
100-300-330-0000-5262	Insurance Premiums		\$22,000	\$21,616	\$23,775
100-300-330-0000-5266	Memberships, Dues, Subscriptions		\$250	\$203	\$250
100-300-330-0000-5268	Meetings & Training		\$1,000	\$1,000	\$1,000
100-300-330-0000-5282	Bank Service Charges				
100-300-330-0000-5290	Miscellaneous Expenses		\$1,000	\$669	\$1,000
100-300-330-0000-5292	Uniform Cleaning/Laundry		\$3,200	\$2,156	\$3,200
100-300-330-0000-5305	Water, Sewer & Garbage		\$68,682	\$59,647	\$61,000
100-300-330-0000-5308	Hazmat Disposal		\$3,500	\$2,850	\$3,500
100-300-330-0000-5310	Telephone & Alarms				
100-300-330-0000-5412	Custodial Contract		\$65,000	\$60,579	\$65,000
100-300-330-0000-5425	Contract Services				
100-300-330-0000-5430	Engineering Services		\$10,000	\$1,200	\$5,000
100-300-330-0000-5450	Other Services		\$1,500	\$380	\$1,500
100-300-330-0000-5600	Building Repairs & Maintenance		\$40,000	\$36,462	\$38,000
100-300-330-0000-5620	Paint & Supplies		\$5,000	\$1,032	\$5,000
100-300-330-0000-5625	Signage		\$1,000	\$25	\$1,000
100-300-330-0000-5645	Street Maintenance		\$6,000	\$1,800	\$4,000
100-300-330-0000-5660	Street Light Maintenance		\$2,500	\$1,200	\$2,500
100-300-330-0000-5665	Vehicle Maintenance		\$3,000	\$3,000	\$3,500
100-300-330-0000-5698	Equipment/Equipment R&M		\$5,000	\$2,757	\$5,000
100-300-330-0000-5725	Welding Supplies		\$1,500	\$1,500	\$1,500
	TOTAL BUILDINGS		\$389,156	\$345,478	\$395,252

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
	GROUNDS (340)				
100-300-340-0000-5000	Salaries - Regular		\$186,262	\$186,000	\$187,659
100-300-340-0000-5005	Salaries - Overtime		\$4,500	\$5,145	\$4,500
100-300-340-0000-5010	Wages - Part Time/Temporary		\$66,500	\$22,860	\$14,000
100-300-340-0000-5015	Salaries - Comp. Time		\$450	\$0	\$450
100-300-340-0000-5020	Salaries - Vacation Pay		\$1,500	\$1,500	\$1,500
100-300-340-0000-5025	Salaries - Holiday Pay			\$206	\$0
100-300-340-0000-5030	Salaries - Sick Pay		\$250	\$195	\$250
100-300-340-0000-5040	Salaries - Call Back		\$1,450	\$2,544	\$2,500
100-300-340-0000-5045	Salaries - Call Ready		\$7,500	\$7,035	\$7,500
100-300-340-0000-5055	Unemployment Insurance (SUI)		\$3,015	\$998	\$1,800
100-300-340-0000-5060	FICA Medicare/Social Security		\$18,573	\$18,067	\$15,477
100-300-340-0000-5105	Workers' Compensation		\$13,335	\$14,051	\$14,605
100-300-340-0000-5110	CalPERS Employer Share		\$19,345	\$16,989	\$18,425
100-300-340-0000-5112	CalPERS Unfunded Liability		\$27,100	\$27,100	\$31,831
100-300-340-0000-5115	Health Insurance		\$53,430	\$53,352	\$63,438
100-300-340-0000-5120	Dental Insurance		\$4,086	\$4,176	\$4,863
100-300-340-0000-5125	Long Term Disability/Life/AD&D		\$1,829	\$1,466	\$1,000
100-300-340-0000-5210	Hazmat Supplies		\$7,500	\$4,710	\$7,500
100-300-340-0000-5212	Safety Supplies		\$3,000	\$1,800	\$3,000
100-300-340-0000-5216	Janitorial Supplies				0
100-300-340-0000-5217	Supplies		\$6,500	\$2,745	\$4,000
100-300-340-0000-5218	Tools		\$5,000	\$1,500	\$2,500
100-300-340-0000-5235	Vehicle & Equipment Fuel		\$6,000	\$2,943	\$4,500
100-300-340-0000-5240	Miscellaneous Employee Training		\$2,500	\$2,500	\$2,500
100-300-340-0000-5256	Equipment Rental		\$3,000	\$1,880	\$3,000
100-300-340-0000-5266	Memberships, Dues, Subscriptions		\$500	\$150	\$500
100-300-340-0000-5276	Permit Fees		\$2,500	\$474	\$2,500
100-300-340-0000-5284	Credit Card Fees		\$500		\$0
100-300-340-0000-5292	Uniform Cleaning/Laundry		\$4,000	\$2,500	\$4,000
100-300-340-0000-5300	Gas & Electricity		\$195,000	\$206,814	\$210,000
100-300-340-0000-5305	Water, Sewer & Garbage		\$98,863	\$89,340	\$90,000
100-300-340-0000-5308	Hazmat Disposal		\$10,000	\$10,000	\$10,000
100-300-340-0000-5405	Landscaping		\$10,000	\$2,281	\$10,000
100-300-340-0000-5425	Contract Services		\$10,000	\$2,000	\$5,000
100-300-340-0000-5500	Mileage Reimbursement		\$500	\$0	\$500
100-300-340-0000-5600	Building Repairs & Maintenance			\$0	\$0
100-300-340-0000-5620	Paint & Supplies		\$5,000	\$1,500	\$5,000
100-300-340-0000-5625	Signage		\$5,000	\$3,000	\$4,000
100-300-340-0000-5630	Parking Lot R&M		\$15,000	\$3,094	\$10,000
100-300-340-0000-5645	Street Maintenance		\$2,500	\$2,500	\$2,500
100-300-340-0000-5665	Vehicle Maintenance		\$5,000	\$5,000	\$5,000
100-300-340-0000-5672	Other Repairs & Maintenance		\$3,500	\$3,000	\$3,500
100-300-340-0000-5696	Permits & Inspections		\$2,500	\$1,880	\$2,500
100-300-340-0000-5698	Equipment/Equipment R&M		\$10,000	\$5,500	\$10,000
100-300-340-0000-5725	Welding Supplies				0
100-300-340-0000-5800	Fish Removal Expenses		\$2,500	\$1,093	\$2,500
100-300-340-0000-5805	Waste Oil Disposal/Recycle		\$12,500	\$10,118	\$12,500
100-300-340-0000-6100	Capitalized Equipment Xfer to 1100		\$30,000	\$0	
	TOTAL GROUNDS		\$837,988	\$730,006	\$786,798

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
AERATION (350)					
100-300-350-0000-5000	Salaries - Regular		\$16,568	\$9,071	\$12,692
100-300-350-0000-5040	Salaries - Call Back			\$113	\$0
100-300-350-0000-5055	Unemployment Insurance (SUI)		\$250	\$23	\$250
100-300-350-0000-5060	FICA Medicare/Social Security		\$1,533	\$646	\$1,471
100-300-350-0000-5105	Workers' Compensation		\$798	\$874	\$874
100-300-350-0000-5110	CalPERS Employer Share		\$2,657	\$2,335	\$2,531
100-300-350-0000-5112	CalPERS Unfunded Liability		\$3,722	\$3,722	\$4,372
100-300-350-0000-5115	Health Insurance		\$3,197	\$3,195	\$3,796
100-300-350-0000-5120	Dental Insurance		\$244	\$251	\$291
100-300-350-0000-5125	Long Term Disability/Life/AD&D		\$109	\$87	\$63
100-300-350-0000-5217	Supplies		\$1,500	\$275	\$1,000
100-300-350-0000-5300	Gas & Electricity		\$20,000	\$17,983	\$20,000
100-300-350-0000-5698	Equipment/Equip. R&M		\$10,000	\$2,825	\$10,000
	TOTAL AERATION		\$60,578	\$41,400	\$57,340
FISHERY SUPPORT (360)					
100-300-360-0000-5000	Salaries - Regular		\$13,175	\$2,975	\$9,775
100-300-360-0000-5060	FICA Medicare/Social Security		\$303	\$110	\$290
100-300-360-0000-5105	Workers' Compensation		\$158	\$173	\$173
100-300-360-0000-5110	CalPERS Employer Share		\$676	\$593	\$644
100-300-360-0000-5112	CalPERS Unfunded Liability		\$947	\$947	\$1,112
100-300-360-0000-5115	Health Insurance		\$631	\$639	\$749
100-300-360-0000-5120	Dental Insurance		\$48	\$50	\$57
100-300-360-0000-5125	Long Term Disability/Life/AD&D		\$22	\$18	\$22
100-300-360-0000-5675	Hoist / Ice Equipment R&M <i>(Renamed)</i>		\$3,500	\$1,375	\$3,500
	TOTAL FISHERY SUPPORT		\$19,460	\$6,880	\$16,322
CAPITAL PROJECTS (390)					
100-300-390-0000-5000	Salaries - Regular		\$5,147	\$1,250	\$4,785
100-300-390-0000-5055	Unemployment Insurance (SUI)		\$75	\$0	\$75
100-300-390-0000-5060	FICA Medicare/Social Security		\$200	\$60	\$178
100-300-390-0000-5276	Permit Fees		\$1,000	\$0	\$2,500
100-300-390-0000-5290	Miscellaneous Expenses		\$200	\$0	\$500
100-300-390-0000-5298	Interest Expense		\$451,463	\$451,463	\$407,559
100-300-390-0000-5416	Legal Consultation		\$1,000	\$1,000	\$2,000
100-300-390-0000-5430	Engineering Services				
100-300-390-0000-5500	Mileage Reimbursement		\$200	\$0	\$200
100-300-390-0000-6200	Principal Debt Payments		\$1,285,274	\$1,285,274	\$1,260,274
	TOTAL CAPITAL PROJECTS		\$459,285	\$453,773	\$417,797

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
DREDGING OPERATIONS (400)					
100-300-400-0000-5000	Salaries - Regular		\$523,312	\$477,004	\$527,237
100-300-400-0000-5005	Salaries - Overtime		\$25,000	\$27,225	\$25,000
100-300-400-0000-5010	Wages - Part Time/Temporary		\$20,000	\$47,580	\$20,000
100-300-400-0000-5015	Salaries - Comp. Time		\$3,250	\$0	\$2,500
100-300-400-0000-5020	Salaries - Vacation Pay		\$2,500	\$0	\$2,000
100-300-400-0000-5025	Salaries - Holiday Pay		\$1,500	\$19	\$1,500
100-300-400-0000-5030	Salaries - Sick Pay			\$1,921	\$0
100-300-400-0000-5055	Unemployment Insurance (SUI)		\$7,985	\$4,172	\$7,800
100-300-400-0000-5060	FICA Medicare/Social Security		\$52,850	\$42,713	\$46,813
100-300-400-0000-5105	Workers' Compensation		\$25,400	\$27,819	\$27,819
100-300-400-0000-5110	CalPERS Employer Share		\$35,822	\$31,464	\$34,120
100-300-400-0000-5112	CalPERS Unfunded Liability		\$50,183	\$50,183	\$58,945
100-300-400-0000-5115	Health Insurance		\$106,669	\$111,605	\$125,731
100-300-400-0000-5120	Dental Insurance		\$7,783	\$7,953	\$9,262
100-300-400-0000-5125	Long Term Disability/Life/AD&D		\$3,484	\$2,791	\$2,024
100-300-400-0000-5210	Hazmat Supplies		\$3,000	\$3,000	\$3,000
100-300-400-0000-5212	Safety Supplies		\$5,500	\$6,371	\$6,375
100-300-400-0000-5217	Supplies		\$8,000	\$8,000	\$8,000
100-300-400-0000-5218	Tools		\$10,000	\$10,000	\$10,000
100-300-400-0000-5232	Boat Fuel - Dredge Skiff		\$1,200	\$500	\$1,200
100-300-400-0000-5233	Boat Fuel - Twin Lakes		\$115,000	\$100,000	\$105,000
100-300-400-0000-5234	Boat Fuel - Dauntless		\$10,000	\$7,500	\$10,000
100-300-400-0000-5235	Vehicle & Equipment Fuel		\$11,000	\$11,000	\$11,000
100-300-400-0000-5236	Harbor Patrol Training			\$0	\$0
100-300-400-0000-5240	Miscellaneous Employee Training		\$10,000	\$10,000	\$10,000
100-300-400-0000-5256	Equipment Rental		\$32,000	\$30,000	\$32,000
100-300-400-0000-5262	Insurance Premiums		\$15,000	\$10,534	\$12,000
100-300-400-0000-5266	Memberships, Dues, Subscriptions		\$500	\$500	\$500
100-300-400-0000-5268	Meetings & Training		\$2,000	\$2,417	\$2,000
100-300-400-0000-5270	Books		\$100	\$0	\$100
100-300-400-0000-5276	Permit Fees		\$10,000	\$10,000	\$10,000
100-300-400-0000-5290	Miscellaneous Expenses		\$5,000	\$5,000	\$5,000
100-300-400-0000-5292	Uniform Cleaning/Laundry		\$6,500	\$6,500	\$6,500
100-300-400-0000-5308	Hazmat Disposal		\$5,000	\$3,500	\$5,000
100-300-400-0000-5418	Freight		\$2,500	\$416	\$2,500
100-300-400-0000-5440	Environmental Services		\$10,000	\$0	\$10,000
100-300-400-0000-5445	Dredge Consulting		\$25,000	\$0	\$15,000
100-300-400-0000-5450	Other Services		\$10,000	\$5,000	\$5,000
100-300-400-0000-5500	Mileage Reimbursement		\$1,000	\$0	\$1,000
100-300-400-0000-5620	Paint & Supplies		\$5,000	\$5,000	\$5,000
100-300-400-0000-5665	Vehicle Maintenance		\$5,000	\$3,500	\$5,000
100-300-400-0000-5672	Other Repairs & Maintenance		\$1,500	\$1,500	\$1,500
100-300-400-0000-5685	Safety Equipment R&M		\$1,500	\$500	\$1,500
100-300-400-0000-5698	Equipment/Equipment R&M		\$45,000	\$45,000	\$45,000
100-300-400-0000-5700	Maint/Lube Inner Harbor Dredge		\$15,000	\$20,000	\$20,000
100-300-400-0000-5705	Maint/Lube Dredge Twin Lakes		\$100,000	\$115,000	\$115,000
100-300-400-0000-5707	Maint/Lube - Ancilliary Equipment		\$63,000	\$63,000	\$65,000
100-300-400-0000-5710	Maint/Lube Dredge Workboat Dauntless		\$30,000	\$30,000	\$30,000
100-300-400-0000-5715	Dredge Paint/Coatings		\$15,000	\$17,193	\$17,500
100-300-400-0000-5720	Booster Pump R&M		\$15,000	\$10,000	\$10,000
100-300-400-0000-5725	Welding Supplies		\$10,000	\$10,000	\$10,000
100-300-400-SO01-5000	January 2017 Winter Storms - Salaries				
100-300-400-0000-6105	Capitalized Equip Xfer to 1100		\$186,091	\$214,582	\$272,762
TOTAL DREDGING OPERATIONS			\$1,470,038	\$1,383,380	\$1,487,426

Account	Description	CATEGORY	FY21 BUDGET	FY 21 PROJXN	FY22 BUDGET
BOATYARD OPERATIONS (500)					
100-500-500-0000-5000	Salaries - Regular		\$115,421	\$126,625	\$127,575
100-500-500-0000-5005	Salaries - Overtime		\$1,000	\$1,500	\$1,000
100-500-500-0000-5010	Wages - Part Time/Temp.		\$10,000	\$4,826	\$10,000
100-500-500-0000-5015	Salaries - Comp. Time		\$300	\$0	\$300
100-500-500-0000-5025	Salaries - Holiday Pay			\$103	\$0
100-500-500-0000-5040	Call Back		\$500	\$0	\$500
100-500-500-0000-5055	Unemployment Insurance (SUI)		\$1,325	\$922	\$1,250
100-500-500-0000-5060	FICA Medicare/Social Security		\$9,399	\$10,220	\$12,172
100-500-500-0000-5105	Workers' Compensation		\$9,534	\$10,442	\$10,442
100-500-500-0000-5110	CalPERS Employer Share		\$8,437	\$7,410	\$8,036
100-500-500-0000-5112	CalPERS Unfunded Liability		\$11,819	\$11,819	\$13,883
100-500-500-0000-5115	Health Insurance		\$39,600	\$35,500	\$46,756
100-500-500-0000-5120	Dental Insurance		\$2,921	\$2,985	\$3,477
100-500-500-0000-5125	Long Term Disability/Life/AD&D		\$1,307	\$1,047	\$745
100-500-500-0000-5204	Advertising		\$525	\$0	\$525
100-500-500-0000-5210	Hazmat Supplies		\$500	\$883	\$500
100-500-500-0000-5212	Safety Supplies		\$500	\$300	\$500
100-500-500-0000-5217	Supplies		\$2,500	\$1,555	\$2,500
100-500-500-0000-5218	Tools		\$1,000	\$1,069	\$1,000
100-500-500-0000-5235	Fuel - Travelift		\$1,800	\$1,000	\$1,500
100-500-500-0000-5236	Boatyard Training				
100-500-500-0000-5240	Miscellaneous Employee Training		\$1,200	\$1,200	\$1,200
100-500-500-0000-5256	Equipment Rental		\$1,000	\$0	\$1,000
100-500-500-0000-5262	Insurance Premiums		\$4,000	\$4,022	\$4,425
100-500-500-0000-5276	Permit Fees		\$2,500	\$2,300	\$2,500
100-500-500-0000-5284	Credit Card Fees		\$5,000	\$5,259	\$5,300
100-500-500-0000-5290	Misc. Expenses		\$1,500	\$500	\$1,500
100-500-500-0000-5292	Uniforms		\$600	\$600	\$600
100-500-500-0000-5300	Gas & Electricity		\$15,000	\$16,291	\$16,250
100-500-500-0000-5305	Water, Sewer, Garbage		\$11,702	\$12,750	\$13,000
100-500-500-0000-5308	Hazmat Disposal		\$5,000	\$1,700	\$4,000
100-500-500-0000-5310	Telephone & Alarms		\$2,000	\$1,972	\$2,000
100-500-500-0000-5425	Contract Services		\$500	\$0	\$500
100-500-500-0000-5430	Engineering Services		\$500	\$0	\$500
100-500-500-0000-5450	Other Services		\$2,000	\$3,500	\$3,500
100-500-500-0000-5465	Software License & Application		\$500	\$0	\$500
100-500-500-0000-5500	Mileage Reimbursement		\$200	\$0	\$200
100-500-500-0000-5625	Signage		\$250	\$44	\$250
100-500-500-0000-5694	Office Equipment		\$200	\$254	\$250
100-500-500-0000-5698	Equipment R&M		\$6,000	\$7,800	\$6,500
100-500-500-0000-7000	Filtration System R&M		\$3,000	\$3,600	\$4,000
100-500-500-0000-7005	Filtration System Supplies		\$1,500	\$4,700	\$4,000
100-500-500-0000-7020	Cost of Goods Sold		\$10,000	\$6,500	\$10,000
100-500-500-0000-6100	Capital Outlay				
TOTAL BOATYARD OPERATIONS			\$292,540	\$291,198	\$324,636

NOTES

NOTES

**Santa Cruz Port District
Historic Annual Slip Rent Increases
FY12 – FY21**

Year	Slip Rent Increase (South Harbor)	Slip Rent Increase (North Harbor)	CPI (Calendar Year)¹	CPI Rate
FY 12	0%	0%	2010	1.5%
FY 13	+ 5%	+ 5% ²	2011	2.93%
FY 14	+ 2.5%	+ 2.5%	2012	2.68%
FY 15	+ 2.6%	+ 2.6%	2013	2.58%
FY 16	+ 2.7%	+ 2.7%	2014	2.7%
FY 17	0%	0%	2015	3.2%
FY18	2%	2%	2016	3.53%
FY19	2%	2%	2017	2.9%
FY20	2.5%	2.5%	2018	4.5%
FY21	2.5%	2.5%	2019	2.45%
10-YR AVERAGE	2.18%	< 2.18%		2.90%

¹ Budget prep / analysis occurs at the end of the calendar year preceding the start of the next fiscal year.

² 20-foot slips were excluded from fee increase in FY13.

Santa Cruz Port District Priorities 2021

In conjunction with the Santa Cruz Port District's Mission Statement, the following priorities and goals are proposed for consideration / adoption for the upcoming year.

Accountability

Financial Management

- Careful management of the Port District's financial resources and reserves to allow for recovery from pandemic-related revenue reductions and expense increases while maintaining operations and services.
- Continue to ensure that required coverage ratios and reporting requirements are met for existing debt, and work with lender, as needed, on any waiver that may be required for FY21 due to revenue losses resulting from the COVID-19 pandemic.

Transparency

- Accurate, reliable and timely information is distributed through a variety of means to the Port Commission and the public.

Human Resources

- Engage in labor negotiations with bargaining groups on contracts ending December 31, 2021.
- Fill the current vacancy for the Facilities Maintenance and Engineering Manager.

Sustainability

Infrastructure

- Work with regulators to ensure timely processing, review and approval of a new US Army Corps of Engineers ("USACE") Regional General Permit for infrastructure maintenance and repair activities.
- Perform ongoing review and development of Capital Improvement Program to ensure facilities serving commercial and recreational boating are protected and upgraded.
- Complete Capital Improvement Projects currently underway and implement identified priority Capital Improvement Projects including, but not limited to:
 - a. Boater and public restroom rehabilitation
 - b. Parking accessibility review and upgrades
 - c. Pile replacement and repair
 - d. Sanitary Sewer Lift Station electrical panel replacement and ultrasound inspections
 - e. Paving repair and maintenance

- Continue planning and site assessment of District properties at 7th and Brommer, and identify a preferred long-range plan. .
- Initiate new inspections, investigations and planning identified in the 5-Year Capital Improvement Program to inform future projects, including but not limited to:
 - a. Electrical rehabilitation and metering – 333 Lake Avenue
 - b. Fishery pier pile inspection
 - c. East access road crane pad inspection
 - d. Wifi
- Collaborate with lessee supporting reconstruction of Aldo’s Harbor Restaurant.
- Consider land opportunities on non-residential parcels adjacent to the harbor as they become available for the purpose of increasing and/or maintaining services; increasing revenue and stabilizing rates to meet stated mission and objectives.

Navigation and Operations

Dredging Program

- Maintain safe passage for vessels transiting the federal entrance channel and provide access to berthing and refuge.
- Work with USACE to validate higher reimbursement level provided under the Memorandum of Agreement for operation and maintenance of the federal entrance channel.
- Facilitate planning and crew training to ensure safety and improved production:
 - a. Seek out new, dredge-related training opportunities for crew and management staff.
- Maintain dredge equipment in a manner that ensures safety, reliability, enhanced production and an extended life span.
 - a. Continue to schedule bi-annual inspections of the dredge to be performed by a qualified third-party contractor (Note: Summer 2020 inspection delayed to 2021 due to pandemic.)
 - b. Plan for future haul of *Twin Lakes*.

Harbor Patrol

- Active oversight and inspections of patrol vessel fabrication by Moose Boats, Inc. Take delivery by December 2021. Initiate sea trials and training to place vessel in service in 2022.
- Continue to improve harbor security through coverage, training, frequent foot patrols of harbor area and docks.

Operations

- Restore seasonal water taxi operation Memorial Day to Labor Day, contingent upon compliance with pandemic-related social distancing requirements.

Commercial Fishery

- Maintain viable commercial fishing activity.

Boatyard

- Facilitate sustainability of boatyard operation and continue to identify opportunities for increasing revenue.

Stewardship

- Monitor and actively participate in policy and regulatory development impacting harbors, with an emphasis on issues impacting small craft harbors.
- Promote environmental stewardship dockside, marine education, and clean and green boating.

Community

- Strengthen relationships with other marinas and marine-related entities and identify opportunities to share information and resources.
- Continue coordination efforts with the County of Santa Cruz and the City of Santa Cruz on projects and initiatives of mutual concern.
- Identify opportunities for expanding utilization of remote parking by harbor area businesses and charter operators.
- Continued participation in Monterey Bay National Marine Sanctuary Advisory Council.

Leadership

- Continued activation and refinement of COVID-19 response measures to protect employee and public health.
- Facilitate and increase opportunities for collaboration, communication, mentoring and coordination between employees.
- Strengthen intergovernmental and community relationships.

Adopted by Santa Cruz Port Commission January 26, 2021.



**Santa Cruz Port District
FY22 Draft Budget
April 1, 2021 to March 31, 2022**



**Santa Cruz Port Commission Meeting
February 9, 2021**

1

FY22 Budget Prep Backdrop

- Coronavirus pandemic
 - Negative impacts to Port District revenue in current budget year (FY21)
 - Concession
 - Parking, RV

- US Army Corps of Engineers' Dredging Reimbursement
 - \$525,000 in annual funding not included in federal FY21 work plan
 - Budgeted \$385,000 impact to revenue in FY22 budget

2

FY21 Current Budget Year Projections Ending 3/31/21

- Expense projections based on 11/30/20 monthly budget report.
Revenue projections based on 12/31/20 monthly budget report.
- Operating Revenue projected to be underbudget by approx. \$360,000 due to impacts from COVID-19:
 - Concession rents
 - Parking
 - RV
- Revenue impacts are partially offset by stronger than expected performance in:
 - Slip rent
 - Launch / Visitor berthing
- Additionally, expenditure savings are estimated at \$900,000. As a result, projected Operating Profit (Operating Revenues less Operating Expenses) is expected to exceed the FY21 budget by approximately \$540,000
- Net income loss in FY21 is projected at **-\$374,469**; however, net of depreciation / capitalized expenses, net income is projected to be positive overall

3

FY22 Budget Approach & Focus

- Present a balanced budget that meets debt service requirements while accounting for anticipated decreases in concession revenue due to COVID-19, and eliminating the USACE dredging reimbursement from the FY22 budget
- Push budgeted revenues in some categories to expected levels based on current projections and prior years' audit results
- Reduce line item expenditures across budget programs
- Develop spending and operating plan for FY22 that continues a reduced staffing level while restoring some Operations' support services by part-time staff, and fund approved labor contracts
- Fund reserves and Capital Improvement Program at a level less than stated reserve policy goals and objectives to achieve a budgetary surplus, while funding priority Capital Improvement Projects and Capital Outlay

4

Revenue

	2018	2019	2020	Budget 2021	Draft 2022
Audited Revenue	\$9,070,739	\$9,211,328	\$9,813,660		
Budgeted Revenue	\$8,558,260	\$8,839,266	\$9,236,969	\$9,731,156	\$9,714,775

FY21 projected revenue is \$9,371,156. FY22 projects a return to pre-pandemic parking and RV revenue, but a more conservative approach to concession revenue.

5

Expenditures

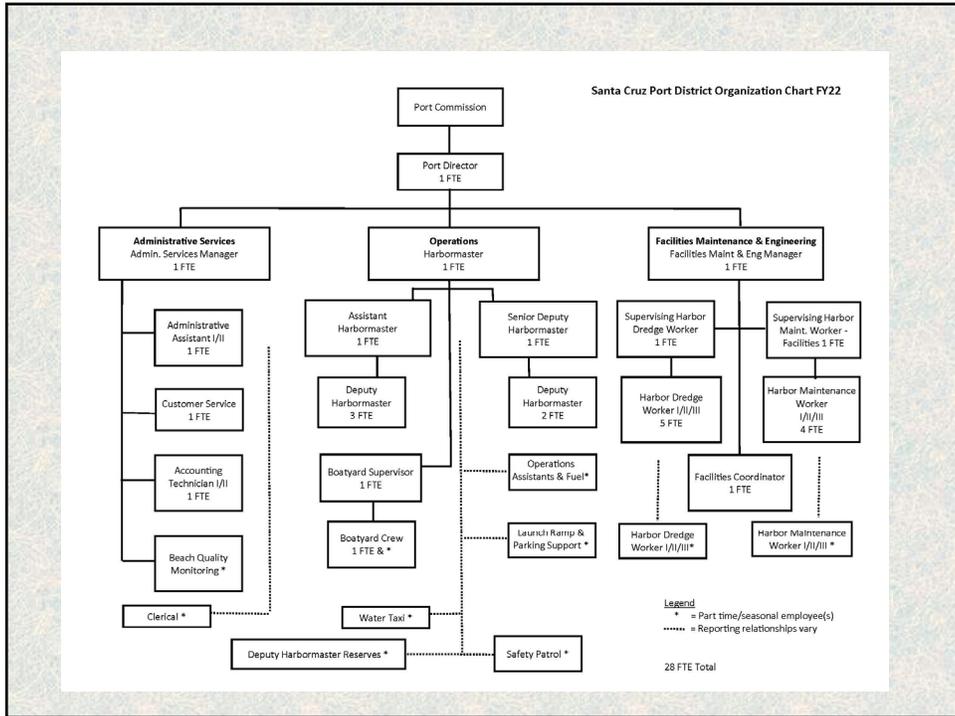
Expenditures by Department and Program

Department and Program	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Proposed
100 Administrative Services Department				
Department Total	\$ 1,648,404	\$ 1,801,117	\$ 1,688,950	\$ 1,772,970
200 Operations Department				
Department Total	\$ 2,400,257	\$ 2,637,117	\$ 2,155,439	\$ 2,531,548
300 Facilities Maintenance & Engineering				
Department Total	\$ 3,285,578	\$ 3,626,174	\$ 3,311,782	\$ 3,554,805
Total Operating Budget	\$ 7,334,239	\$ 8,064,408	\$ 7,156,171	\$ 7,859,323

6

Santa Cruz Port District Historical Revenues and Expenses Debt Service Coverage Projection						
	2018 Audited	2019 Audited	2020 Audited	2021 Budget	2021 Projected	2022 Budget
Operating Revenues						
Charges for berthing and services	\$ 7,181,501	\$ 7,372,983	\$ 7,920,084	\$ 7,714,702	\$ 7,472,870	\$ 7,889,775
Rent and concessions	\$ 1,899,238	\$ 1,838,345	\$ 1,833,076	\$ 2,016,320	\$ 1,899,286	\$ 1,829,000
Total Operating Revenues	\$ 9,070,739	\$ 9,211,328	\$ 9,813,660	\$ 9,731,022	\$ 9,371,156	\$ 9,714,775
Operating Expenses						
Depreciation and Amortization	\$ 1,824,754	\$ 1,830,080	\$ 1,954,934			\$ -
CalPERS Unfunded Liability (Non-cash)	\$ 489,486	\$ 313,404	\$ 338,085			\$ -
OPEB Liability (Non-cash)	\$ 70,313	\$ 70,313	\$ 67,186			\$ -
Dredging Operations	\$ 1,234,002	\$ 1,232,182	\$ 1,369,870	\$ 1,470,038	\$ 1,383,300	\$ 1,467,426
Administrative Services	\$ 632,156	\$ 653,763	\$ 759,880	\$ 778,728	\$ 786,225	\$ 764,483
Grounds	\$ 633,063	\$ 750,251	\$ 727,772	\$ 837,988	\$ 730,006	\$ 786,798
Fuel Services	\$ 350,664	\$ 413,682	\$ 536,091	\$ 590,261	\$ 394,693	\$ 491,444
Harbor Patrol	\$ 627,790	\$ 641,569	\$ 683,549	\$ 712,349	\$ 668,509	\$ 721,534
Property Management	\$ 403,528	\$ 474,209	\$ 480,408	\$ 538,859	\$ 517,755	\$ 546,648
Marina Management	\$ 492,804	\$ 544,303	\$ 434,290	\$ 516,390	\$ 468,294	\$ 512,134
Buildings	\$ 290,087	\$ 325,642	\$ 323,550	\$ 389,156	\$ 345,478	\$ 395,250
Piering Services	\$ 360,665	\$ 387,156	\$ 341,296	\$ 371,526	\$ 244,044	\$ 323,293
Docks, Piers, Marine Structures	\$ 317,187	\$ 270,617	\$ 237,013	\$ 263,751	\$ 279,220	\$ 297,927
Debt Issuance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Finance & Purchasing	\$ 165,863	\$ 170,690	\$ 181,208	\$ 207,570	\$ 185,236	\$ 209,575
Environmental & Permitting	\$ 131,817	\$ 143,423	\$ 174,318	\$ 195,610	\$ 152,250	\$ 195,175
Utilities	\$ 107,864	\$ 87,500	\$ 85,665	\$ 125,819	\$ 71,645	\$ 95,943
Aeration	\$ 44,900	\$ 36,940	\$ 38,467	\$ 60,578	\$ 41,400	\$ 57,340
Rescue Services	\$ 97,398	\$ 95,508	\$ 99,549	\$ 119,200	\$ 89,701	\$ 122,463
Boatyard Operations	\$ 221,938	\$ 254,419	\$ 274,979	\$ 292,540	\$ 291,198	\$ 324,636
Port Commission Support	\$ 48,164	\$ 45,323	\$ 52,156	\$ 80,350	\$ 47,484	\$ 57,089
Capital Projects	\$ 9,716	\$ 1,022	\$ 6,812	\$ 493,285	\$ 453,773	\$ 417,797
Events	\$ 32,313	\$ 30,682	\$ 30,440	\$ 34,791	\$ -	\$ 35,344
Flanery Support	\$ 2,402	\$ 2,762	\$ 5,680	\$ 19,460	\$ 6,880	\$ 16,322
Total Expenses	\$ 8,487,521	\$ 8,742,968	\$ 9,203,068	\$ 8,064,408	\$ 7,156,171	\$ 7,859,323
Non-Operating Revenue (Expenses)						
County revenues for public services	\$ 36,228	\$ 12,493	\$ 49,985	\$ 50,000	\$ 50,000	\$ 50,000
Grants and Other Income	\$ 140,189	\$ 111,403	\$ 37,826	\$ 42,000	\$ 42,000	\$ 42,000
Dredging Reimbursement USACE	\$ 485,000	\$ 443,000	\$ 385,000	\$ 385,000	\$ 385,000	\$ 385,000
Interest Income	\$ 96,293	\$ 242,056	\$ 265,810	\$ 180,000	\$ 73,287	\$ 79,500
Interest Expense	\$ (444,310)	\$ (475,885)	\$ (491,385)	\$ (451,463)	\$ (451,463)	\$ (407,559)
Other Income (Expenses)	\$ 44,912	\$ 188,516	\$ 2,809	\$ 60,000	\$ 55,310	\$ 60,000
Total Non-Operating Revenue (Expenses)	\$ 358,312	\$ 526,583	\$ 250,945	\$ 265,537	\$ 154,134	\$ (176,059)
Debt Service Coverage Calculation						
(*) Gross Revenues	\$ 9,070,739	\$ 9,211,328	\$ 9,813,660	\$ 9,731,022	\$ 9,371,156	\$ 9,714,775
(*) Maintenance and operating expenses	\$ (8,487,521)	\$ (8,742,968)	\$ (9,203,068)	\$ (8,064,408)	\$ (7,156,171)	\$ (7,859,323)
(*) Depreciation and Amortization	\$ 1,824,754	\$ 1,830,080	\$ 1,954,934			\$ -
(*) CalPERS Unfunded Liability (Non-cash)	\$ 489,486	\$ 313,404	\$ 338,085			\$ -
(*) OPEB Liability (Non-cash)	\$ -	\$ 70,313	\$ 67,186			\$ -
(*) Net Operating Income	\$ 2,897,458	\$ 2,682,137	\$ 2,970,797	\$ 1,666,614	\$ 2,214,985	\$ 1,855,452
(*) Interest Income	\$ 96,293	\$ 242,056	\$ 265,810	\$ 180,000	\$ 73,287	\$ 79,500
(*) Non-operating Income	\$ 44,912	\$ 188,516	\$ 2,809	\$ 60,000	\$ 55,310	\$ 60,000
(*) Grants	\$ 176,417	\$ 123,896	\$ 87,011	\$ 92,000	\$ 92,000	\$ 92,000
(*) Dredging Reimbursement USACE	\$ 485,000	\$ 443,000	\$ 385,000	\$ 385,000	\$ 385,000	\$ 385,000
(*) Net Revenues Available for Debt Service	\$ 3,700,080	\$ 3,685,625	\$ 3,712,227	\$ 2,383,614	\$ 2,820,582	\$ 2,086,952
(*) Current Portion Long Term Debt	\$ 1,048,837	\$ 1,254,451	\$ 1,299,163	\$ 1,285,274	\$ 1,285,274	\$ 1,260,274
(*) Interest Expense	\$ 444,310	\$ 476,885	\$ 491,385	\$ 451,463	\$ 451,463	\$ 407,559
(*) Total Debt Service	\$ 1,493,147	\$ 1,731,336	\$ 1,790,548	\$ 1,736,737	\$ 1,736,737	\$ 1,667,833
Debt Service Coverage Ratio (DSCR)	2.48x	2.13x	2.07x	1.37x	1.62x	1.25x
Required DSCR	1.25x	1.25x	1.25x	1.25x	1.25x	1.25x

7



8

FY22 Salary and Benefit Costs

DEPARTMENT/SERVICE	FY20 SALARIES & BENEFITS BUDGET	FY21 SALARIES & BENEFITS BUDGET	FY21 SALARIES & BENEFITS PROJECTED	FY22 SALARIES & BENEFITS BUDGET	FY 21 TO FY22 CHANGE
Administrative Services	668,051	705,504	702,666	731,170	+ 25,666
Operations ³	1,395,112	1,471,177	1,261,022	1,424,232	- 46,945
Boatyard ¹	207,989	211,563	213,399	236,136	+ 24,573
Facilities Maintenance and Engineering ²	706,820	729,278	662,653	723,795	- 5,483
Dredging Operations	812,653	865,738	832,449	890,751	+ 25,013
TOTALS	3,790,625	3,983,260	3,672,189	4,006,084	+ 22,824 (+ <1%)

- FY22 projected S&B increases primarily due to an adjustment in budgeting for medical expense, increased CalPERS' pension costs and workers' compensation premium costs. Increased costs are largely offset by staffing reductions due to COVID-19.
 - Employer pension expense in FY22 is approximately \$605,500, which is approximately \$46,000 higher than FY21 rates and represents approximately 15% of anticipated Personnel Services' expenditures

9

Dredge Intermediate Fund

- A \$172,762 contribution to Dredge Intermediate Fund is included in FY22 budget, bringing the projected fund balance to \$208,000. Items funded include:
 - *Twin Lakes*: Replacement of the Lincoln welder/generator; replacement of the standby marine generator and spare parts
 - *Dauntless*: A-frame repair
 - Other dredge systems equipment
- The draft FY22 budget initially included a partial set-aside for future haul of Twin Lakes (\$75,000), and a trailer for the tracked pipe fusion machine (\$8,200). These items were eliminated from the draft budget due to loss of USACE work plan funding to create a budget surplus.
- Staff remains committed to haul of Twin Lakes, though the timeline may be pushed out 1-2 years depending on haul options



10

Dredge Operations

- Dredge program budget approximately 1% higher in FY22:
 - Due to increased Personnel Services costs
 - Services and Supplies nominally lower than FY21



11

Boatyard

- Operated by Port District since 2014
 - Projected FY21 revenues \$314,593
 - Projected FY21 expenses \$291,198
- | | |
|-----|-----------|
| Net | \$ 23,395 |
|-----|-----------|



In FY21, the boatyard's budget was projected to essentially break even in terms of revenue versus expenses. Current projections indicate the boatyard will be marginally profitable in FY21.

In FY22, it is anticipated the boatyard will require \$10,636 in proceeds to cover expenditures. Revenues do not account for interdepartmental services. In FY21, the retail value of interdepartmental services provided was approx. \$35,500.

The boatyard program captures the majority of expenditures for this enterprise, though some costs, such as stormwater service expenditures, office equipment and claims paid are captured in Administration, while minor building repair and maintenance are captured in Facilities.

12

Fuel Services

- Fuel service operation assumed by the Port District in 2010.
 - Projected FY21 revenue \$592,012
 - Projected FY21 expenses 394,693
- Net \$197,319

Fuel sales and fuel expense were lower than anticipated in FY21, though overall the program is projected to be more profitable in FY21 than FY20 due to improved program oversight and management.

The fuel services program captures the majority of expenditures for this enterprise, though some costs are captured in other programs (e.g., some shared labor costs; utility costs).



13

Fund Balances

Cash on Hand at 2/1/21		
LAIF	\$9,562,493	
BBVA (Restricted)	\$1,017,236	
Comerica Bank	\$751,133	<i>Less pending BBVA loan payments</i>
Total Cash	\$11,330,862	
Restricted Cash	\$1,017,236	<i>At BBVA</i>
Fund Balances	\$3,676,048	<i>Dredge Intermediate, Reserve, Capital Improvement, Election</i>
Unrestricted Cash	\$6,637,578	<i>Available for operations, emergencies*, improvements, etc.</i>

*Reserve fund also available for emergencies as authorized by the Port Commission

14

Capital Improvement Program FY22 Recommended Projects



15

CAPITAL IMPROVEMENT PROJECTS FY22-FY26

Category	FY22	FY23	FY24	FY25	FY26	TOTAL
Docks, Piers & Marine Structures						
Piling Replacement ¹	-	80,000	-	125,000	250,000	455,000
Dock Upgrades	35,000	20,000	20,000	125,000	250,000	450,000
Pier Rehabilitation Project ²	20,000	105,000	60,000	-	-	185,000
Boatyard Marine Ways Inspection / Upgrades	-	40,000	-	-	85,000	125,000
TOTAL	\$ 55,000	\$ 225,000	\$ 80,000	\$ 250,000	\$ 585,000	\$ 1,195,000

¹ Delay pile repair/replacement to FY23 and beyond and recess pier under new RDP permit
² FY22 funding for inspection of factory pier piles. FY23 funding for East Public Pier Pile Repair

Buildings	FY22	FY23	FY24	FY25	FY26	TOTAL
Building Restoration Projects - Minor	80,000	135,000	50,000	50,000	100,000	415,000
Restroom Building Rehabilitation	108,600	85,000	60,000	25,000	25,000	303,600
Dredge Yard Covered Work Area	-	-	-	15,000	-	15,000
Walton Lighthouse Re-painting	-	-	15,000	-	-	15,000
Harbormaster Office Remodel	-	-	-	125,000	-	125,000
Harbor Office Building Improvements	-	15,000	-	-	-	15,000
TOTAL	\$ 188,600	\$ 235,000	\$ 125,000	\$ 215,000	\$ 125,000	\$ 888,600

Landside Infrastructure	FY22	FY23	FY24	FY25	FY26	TOTAL
Pavement Repairs ³	62,000	50,000	50,000	75,000	75,000	312,000
Parking Pay Stations	-	30,000	-	100,000	-	130,000
Parking Upgrades	20,000	5,000	5,000	5,000	5,000	40,000
Sidewalk & Plaza Restoration	-	-	-	15,000	25,000	40,000
TOTAL	\$ 82,000	\$ 85,000	\$ 55,000	\$ 195,000	\$ 105,000	\$ 522,000

³ FY22 prioritizes wheel harbor repairs; launch ramp resurf. NE harbor

Utility Systems	FY22	FY23	FY24	FY25	FY26	TOTAL
Sanitary Sewer Lift Station Upgrades ⁴	-	200,000	200,000	200,000	750	600,000
Trawl System Upgrades / RST	-	45,000	-	140,000	-	185,000
Aeration System Upgrades	-	10,000	10,000	-	-	20,000
Storm Drain System Repairs and Maintenance	-	20,000	20,000	30,000	30,000	100,000
Water and Sewer System Repairs and Maintenance	-	40,000	40,000	750	750	80,000
TOTAL	\$ -	\$ 315,000	\$ 270,000	\$ 380,000	\$ 30,000	\$ 995,000

⁴ Funding eliminated in FY21 and 22. Total available funding approx \$345,000

16

CAPITAL IMPROVEMENT PROJECTS FY22-FY26

Category	FY22	FY23	FY24	FY25	FY26	TOTAL
Planning Projects & Studies						
Commercial Fishery/Marine Services Center Upgrades			TBD	80,000		80,000
West Side Master Plan			75,000			75,000
7th & Brommer Property Site Assessment	TBD	TBD	TBD	TBD	TBD	
SH Revetment and Seawall		60,000	250,000	TBD	TBD	310,000
Harborwide Wifi		25,000	TBD	TBD	TBD	25,000
Embankment Assessment	15,000					15,000
Arana Gulch Grade Control Structure Feasibility Study		85,000	TBD	TBD	TBD	85,000
TOTAL	\$ 15,000	\$ 170,000	\$ 325,000	\$ 80,000	\$ -	\$ 590,000

Other/Miscellaneous						
CIP Reserve Fund						
Harborwide Refuse/Recycling Study		50,000				50,000
Harbor Security Infrastructure Upgrades ⁵		20,000	TBD	TBD	TBD	20,000
West Jetty Walkway Project			40,000	40,000		80,000
TOTAL	\$ -	\$ 70,000	\$ 40,000	\$ 40,000	\$ -	\$ 150,000

5. FY23 funding for add'l security cameras

	FY22	FY23	FY24	FY25	FY26	GRAND TOTAL
FISCAL YEAR TOTALS	\$ 340,600	\$ 1,100,000	\$ 895,000	\$ 1,160,000	\$ 845,000	\$ 4,340,600

17

FY13 CIP					
	CF Marine Svc Center Pubs	Harbor Security MOU	Sanitary Sewer Lift Stations Pubs	Piling Repair / Replacement Pubs	Pavement, Retains Pubs
Begin Balance Apr. 1, 2020	\$ 10,000	\$ 7,322	\$ 355,903	\$ -	\$ 11,037
Budget Designation: FY 2021 Budget		\$ 5,000	\$ 75,000		\$ 65,000
Board Designation: Mig dtd 4/28/20 - COVID-19 Impact Responses Mig dtd 5/26/20 - Con Lot PARCS Close-Out Mig dtd 8/25/20 - Award of Contract for East Public Pier Mig dtd 9/22/20 - Additional Water Taxi Funding Projected Expenditures - 3/31/21 Projected Reallocations - 3/31/21		\$ (5,000)	\$ (75,000)		\$ (65,000)
Project Expenditures		\$ (6,548)	\$ (7,358)		\$ (2,729)
Ending Balance March 31, 2021	\$ 10,000	\$ 774	\$ 348,547	\$ -	\$ 8,312
Budget Designation FY22 Mig dtd 2-09-21 (Proposed Funding Reallocations) Mig dtd 2-09-21 (Proposed CIP Funding)					\$ 65,000 \$ 62,000
Projected CIP Balance at 3/31/21	\$ 10,000	\$ 774	\$ 348,547	\$ -	\$ 135,312

Fund_Balance_Projection_FY22_DRAFT_2-09-21

18

FY14 CIP												
	Deck Upgrades FY08	Pier Rehab. FY09	Building Restoration FY11	Roofroom Bldg Rehab. FY12	Sidewalk & Plaza Restoration FY13	Storm Drain System FY14	Water & Sewer System FY15	Parking Pay Stations FY18	Aeration System Upgrades FY19	Int. Machine FY20	West Jetty Walkways J001	7th and Broomer Recon FY21
Begin Balance Apr. 1, 2020	\$ 157,513	\$ 50,858	\$ 142,461	\$ 46,817	\$ 33,000	\$ 30,000	\$ 51,771	\$ (0)	\$ 31,304	\$ 19,222	\$ 799	\$ 17,183
Budget Designation: <u>FY 2021 Budget</u>	\$ 30,000	\$ 27,000	\$ 50,000	\$ 38,000		\$ 20,000		\$ 35,000				\$ 60,000
Board Designation:												
Mtg dtd 4/28/20 - COVID-19 Impact Responses	\$ (30,000)	\$ (27,000)	\$ (50,000)	\$ (38,000)		\$ (20,000)		\$ (35,000)				\$ (60,000)
Mtg dtd 5/26/20 - Con Let PARCS Close-Out		\$ 20,310		\$ 15,890								
Mtg dtd 8/25/20 - Award of Contract for East Public Pier												
Mtg dtd 9/22/20 - Additional Water Taxi Funding												\$ (52,139)
Projected Expenditures - 3/31/21		\$ (5,651)	\$ (20,000)									\$ 115,000
Projected Reallocations - 3/31/21												
Project Expenditures	\$ (86,061)	\$ (98,817)	\$ (28,230)	\$ (44,113)								\$ (67,861)
Ending Balance March 31, 2021	\$ 71,458	\$ 6,710	\$ 96,231	\$ 18,293	\$ 33,000	\$ 30,000	\$ 51,771	\$ (0)	\$ 31,304	\$ 19,222	\$ 799	\$ 12,183
Budget Designation FY22												
Mtg dtd 2-09-21 Proposed Funding Reallocations												
Mtg dtd 2-09-21 (Proposed CIP Funding)	\$ 35,000	\$ 20,000	\$ 80,000	\$ 108,600								
Projected CIP Balance at 3/31/21	\$ 106,458	\$ 26,710	\$ 176,231	\$ 126,893	\$ 33,000	\$ 30,000	\$ 51,771	\$ (0)	\$ 31,304	\$ 19,222	\$ 799	\$ 12,183

Fund_Balance_Projection_FY22_DRAFT_2-09-21

19

	FY15 CIP			FY16 CIP		FY17 CIP	FY18 CIP	
	8th Reinvestment & Renewal FY22	Marine St. Renewal FY24	Unallocated CIP Funds FY20	Auto's Renewal Renewal FY22	Parking Upgrades FY20	Concession Lot Automation FY20	Peggy Park FY23	Patrol Vessel Replacement FY23
Begin Balance Apr. 1, 2020	\$ 78,499	\$ 9,603	\$ 509,949	\$ 282,000	\$ 5,000	\$ 60,872	\$ 2,414	\$ 15,277
Budget Designation: <u>FY 2021 Budget</u>			\$ 90,000		\$ 45,000			
Board Designation:								
Mtg dtd 4/28/20 - COVID-19 Impact Responses					\$ (45,000)			
Mtg dtd 5/26/20 - Con Let PARCS Close-Out					\$ 23,252	\$ (38,121)		
Mtg dtd 8/25/20 - Award of Contract for East Public Pier			\$ (20,310)					
Mtg dtd 9/22/20 - Additional Water Taxi Funding								
Projected Expenditures - 3/31/21			\$ (115,000)					
Projected Reallocations - 3/31/21								
Project Expenditures	\$ (892)		\$ (60,658)	\$ (28,230)	\$ (21,768)	\$ (3,926)	\$ (15,769)	
Ending Balance March 31, 2021	\$ 78,499	\$ 9,772	\$ 374,699	\$ 198,151	\$ -	\$ -	\$ 88	\$ 3,508
Budget Designation FY22								
Mtg dtd 2-09-21 Proposed Funding Reallocations			\$ (55,173)				\$ (88)	
Mtg dtd 2-09-21 (Proposed CIP Funding)					\$ 20,000			
Projected CIP Balance at 3/31/21	\$ 78,499	\$ 9,772	\$ 319,666	\$ 198,151	\$ 20,000	\$ -	\$ 0	\$ 3,508

Fund_Balance_Projection_FY22_DRAFT_2-09-21

20

	FY20 CIP					FY22 CIP	Total Funds
	Revenue Marina Fees Inspection Incentive Fee	Revenue Transfer Fund	Markovits Slip Study FY18	Markovits Slip Study FY19	Water Tax Fund	Embarkment Assessment Fee	
Begin Balance April 1, 2020	\$ 10,022	\$ 4,725	\$ 5,000	\$ 10,000	\$ 75,000		\$ 2,076,511
Budget Origination: FY 2021 Budget				\$ 50,000			\$ 500,000
Board Designation:							
Mtg dtd 4/28/20 - COVID-19 Impact Responses				\$ (50,000)			\$ (500,000)
Mtg dtd 5/26/20 - Call List PARCS Close Out							\$ -
Mtg dtd 8/25/20 - Award of Contract for East Public Pier					\$ 5,000		\$ 5,000
Mtg dtd 9/22/20 - Additional Water Tax Funding					\$ (61,331)		\$ (138,121)
Projected Expenditures - 3/31/21							\$ -
Project Expenditures	\$ (8,302)	\$ (7,121)		\$ (18,800)			\$ (34,223)
Ending Balance March 31, 2021	\$ 721	\$ 4,735	\$ 4,200	\$ 10,000	\$ 189		\$ 1,415,172
Budget Designation FY22							
Mtg dtd 2/09/21 Proposed Funding Reallocation	\$ (721)	\$ (4,725)	\$ (4,200)			\$ 15,000	\$ 340,800
Mtg dtd 2/09/21 Proposed CIP Funding						\$ 15,000	\$ 1,753,772
Projected CIP Balance at 3/31/21	\$ (0)	\$ -	\$ 0	\$ 10,000	\$ 189	\$ 15,000	\$ 1,753,772

Fund_Balance_Projection_FY22_DRAFT_2-09-21

21

Marina Fees

- CPI increase 2.0% in 2020 (SF-Oak-Hayward annual)*
- Slip rent rates increased:
 - 0% in FY17; 2% in FY18; 2% in FY19; 2.5% in FY20; 2.5% in FY21
- Unrestricted cash on hand exceeds \$6.6 million
- CIP fund balance projected at \$1,753,772 as of April 1, 2020
- Fee increase to be considered by Commission
 - 2% increase would add approximately \$90K in slip fee revenue

*2019 CPI 2.45%

22

Recommendation

Direct staff to finalize the FY22 Budget for adoption at the February 23 meeting, including:

- Capital outlay (\$22,000)
- Capital Projects to add, delete or reprioritize in the CIP
- Contribution to the Dredge Intermediate Fund and list of funded items
- Reserve fund contribution
- Any marina fee or other increase, including direction on any modification to automatic CPI adjustment for tenant leases
- Other revisions

23

Santa Cruz Port District
Historic Annual Slip Rent Increases
FY12 – FY21

Year	Slip Rent Increase (South Harbor)	Slip Rent Increase (North Harbor)	CPI (Calendar Year) ¹	CPI Rate
FY 12	0%	0%	2010	1.5%
FY 13	+ 5%	+ 5% ²	2011	2.93%
FY 14	+ 2.5%	+ 2.5%	2012	2.68%
FY 15	+ 2.6%	+ 2.6%	2013	2.58%
FY 16	+ 2.7%	+ 2.7%	2014	2.7%
FY 17	0%	0%	2015	3.2%
FY18	2%	2%	2016	3.53%
FY19	2%	2%	2017	2.9%
FY20	2.5%	2.5%	2018	4.5%
FY21	2.5%	2.5%	2019	2.45%
10-YR AVERAGE	2.18%	< 2.18%		2.90%

¹ Budget prep / analysis occurs at the end of the calendar year preceding the start of the next fiscal year.
² 20-foot slips were excluded from fee increase in FY13.

24



TO: Port Commission
FROM: Marian Olin, Port Director
DATE: February 4, 2021
SUBJECT: Review of Draft FY22 Budget and 5-Year Capital Improvement Program

- Recommendation:** *Discuss the proposed FY22 draft budget and capital improvement program, and:*
- 1. Review and approve contributions to the Reserve Fund, Election Fund, Capital Improvement Fund and Dredge Intermediate Fund; and,*
 - 2. Provide direction to staff on proposed projects to include in the FY22 Capital Improvement Program (CIP); and*
 - 3. Provide direction to staff on any other fee increase(s), and other revisions to incorporate into the final budget for presentation on February 23, 2021.*

BACKGROUND

The FY22 draft budget report (Attachment A) is presented concurrently with the proposed 5-Year Capital Improvement Plan (CIP). The CIP is incorporated into the draft budget document as Appendix D.

Each year, staff presents a balanced budget, giving the Commission the ability to deliberate reserve funding, projects, capital outlay and consider fee increases and the projected debt service ratio. The draft FY22 budget nominally meets the required debt service ratio of 1 25%, though a projected surplus of \$291,316 was achieved by reducing contributions to the Capital Improvement Program ("CIP") and Dredge Intermediate Fund ("DIF").

The FY22 draft budget was prepared against the backdrop of the Coronavirus pandemic ("COVID-19") which has negatively impacted FY21 revenue categories including concession, parking, and RV. In FY21, revenue losses were offset by conservative revenue projections and stronger than expected performance in slip rent, as north harbor dredging increased occupancy, and visitor service categories such as launch and visitor berthing. Additionally, in April 2020, the Commission took action to offset pandemic-related revenue losses by reducing labor and expenditures across all budgetary programs, negating the possibility of having to tap into limited reserve funding.

The FY22 draft budget has been further stressed by loss of U.S. Army Corps of Engineers' ("USACE") work plan funding for federal fiscal year 2021. The annual dredging reimbursement received from USACE is calculated based on average annual expenditures associated with dredging the federal entrance channel. As a result, the annual reimbursement level increased in 2020, from \$385,000 to \$525,000 for the final 5 years of the Agreement between the Port District

and USACE, though the increased amount has not been included in the Port District's annual budgets. Though staff will work with Congressman Panetta and the Port District's Washington, DC advocate Julie Minerva of Carpi Clay to secure reimbursement, staff does not recommend including USACE's reimbursement in this or future budgets to avoid unexpected funding shortfalls.

The FY22 draft budget anticipates continued strength in slip rent revenue and visitor services such as launch and visitor berthing. Visitor berthing revenue has outperformed expected revenues over several budget cycles and launch revenue has continued to exceed budget expectations since FY19. This uptick in boating activity is expected to continue in FY22. The FY22 budget anticipates a return to pre-pandemic parking and RV revenue but takes a conservative approach to concession rents to allow time for the restaurant industry to recover.

ANALYSIS

Reserve Policy

The Port District's Reserve Policy identifies the target amount to be held in reserve as 25% of the District's annual operating expenses in the current fiscal year's adopted budget. In FY19, the Port District first met its reserve funding goal of 25% of annual operating expenses. In April 2020, in response to COVID-19, the FY21 budgeted reserve contribution of \$127,410 was eliminated. To continue to meet reserve funding goals, the draft FY22 budget includes a proposed contribution in the amount of \$76,139, bringing the Reserve Fund balance to approximately \$1,964,831.

As part of adoption of the Reserve Policy, other goals were confirmed and put into practice, including:

Election Fund: The account is managed to keep a balance of \$200,000. Due to nominal election costs incurred in FY21, a contribution of \$175 is proposed to fully fund this account.

CIP Fund: The annual funding goal was initially set at \$500,000 and in February 2020, was increased to \$750,000, if practicable. As a result, the FY21 CIP contribution was increased from \$500,000 to \$590,000, though in April 2020, in response to COVID-19, the CIP funding contribution was eliminated. The draft budget proposes a lower contribution in FY22 totaling \$340,600 (see "Capital Improvement Program" below).

Capital Improvement Program (CIP)

Appendix D includes the proposed 5-year Capital Improvement Plan (CIP) and the projected CIP fund balance.

The draft FY22 budget proposes new funding in the amount of \$340,600 for the CIP, which is less than identified funding goals. In addition, the draft budget proposes to reallocate existing CIP project funding as follows:

- Pavement Repairs (F006) – Increase funding \$65,000 from the following sources:
 - Pappy Park (F032)– Close out project and allocate remaining funding of \$88
 - Boatyard Marine Ways Inspection / Upgrades (F035) – Close out project and allocate remaining funding of approximately \$721
 - Dredge Yard Hazmat Shed (F037) – Close out project and allocate remaining funding of \$4,735
 - Harborwide Sign Study (F038) – Close out project and allocate remaining funding of \$4,283
 - Unallocated CIP (F099) – Allocate \$55,173 in funding

As of March 31, 2021, the balance of the Unallocated CIP Reserve Fund (F099) is projected to be \$319,466.

One new project is proposed for funding in FY22, to assess embankment erosion adjacent to the crane pad on the east access road (\$15,000).

Descriptions of the projects previously funded and proposed for funding are included in the 5-Year Capital Improvement Plan. As of April 1, 2021, the total projected balance of the CIP is approximately \$1,753,772.

Dredging Equipment – Dredge Intermediate Fund

A proposed contribution of \$172,762 to the DIF supplements funding projected to remain at the end of FY21 bringing the total balance to approximately \$208,000. Planned maintenance and replacements for FY22 are listed in the draft budget report under “Dredging Equipment.” The plan includes spare parts, replacement of the Lincoln welder / generator and a replacement standby generator for *Twin Lakes*, repair of *Dauntless’* A-frame and funding for acquisition of dredge hoses, beach valves and hydraulics.

Due to COVID-19, \$230,000 in funding was eliminated from the DIF in FY21, delaying acquisition of a barge to increase utility of the Toyo submersible pump for inner-harbor dredging operations and reduced funding for acquisition of dredge pipes.

In response to the anticipated shortfall in USACE work plan funding discussed above, and in an effort to provide surplus funding in the draft FY22 budget, a trailer for transport of the new pipe fusion machine was eliminated from the DIF (\$8,200), as well as a \$75,000 partial set aside for future haul of *Twin Lakes*.

A complete listing of unfunded DIF items is included in the draft budget.

Staffing

Due to COVID-19, full-time equivalent (“FTE”) staffing was reduced by 1 in FY21, reducing the total FTE personnel count to 28. The FTE count does not include part-time / temporary / seasonal personnel or provisional personnel (unrepresented employees), though staffing levels also decreased for this group.

Due to COVID-19, the dredge crew, represented by Operating Engineers Local No. 3 (OE3), and the Harbor Employees’ Association (HEA), entered into one-year side letters with the Port District extending labor contracts through December 31, 2021, with no increase to established salaries or change to benefits.

Renegotiation of both labor contracts will commence later this calendar year.

Operating Budget

Notable changes between the FY21 adopted budget and the FY22 proposed budget are discussed below.

Personnel Costs

Total personnel costs are projected to increase in FY22 by <1%. The increase is primarily due to an adjustment in budgeting for medical expense, increased CalPERS’ pension costs, and workers’ compensation premium costs. Increased costs in FY22 are largely offset by the reduction in FTE and unrepresented staffing levels due to COVID-19, though the FY22 budget reinstates some part-time staffing for the water taxi and additional support for Operations.

Table 1 on the following page is excerpted from the budget document. Personnel costs in FY21 are projected to be 8.5% underbudget due to COVID-19-related staffing reductions. In FY22, labor distribution across budgetary programs has been modified somewhat based on assumptions about where efforts will be focused.

Table 1 – Salary and Benefit Costs

DEPARTMENT/SERVICE	FY20 SALARIES & BENEFITS BUDGET	FY21 SALARIES & BENEFITS BUDGET	FY21 SALARIES & BENEFITS PROJECTED	FY22 SALARIES & BENEFITS BUDGET	FY 21 TO FY22 CHANGE
Administrative Services	668,051	705,504	702,666	731,170	+ 25,666
Operations	1,395,112	1,471,177	1,261,022	1,424,232	- 46,945
Boatyard	207,989	211,563	213,399	236,136	+ 24,573
Facilities Maintenance and Engineering	706,820	729,278	662,653	723,795	- 5,483
Dredging Operations	812,653	865,738	832,449	890,751	+ 25,013
TOTALS	3,790,625	3,983,260	3,672,189	4,006,084	+ 22,824 (+ <1%)

CalPERS' employer costs are projected to increase approximately \$46,000 over FY21 rates, from approximately \$560,000 budgeted in FY21, to approximately \$605,500 budgeted in FY22.

Salaries and benefits in the FY22 draft budget represent approximately 44% of anticipated District expenditures which total \$9,141,597. This is a shift from the FY21 budget in which Personnel Services represented approximately 42% of anticipated expenditures. This increase in the proportion of the budget dedicated to Personnel Services is due to the anticipated loss of \$385,000 in dredging reimbursement from the USACE in 2021, as cuts were made to Services and Supplies to balance the budget.

Budget Program Costs

The proposed FY22 Services and Supplies budget is approximately 6% lower than the FY21 budget.

Program cost roll-ups excerpted from the budget follow.

Expenditures by Department and Program

Department and Program	FY 20 Actual	FY 21 Budget	FY 21 Projected	FY 22 Proposed
100 Administrative Services Department				
110 Administration	\$ 760,316	\$ 778,728	\$ 786,225	\$ 764,483
120 Finance & Purchasing	181,208	207,570	185,236	209,575
130 Property Management	480,408	538,859	517,755	546,648
140 Environmental & Permitting	174,317	195,610	152,250	195,175
190 Port Commission Support	52,156	80,350	47,484	57,089
Department Total	\$ 1,648,404	\$ 1,801,117	\$ 1,688,950	\$ 1,772,970
200 Operations Department				
210 Harbor Patrol	\$ 683,548	\$ 712,349	\$ 668,509	\$ 721,534
220 Marina Management	434,288	516,390	468,294	512,134
230 Rescue Services	99,550	119,260	88,701	122,463
240 Parking	341,393	371,526	244,044	323,993
250 Events	30,439	34,791	0	35,344
280 Fuel Services	536,061	590,261	394,693	491,444
500 Boatyard	274,978	292,540	291,198	324,636
Department Total	\$ 2,400,257	\$ 2,637,117	\$ 2,155,439	\$ 2,531,548
300 Facilities Maintenance & Engineering				
310 Docks, Piers & Other Marine Structures	\$ 228,719	\$ 263,751	\$ 279,220	\$ 297,927
320 Utilities Maintenance	85,664	125,918	71,645	95,943
330 Building Maintenance	323,550	389,156	345,478	395,252
340 Grounds Maintenance	727,771	837,988	730,006	786,798
350 Aeration Program	38,468	60,578	41,400	57,340
360 Fishery Support	5,679	19,460	6,880	16,322
390 Capital Projects	497,761	459,285	453,773	417,797
400 Dredging Operations	1,377,966	1,470,038	1,383,380	1,487,426
Department Total	\$ 3,285,578	\$ 3,626,174	\$ 3,311,782	\$ 3,554,805
Total Operating Budget	\$ 7,334,239	\$ 8,064,408	\$ 7,156,171	\$ 7,859,323

Capital Outlay

One capital outlay item is funded in the FY22 budget:

FY 22 Budget Program	Item	Amount
Fuel Services	Replacement of manholes over the in-ground fuel tanks and pumps	\$22,000
Total Capital Outlay		\$22,000

In response to the anticipated shortfall in USACE work plan funding discussed above, and in an effort to provide surplus funding in the draft FY22 budget, \$30,000 for replacement of a vintage 1996 Ford truck (#27) was eliminated from the draft budget. (Replacement of Truck #27 and acquisition of a clamshell attachment for the backhoe to facilitate work on sanitary sewer lift stations were previously eliminated from the FY21 budget due to COVID-19.)

The FY22 budget includes vehicle, vessel and mobile equipment schedules, which help inform future budget recommendations (Appendix E).

Debt Service Coverage Ratio Projections

The District’s agreements with BBVA Compass Bank include covenants to maintain adequate coverage for debt service for the life of the loans. These Debt Service Coverage Ratio (“DSCR”) covenants provide that the District will prescribe and collect fees and charges for services at least equal to 125% of the debt service after operating and maintenance expenses for the fiscal year.

A debt service coverage projection for audited FY18-20, FY21 (projected), and the draft FY22 budget is included in the draft budget (Appendix B). The DSCR, which does not factor in any anticipated increase to slip rent in FY22, just meets the 125% requirement.

If the \$385,000 annual dredging reimbursement from USACE was included in the draft FY22 budget, the DSCR would be approximately 148%.

It is worth noting that audited revenue in 2018, 2019 and 2020 exceeded budgeted revenue:

	2018	2019	2020
Audited Revenue	\$9,070,739	\$9,211,328	\$9,813,660
Budgeted Revenue	\$8,558,260	\$8,839,266	\$9,236,969
% Exceeded Budget	6%	4%	6%

This conservative approach to budgeting revenue has helped the District weather budget impacts in FY21 due to COVID-19, and outperform DSCR annual budget projections.

Revenue and Fees

The 2020 Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward area is 2%. The 10-year average CPI rate is 2.9%. The Port District's 10-year average rate increase over the same period is 2.18%. See Attachment B.

The draft budget is presented as a balanced budget. No increase has been applied to marina fees or leasehold rents in the draft budget. As noted under "Debt Service Coverage Ratio Projections" above, the DSCR just meets the 125% threshold. Any significant reduction in revenue or increase in expenditures may negatively impact the projected DSCR.

In previous years, the Commission has expressed a desire to keep pace with CPI in setting rates for all categories of marina fees (i.e., slip rent, dry storage and miscellaneous space rent). COVID-19 has stressed the Port District's finances, as well as many of our users and tenant-operated businesses. While a 2% CPI increase would provide a much-needed cushion in meeting the District's DSCR requirement, increasing rates even modestly in FY22 may be a hardship for some customers.

If a rate increase is not recommended as part of budget adoption, staff recommends that the FY22 quarter 2 budget review consider whether a mid-year increase may be needed.

U.S. Army Corps of Engineers Dredging Reimbursement

As noted under "Background" above, dredging reimbursement from the U.S. Army Corps of Engineers (USACE) is anticipated to increase from \$385,000 to approximately \$525,000 for the remaining 5 years of the agreement. It is worth noting that the FY20 work plan fully funded the higher reimbursement level. District staff expects shortfall funding to be paid by USACE following their review of audited dredge expenditures.

As noted earlier, no dredging reimbursement from the USACE is included in the FY22 budget and staff does not recommend including USACE's reimbursement in future budgets to avoid unexpected funding shortfalls.

Partnership Fees

In FY20, a sliding scale fee for partnerships was adopted (5% for 1 partner; 10% for 2 partners; 15% for 3 partners), which was hoped to increase utilization of vessel partnerships. FY20 audited revenue reported a 31% reduction in revenue over the prior year, from \$39,811 in FY19 to \$27,500. The FY21 budget was reduced accordingly and revenue projections for FY21 meet budget expectations.

The partnership fee is up for review with the FY23 budget.

SUMMARY

Staff is seeking direction from the Commission as outlined in the recommendation. Key discussion topics include:

- Does the Commission wish to include an increase to marina fees in the draft budget? If yes, what level of increase should be presented? (A 1% slip rent increase generates approximately \$45,000 in additional revenue, excluding dry storage.)
- Most tenant leases provide for an annual CPI increase. Does the Commission wish to take any action to modify this automatic increase?
- Capital Improvement Plan projects and funding, including Dredge Intermediate Fund
- Reserve fund contribution (\$76,139)

The draft FY22 budget will be amended as needed to incorporate direction received from the Commission. The FY22 budget will be presented at the February 23 Commission meeting for review and approval.

ATTACHMENTS: A. Draft Budget and Proposed 5-Year Capital Improvement Plan
 B. Historic Slip Fee Increases

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2021

Date	Warrant	Vendor	Description	Amount
1/5/2021	54431	Jose Vera	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54432	ACCO Engineered Systems	2222 E. Cliff Drive - Quarterly Boiler Maintenance	\$ 335.00
1/8/2021	54433	Agnew, John	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54434	Amerigas	Ancillary Equipment Fuel	\$ 101.01
1/8/2021	54435	APED	Harbor Office Boiler Repair	\$ 356.92
1/8/2021	54436	Arturo Acevedo	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54437	AT&T Mobility	Tablet Service	\$ 238.62
1/8/2021	54438	A Tool Shed Rentals	Generator Rental - Dredge	\$ 1,650.00
1/8/2021	54439	Bay Building Janitorial, Inc.	Janitorial Service	\$ 5,292.00
1/8/2021	54440	Bay Plumbing Supply, Inc.	D-Dock Shower Valve & Blades	\$ 99.69
1/8/2021	54441	Big Creek	Jig Saw Blades	\$ 22.55
1/8/2021	54442	Blake Anderson	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54443	Bow Wow Pet Waste Products	Pet Waste Station Bags	\$ 282.88
1/8/2021	54444	Burke, Williams & Sorensen, LLP	Legal Consultation	\$ 42.52
1/8/2021	54445	Comcast	Business Internet	\$ 155.06
1/8/2021	54446	Crow's Nest Restaurant	1/2 Concession Lot Garbage & Roof Repair (Tenant Reimbursable)	\$ 2,553.10
1/8/2021	54447	David Hill	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54448	Department of Industrial Relations	2222 E. Cliff Drive - Elevator Inspection (Tenant Reimbursable)	\$ 225.00
1/8/2021	54449	Don Kinnamon	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54450	Dredging Supply Company, Inc.	<i>Twin Lakes</i> Hydraulic Valve	\$ 449.24
1/8/2021	54451	Elevator Service Company	Monthly Service (\$223.60 Tenant Reimbursable)	\$ 430.00
1/8/2021	54452	Ewing Irrigation Products, Inc.	Boatyard Trench Drain Filters	\$ 29.14
1/8/2021	54453	Fastrak Violation Processing Department	Toll Fee	\$ 1.00
1/8/2021	54454	Ferguson Enterprises, Inc.	Couplers, Tube Pipe, Check Valve Repair Kits	\$ 223.16
1/8/2021	54455	Flo-Line Technology, Inc.	<i>Squirt</i> Pump Parts	\$ 701.87
1/8/2021	54456	Ghisletta, Renee	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54457	Goering, Bryce	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54458	Gottlieb, Landon	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54459	Grainger	Stencils, Disposable Gloves, Electrical Tape, Traffic Signs, Extension Cords, Tissue, <i>Twin Lakes</i> Bilge Hoses, Work Gloves, Sequence Tester, Kneepads	\$ 1,768.50
1/8/2021	54460	Henderson Marine Supply, Inc.	Dock Rail	\$ 699.72
1/8/2021	54461	Holland MacLaurie	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54462	Hose Shop	Water Line Hose, <i>Twin Lakes</i> Hydraulic Hose, Auxiliary Fuel Tank Filter, Booster Pump Hose	\$ 3,548.01
1/8/2021	54463	Jason Laine	2021 Medical Expense Reimbursement	\$ 700.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2021

Date	Warrant	Vendor	Description	Amount
1/8/2021	54464	Jordan Rank	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54465	Jorge Lopez	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54466	Josh Wagoner	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54467	Kevin King	2021 Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/8/2021	54468	Kevin Melrose	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54469	Lawson	Hydraulic Pump Fittings	\$ 440.23
1/8/2021	54470	Lord & Sons, Inc.	Boatyard Ways Hardware	\$ 1,754.19
1/8/2021	54471	Marian Olin	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54472	Mark Eldridge	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54473	Matheson Tri-Gas, Inc.	Welding Gas	\$ 324.30
1/8/2021	54474	McMaster-Carr Supply Company	Hose Fittings, Corrosion Resistant Wire, <i>Twin Lakes</i> Aluminum	\$ 212.69
1/8/2021	54475	Mid County Auto Supply	<i>Twin Lakes</i> Engine Oil, Fuses, Gas Cans, Fuel Caps	\$ 471.59
1/8/2021	54476	Mission Uniform Service	Uniform Service	\$ 830.29
1/8/2021	54477	Mutual of Omaha	Life/LTD/AD&D Insurance	\$ 791.98
1/8/2021	54478	Nicholas Henning	Refuse Collection	\$ 3,020.00
1/8/2021	54479	Nick Gullo	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54480	Niki Rothwell	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54481	Pacific Gas & Electric Company	Utilities	\$ 16,342.18
1/8/2021	54482	Palace Art & Office Supply	Office Supplies	\$ 120.13
1/8/2021	54483	Parker Diving Service	G-Dock Pile Salvage	\$ 5,569.00
1/8/2021	54484	Peterson	Dozer Parts & Filter	\$ 182.36
1/8/2021	54485	Praxair Distribution Inc.	Welding Gas	\$ 75.52
1/8/2021	54486	Ramos, Brenda	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54487	Randy Marty	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54488	Red Wing Shoe Store	Dredge Staff Work Boots (3 Employees)	\$ 739.56
1/8/2021	54489	Riverside Lighting & Electric	Generator Plug, Dock Lights, Electrical Tool, Lighting Ballast, Light Bulbs	\$ 739.48
1/8/2021	54490	Rory Stipanovich	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54491	Rowe Machinery	<i>Dauntless</i> Shaft	\$ 1,340.16
1/8/2021	54492	Ryan Stephenson	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54493	Santa Cruz Municipal Utilities	Utilities	\$ 14,422.25
	54494	VOID		
1/8/2021	54495	Simoni, Danny	2021 Medical Expense Reimbursement	\$ 700.00
1/8/2021	54496	State Water Resources Control Board	Annual Permit Fees - 5-year Pile Permit	\$ 1,736.00
1/8/2021	54497	Superior Alarm Company	493 Lake Avenue Quarterly Alarm Monitoring	\$ 207.00
1/8/2021	54498	Svensden's Boat Works	Oil Transfer Pump	\$ 131.15
1/8/2021	54499	Tandoi, Steven	2021 Medical Expense Reimbursement	\$ 700.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2021

Date	Warrant	Vendor	Description	Amount
1/8/2021	54500	The Home Depot Pro Institutional	Janitorial Supplies	\$ 1,567.43
1/8/2021	54501	The Skylight Place, Inc.	413 Lake Avenue Window Replacement	\$ 177.30
1/8/2021	54502	Trionic Corp.	Dock Boxes for Resale	\$ 3,240.00
1/8/2021	54503	U.S. Bank Equipment Finance	Copier Lease	\$ 163.18
1/8/2021	54504	Verizon Wireless	Cell Phone & Tablet Service	\$ 315.75
1/8/2021	54505	Mark Larsen dba Viking	Window Cleaning	\$ 30.00
1/8/2021	54506	West Coast Wire Rope	<i>Twin Lakes</i> Wire Rope	\$ 1,628.85
1/8/2021	54507	West Marine Pro	Power Receptacles, Submersible VHF Radio	\$ 386.49
1/11/2021	54508	Sean Rothwell	Medical Expense Reimbursement & Quarterly Uniform Allowance	\$ 890.00
1/12/2021	54509	Bonder, Eric	Claim Settlement - Vessel Damage	\$ 1,249.16
1/22/2021	54510	Allied Administrators for Delta Dental	Dental Insurance	\$ 2,902.45
1/22/2021	54511	Allied Universal	Security Patrol	\$ 1,601.67
1/22/2021	54512	AT&T	Telephone	\$ 3,028.29
1/22/2021	54513	B AND B Small Engine	Trimmer Parts & Repair	\$ 70.42
1/22/2021	54514	Bay Plumbing Supply, Inc.	Plumbing Supplies	\$ 12.75
1/22/2021	54515	Bayside Oil II, Inc.	Hazardous Waste Disposal	\$ 155.00
1/22/2021	54516	Bedford, Lawrence	Security Deposit Refund	\$ 47.00
1/22/2021	54517	Big Creek	Screws, Nuts, Concrete Mix, Drill Bits, Lumber, Deck Boards	\$ 569.37
1/22/2021	54518	Bobby's Pit Stop, Inc.	Patrol Truck Service	\$ 77.30
1/22/2021	54519	Byte Technology	Website Maintenance	\$ 165.00
1/22/2021	54520	CAHM & PC	Annual Membership	\$ 350.00
1/22/2021	54521	Cale America, Inc.	Monthly Service	\$ 832.00
1/22/2021	54522	Calif State Assoc of Counties	Employment Advertising	\$ 150.00
1/22/2021	54523	Carpi & Clay	Washington Representation	\$ 800.00
1/22/2021	54524	Citi Cards	Breakroom Supplies, <i>Twin Lakes</i> Bilge Pump	\$ 829.59
1/22/2021	54525	Comcast	Business Internet	\$ 395.63
1/22/2021	54526	Compass Bank	Tax Exempt Loan Principle & Interest	\$ 581,693.29
1/22/2021	54527	Complete Mailing Service	Statement Mailing & Postage	\$ 965.79
1/22/2021	54528	Computer Technical Specialists, Inc.	Annual Calyptix License, E-mail Scanning & Backup	\$ 1,679.65
1/22/2021	54529	Santa Cruz County	2021 Commercial Device Registration - Density Meter	\$ 184.40
1/22/2021	54530	Crow's Nest Restaurant	1/2 Concession Lot Garbage (\$2,869.40 Tenant Reimbursable)	\$ 3,378.82
1/22/2021	54531	Data Ticket, Inc.	Citation Processing (November)	\$ 403.95
1/22/2021	54532	Ribeiro, Frank	Dock Line	\$ 800.00
1/22/2021	54533	Garda CL West, Inc.	Deposit Courier Service	\$ 293.28
1/22/2021	54534	Grainger	Vacuum, Power Tool Battery, Caution Tape, Safety Glasses, Disposable Gloves	\$ 583.54
1/22/2021	54535	Gsolutionz	Telephone System Maintenance	\$ 216.95

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2021

Date	Warrant	Vendor	Description	Amount
1/22/2021	54536	Home Depot Credit Services	Pappy Park Display Lights, Hard Hat, Ratchet Straps, Water Heater Vent, Harbor Office Faucet, Planter, Soil, Tree, Wrenches, Wire Rope, Pest Control	\$ 937.04
1/22/2021	54537	Hose Shop	Hydraulic Fittings	\$ 119.78
1/22/2021	54538	Large's Metal Fabrication, Inc.	X2-Dock Ramp Conduit, Barrel Hinges, Fuel Dock Gangway Metal	\$ 470.61
1/22/2021	54539	La Selva Tree Care	413 Lake Avenue Tree Maintenance	\$ 1,950.00
1/22/2021	54540	Lexipol LLC	Law Enforcement Policy Annual Update	\$ 3,569.00
1/22/2021	54541	Marina Ware	Quarterly Software & Electronic Key System Support	\$ 1,700.00
1/22/2021	54542	Marine Lien Sale Service	Lien Expenses	\$ 210.00
1/22/2021	54543	Matheson Tri-Gas, Inc.	Welding Gas	\$ 335.11
1/22/2021	54544	McDermott, Dick	497 Lake Avenue Parking Space Rental	\$ 150.00
1/22/2021	54545	McMaster-Carr Supply Company	Channel Pipeline Pins	\$ 93.17
1/22/2021	54546	Mesiti-Miller Engineering, Inc.	Consulting Services - 7th & Brommer Site Assessment (NW)	\$ 7,625.04
1/22/2021	54547	Mid County Auto Supply	Circuit Load Tester, Fuel Filter, Distributor Cap, Rotor, Fuel Cap	\$ 119.65
1/22/2021	54548	Mission Uniform Service	Uniform Service	\$ 170.80
1/22/2021	54549	Monterey Bay Air Resources District	Annual Permit Fees	\$ 4,126.00
1/22/2021	54550	Musick, Darrell	Security Deposit Refund	\$ 138.11
1/22/2021	54551	Operating Engineers Local Union No. 3	Union Dues (Payroll Deduction)	\$ 330.00
1/22/2021	54552	Pacific Gas & Electric Company	Utilities	\$ 34,887.87
1/22/2021	54553	Palace Art & Office Supply	Office Supplies	\$ 155.91
1/22/2021	54554	Praxair Distribution Inc.	Welding Gas	\$ 80.39
1/22/2021	54555	Quadient Leasing USA, Inc.	Postage Meter Lease	\$ 206.67
1/22/2021	54556	Riverside Lighting & Electric	Fuses, Dock Lights, Boatyard Lighting	\$ 157.91
1/22/2021	54557	Royal Wholesale Electric	50 Amp Power Receptacle	\$ 524.56
1/22/2021	54558	Michael Smith	Annual Backflow Testing	\$ 1,846.00
1/22/2021	54559	Santa Cruz Electronics, Inc.	Antenna Cable	\$ 27.20
1/22/2021	54560	SC Fuels	Fuel Dock Gas & Diesel	\$ 19,477.26
1/22/2021	54561	Santa Cruz Municipal Utilities	Utilities	\$ 9,649.74
1/22/2021	54562	Solano, Robert	Credit Balance Refund	\$ 453.86
1/22/2021	54563	Staples Credit Plan	Office Supplies	\$ 37.88
1/22/2021	54564	Tennant Sales & Service Company	Boatyard Sweeper Repair	\$ 1,136.47
1/22/2021	54565	The Home Depot Pro Institutional	Janitorial Supplies	\$ 1,117.79
1/22/2021	54566	Tirechoice Auto Service Centers	Dredge Vehicle Tire Mount & Balance	\$ 25.00
1/22/2021	54567	Triton Construction	Diesel Dispenser Repair & Filter	\$ 1,450.62
1/22/2021	54568	US Relay	Webcam Service	\$ 484.00
1/22/2021	54569	WEX Bank	Fleet Fuel	\$ 1,830.41
1/22/2021	54570	Valley Automatic Gate	Back Gate Arm Safety Edges	\$ 224.17

Santa Cruz Port District
Accounts Payable Monthly Check Register
January 2021

Date	Warrant	Vendor	Description	Amount
1/22/2021	54571	Wing Inflatables, Inc.	Almar Tube Repair Parts	\$ 226.98
1/5/2021	Various	Various Employees	12/16/20-12/31/20 Payroll	\$ 10,072.17
1/20/2021	Various	Various Employees	1/1/21-1/15/21 Payroll	\$ 9,628.29
1/1/2021	EFT	ElectronicPayments	Fuel Dock Credit Card Fees	\$ 380.33
1/1/2021	EFT	Gravity Payments	Front Desk Credit Card Fees	\$ 1,369.94
1/1/2021	EFT	Merchant Services	Online Billpay Credit Card Fees	\$ 294.14
1/1/2021	EFT	Merchant Services	Parking Machine Credit Card Fees	\$ 1,550.34
1/1/2021	EFT	Merchant Services	Boatyard Credit Card Fees	\$ 305.26
1/1/2021	EFT	Transaction Express	Online Billpay ACH Fees	\$ 418.70
1/1/2021	EFT	Windcave, Inc.	Concession Lot Credit Card Fees	\$ 370.00
1/5/2021	EFT	Empower Retirement	457 Contributions (Payroll Deduction)	\$ 2,729.30
1/5/2021	EFT	PAYCHEX	Payroll Service Fees	\$ 532.17
1/5/2021	EFT	PAYCHEX	12/16/20-12/31/20 Payroll Direct Deposit	\$ 56,669.06
1/5/2021	EFT	PAYCHEX	12/16/20-12/31/20 Payroll Taxes	\$ 33,845.39
1/6/2021	EFT	CalPERS	Health Insurance	\$ 41,356.90
1/6/2021	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,274.29
1/6/2021	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 6,987.56
1/6/2021	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 890.77
1/8/2021	EFT	Comerica Commercial Card Services	Monthly Statement	\$ 4,220.45
1/10/2021	EFT	Gravity Payments	Front Desk Credit Card Fees	\$ 17.80
1/12/2021	EFT	Comerica Bank	Service Charges	\$ 877.45
1/13/2021	EFT	California Department of Tax & Fee Administration	Underground Storage Tank Maintenance Return	\$ 786.00
1/13/2021	EFT	California Department of Tax & Fee Administration	Quarterly Sales & Use Tax Return	\$ 7,679.00
1/20/2021	EFT	CalPERS	Unfunded Accrued Liability	\$ 25,304.62
1/20/2021	EFT	CalPERS	Unfunded Accrued Liability	\$ 2,541.93
1/20/2021	EFT	CalPERS	Unfunded Accrued Liability	\$ 524.14
1/20/2021	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 6,979.28
1/20/2021	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 6,876.27
1/20/2021	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 757.63
1/20/2021	EFT	Empower Retirement	457 Contributions (Payroll Deduction)	\$ 2,918.20
1/20/2021	EFT	PAYCHEX	Time & Attendance Fees	\$ 109.00
1/20/2021	EFT	PAYCHEX	Payroll Service & W2 Charges	\$ 966.20
1/20/2021	EFT	PAYCHEX	1/1/21-1/15/21 Payroll Direct Deposit	\$ 57,106.25
1/20/2021	EFT	PAYCHEX	1/1/21-1/15/21 Payroll Taxes	\$ 33,272.94
Total January 2021 Disbursements				\$ 1,121,676.12



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: February 15, 2021
SUBJECT: Harbormaster's Report

Crab Season

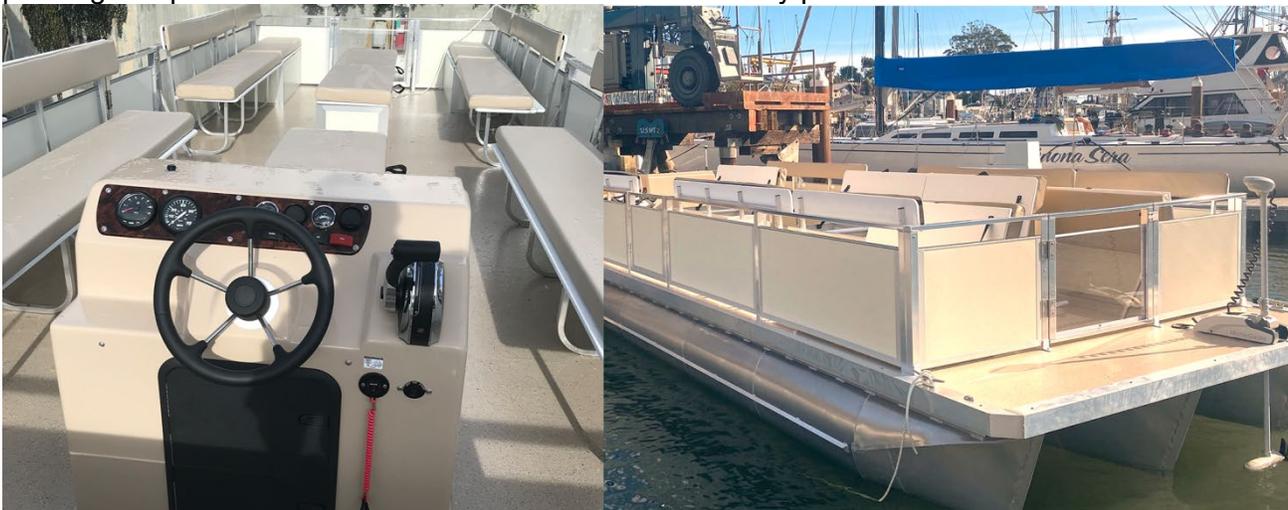
California Commercial Dungeness Crab season began mid-January after a lengthy delay due to whale entanglement risks and market uncertainty. Unfortunately, most crabbers are finding that local fishing is slow, adding further hardship to a disappointing year. That being said, there is still a fair amount of local crab coming across the docks and consumers are taking advantage of buying live crab here at the harbor. H&H Fresh Fish and a few other vessels have live crab available for sale off the docks.

2021 Parking Sticker Distribution

2021 parking stickers will be available for pickup beginning March 1, 2021. The current 2020 parking stickers are valid through March 31, 2021. Proof of current vessel insurance must be on file with the harbor office to obtain stickers. Upon request, one parking sticker may be exchanged for one hangtag. The optional hangtag is transferable between vehicles. Slip licensees that do not have current vessel insurance on file with the harbor office will be notified that effective April 1, 2021, a \$75 monthly uninsured vessel fee will be imposed on their account.

"Never Late" Arrival

The Port District's replacement water taxi has arrived! The District took delivery of the new vessel on Saturday, January 30, 2021, and is performing necessary sea trials. The new water taxi will be named the "Never Late" as the service does not operate on a "regular" schedule. Staff discovered some small cracks in a few of the welded seams which were likely the result of heavy vibration during the road trip from Florida. The builder has agreed to hire a third-party welder to repair the cracks under the warranty. Overall staff is pleased with the quality of the vessel and is excited to resume operations this summer, pending compliance with COVID-19 related health and safety protocols.



COVID-19 Vaccinations

Deputy Harbormaster (DHM) staff received their first dose of the COVID-19 vaccination, as part of *Phase 1B*, on February 13. The second doses will be administered on March 13. The vaccination of DHM staff signals a return to regular group training both in-house and with outside agencies; something that has been sorely missed during the last 11 months.

Part-Time/Seasonal Recruitment

In anticipation of a busy spring and summer, the District is recruiting for seasonal part-time help in parking, launch ramp, fuel services, water taxi operations, and other customer-service functions. Interested applicants can visit the District's website to view complete job descriptions and apply online.

Notice of Conviction

Staff received a notice of conviction from the Santa Cruz County District Attorney's Office for a case that started after Harbor Patrol responded to a report of suspicious activity in the north harbor. The reporting party saw a subject tampering with license plates and gaining unauthorized entry into restroom and shower facilities. Sr. DHM Don Kinnamon located the suspect and attempted a car stop near X-Dock. The suspect fled and a short pursuit ensued down 7th Avenue. In the interest of public safety, the pursuit was terminated. The suspect continued to drive at very high speeds through Live Oak and was eventually spotted by Sheriff's Deputies near 17th Avenue. The suspect fled once again and crashed his vehicle near Brommer Street which led to his arrest by Sheriff's Deputies and Harbormaster Deputies. The suspect was convicted on several charges related to the chase and was sentenced to 2 years, 8 months in state prison.



Hazmat Training

Staff from the Operations, Maintenance, and Dredge departments completed Hazwoper training on Monday, January 25, 2021. The Hazwoper training is a legal requirement for employees engaged in the handling and disposal of hazardous waste including waste oil, solvents, fuel, and materials contaminated with metals.

Walking Tour Station Refurbishment

The walking tour stations are undergoing replacement and refurbishment throughout the harbor. In addition to waterproofing the displays, new prints on vinyl will be installed. Staff rotates artwork throughout each station annually so that walkers can enjoy new material on their routes.



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. For other data, the species landed is shown with no weight data.

January 2021 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Dungeness Crab	20,506.36	\$6.00	\$123,038.16
Total Reported: 20,506.36 lbs		Total Ex-Vessel: \$123,038.16	

Species also landed* Rock Crab, Sablefish (Blackcod)

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

January 2021 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (per lbs.)	Approx. Value
Dungeness Crab	8,440.36	\$6.00	\$50,642.16
Rock Crab	1,612.10	\$3.00	\$4,836.30
Total Reported: 10,052.46 lbs		Total Ex-Vessel: \$55,478.46	



TO: Port Commission
FROM: Carl Wulf, Facilities Maintenance Engineering Manager
DATE: February 23, 2021
SUBJECT: Facilities Maintenance & Engineering Report

Dredging Operations:

Twin Lakes

The dredge crew replaced a failed hydraulic pipe on the ladder of *Twin Lakes* with hose as a temporary fix. All the pipes going down the ladder to the snorkel will be changed out to stainless steel for a long-term solution. Additionally, they added 240 feet of discharge pipe to allow *Twin Lakes* to reach the mouth of the jetty. The crew has been working hard and has had a great 2 weeks of production restoring depths in the entrance channel.

Squirt

Squirt sprung a leak at the suction piping. Crews patched the leak to continue dredging the X/J channel area. Two new 45 degree 10" pipe fittings have been ordered. When they arrive, crew will fabricate the new assembly and install. Work is underway digging in the X/J channel area of the north harbor. The dredge crew has added 120 feet of discharge piping to allow *Squirt* to gain access to the culvert area of the X/J channel.

Maintenance:

333 Lake Avenue – Northern Wall Repairs

Maintenance crews have removed dry rot on the northern wall of the building at 333 Lake Avenue and replaced the three large bottom floor windows (Johnson Hicks Marine). The crews started work on Tuesday, February 16, 2021, to replace the two remaining windows upstairs. After the window install is complete, the crew will begin the work to replace the outside wall siding. The project is slowly moving forward due to several obstacles.

Dock Gangways

A new gangway has been moved into the maintenance yard to begin mockup and layout for the upcoming installations. To expedite installation, staff will be creating a fixture mockup to help locate mounting holes for new gangways.

Facilities Engineering Manager:

My first day on the job was February 2, 2021, and I have been immersing myself in the harbor community and culture. There is quite a lot of activity here which I am excited to be a part of. I have spent time with all the departments learning about their areas of expertise, including facilities staff. I have been participating in tours of most of the harbor's facilities and becoming familiar with the responsibilities of the Facilities department. I have started to investigate and pre-plan some of the future CIP projects such as paving projects, dock gangway installation, and dredge maintenance and improvements.

As part of my responsibility, I have been learning and reviewing the budget process and how procurements are handled.

Santa Cruz Port Commission

2021 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, regulation, enforcement, general policy interpretation, harbor operations

Steve Reed, Committee Chair
Darren Gertler

Construction/ Maintenance

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

Reed Geisreiter, Committee Chair
Steve Reed

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.

rev. 02/02/2021

SEA SCOUT SHIP 669

QUARTERLY REPORT 2021

Dear Commissioners,

We are beginning our new year with the “Bosso” up and running. We finished our engine rebuild and install in December and started shake down cruises in January. We continue to deal with COVID-19 and the impact on our meetings and activities. We are meeting twice a month at the Boys and Girls Club and having two activities a month practicing social distancing and wearing masks.

In November we did flare training with Monte Ash and TowBoatUS, and in December we helped our sponsor, Santa Cruz Host Lions set up their Christmas Tree lot, and take it down. We did a Sail on the Bay with a local captain and his boat in late December.

Our first meeting of 2021 was held on Jan. 20, and we started planning our year with the Bosso and other activities. Our scouts did a work party on the Bosso Feb. 7th where we sanded and painted our railings. We continue to work with our scouts in getting their Boaters Cards and rank advancements and you’ll be seeing more of us on the water with the Bosso.

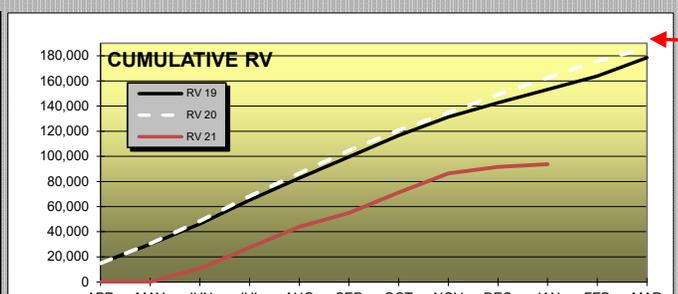
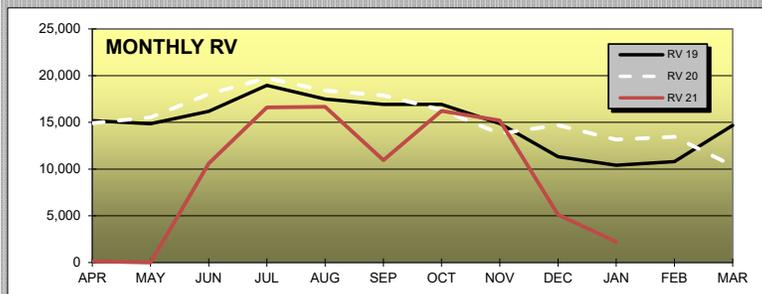
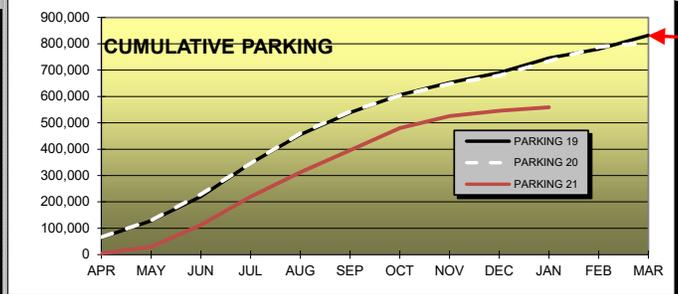
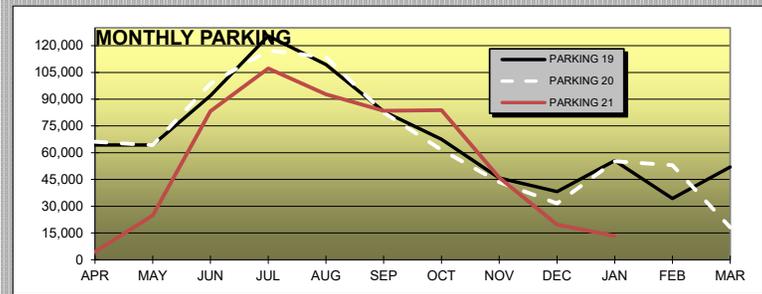
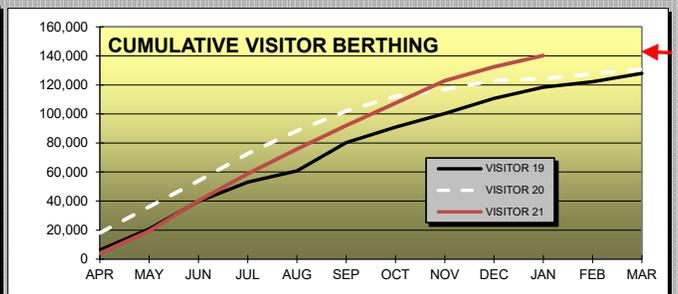
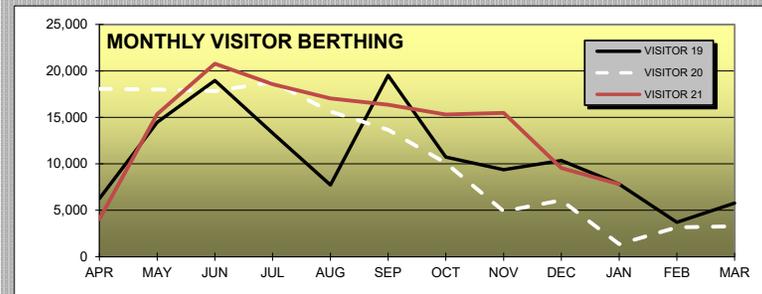
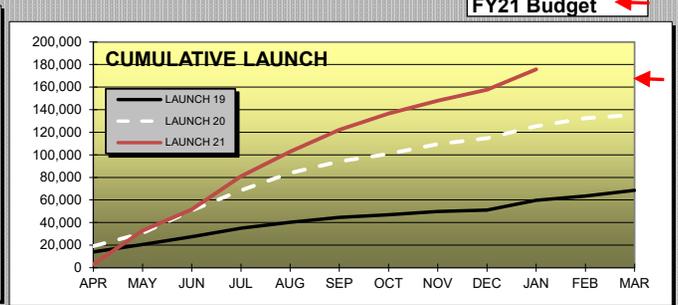
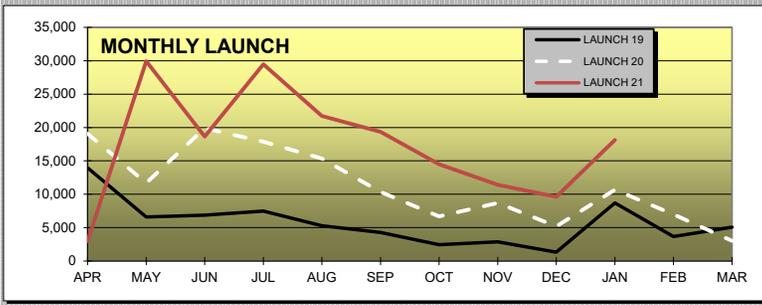
For 2021 we are planning on partnering with our local Coast Guard Auxiliary. We are interested in working with them to help train our scouts and having them learn what our auxiliary does for our local boating community.

We could not of repaired our starboard engine without the support from Michael Scott. His dedication to all the hard work of getting that 3208 engine out and back in was fantastic. He also has taken our scouts out fishing a number of times. His willingness to support us and help teach our scouts is what volunteerism is all about. We truly couldn’t of done it without him. Thank you Michael!

We continue to need more volunteers to help our scouts. We have not had any fundraisers this past year and hopefully we can resume them soon which supports our program. Our major sponsors are Santa Cruz Host Lions Club and the Port District. Your continued support of the Sea Scout program in Santa Cruz is greatly appreciated and could not continue without it. This program continues to benefit our harbor and our community by getting our youth on the water.

Skipper Kevin Melrose

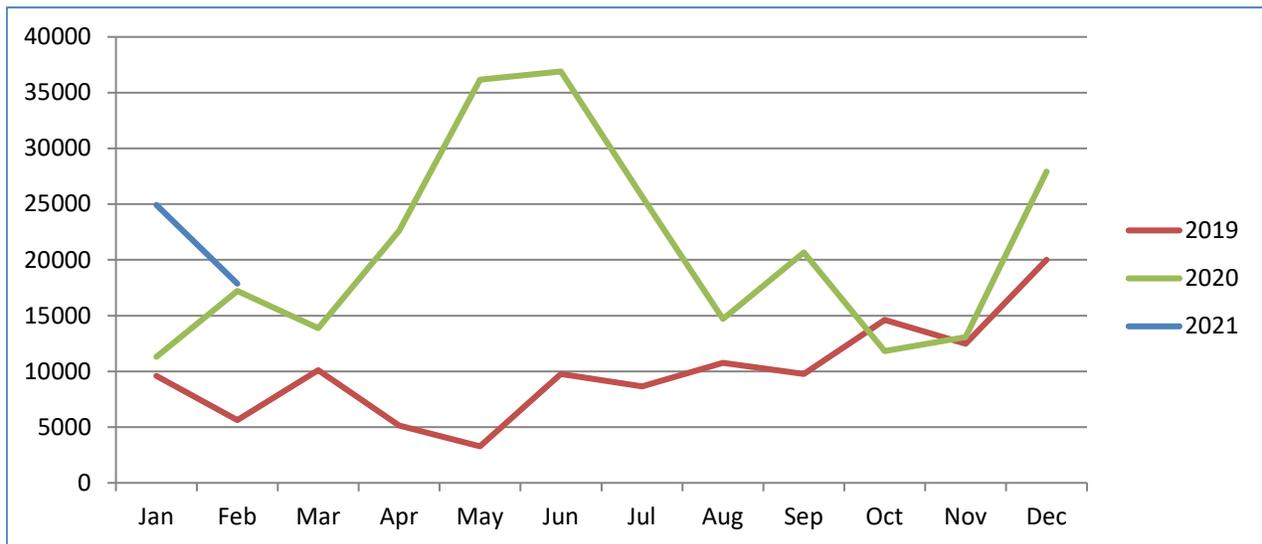
SEASONAL INCOME



Santa Cruz Port District
60 DAY DELINQUENT ACCOUNTS

The following accounts have balances 60 days delinquent as of February 16, 2021

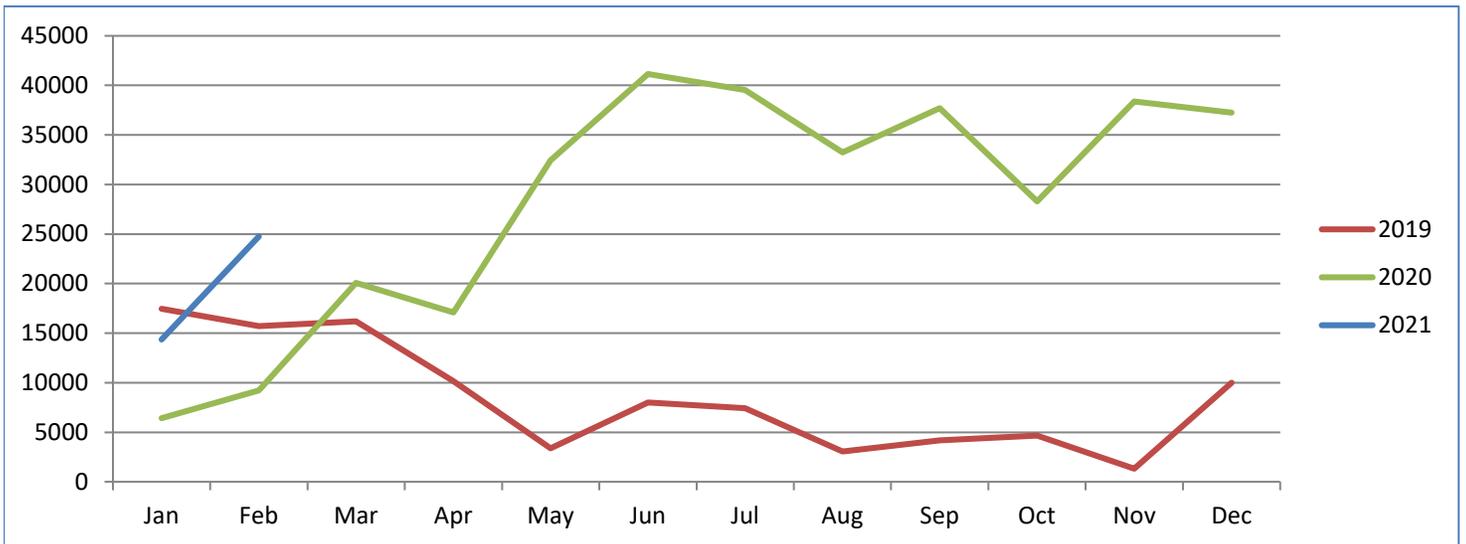
Account Number	Current Month	30 Day Balance	60 Day Balance	90 Day Balance	Total Balance
57018	809.74	956.73	0.60	0.00	1,767.07
4134	847.72	727.24	189.90	0.00	1,764.86
46436	434.92	531.56	403.20	0.00	1,369.68
47487	431.72	132.74	794.67	0.00	1,359.13
45891	562.80	558.36	129.97	0.00	1,251.13
55293	406.72	541.72	232.88	0.00	1,181.32
2203	557.93	555.02	34.67	0.00	1,147.62
56783	347.75	445.11	282.75	0.00	1,075.61
48956	416.30	381.30	248.35	0.00	1,045.95
58005	0.00	0.00	695.38	0.00	695.38
47207	295.19	295.03	54.49	0.00	644.71
58174	159.86	158.75	132.65	0.00	451.26
58583	151.03	149.99	123.96	0.00	424.98
58308	152.97	151.94	110.62	0.00	415.53
48170	84.24	83.76	58.27	0.00	226.27
58612	84.24	83.76	58.27	0.00	226.27
58736	84.24	83.76	58.27	0.00	226.27
58302	87.51	87.00	3.02	0.00	177.53
45630	9.46	85.36	62.87	0.00	157.69
Total:	5,924.34	6,009.13	3,674.79	0.00	15,608.26



Santa Cruz Port District
90+ DAY DELINQUENT ACCOUNTS

The following accounts have balances 90 days delinquent or greater as of February 16, 2021

Account Number	Current Month	30 Day Balance	60 Day Balance	90+ Day Balance	Total Balance	Commercial Slip	Action
4076	1,313.36	1,443.36	1,313.36	178.09	4,248.17		Revoke
57751	-	-	-	3,262.75	3,262.75		Bad Debt
48326	543.18	538.97	534.76	540.26	2,157.17		Revoke
58735	389.77	486.81	383.84	355.88	1,616.30		Revoke
55462	309.12	409.12	309.12	217.95	1,245.31	X	Revoke
56356	33.57	-	376.69	821.44	1,231.70		Bad Debt
58191	-	100.00	-	837.58	937.58		Bad Debt
57328	-	-	-	777.34	777.34		Bad Debt
58547	-	-	-	431.14	431.14		Bad Debt
58585	-	-	-	384.48	384.48		Bad Debt
58235	26.54	-	27.17	238.13	291.84		Bad Debt
58287	-	-	25.99	224.76	250.75		Bad Debt
56573	25.24	25.24	25.24	129.73	205.45		Bad Debt
56665	25.58	25.58	25.58	121.16	197.90		Bad Debt
56146	-	-	-	141.23	141.23		Bad Debt
58886	-	-	-	108.40	108.40		Bad Debt
55153	-	-	-	97.30	97.30		Bad Debt
TOTAL:	2,666.36	3,029.08	3,021.75	8,867.62	17,584.81		





TO: Port Commission
FROM: Sean Rothwell, Assistant Harbormaster
DATE: February 15, 2021
SUBJECT: Harbor Patrol Incident Response Report – January 2021

Search and Rescue, Patrol Boat Response

- 1/10/21 Harbor Patrol responded to a report of six dinghies that overturned in the harbor entrance while attempting to transit during a high surf advisory. Upon arrival, surfers in the vicinity were assisting subjects to shore. Harbor Patrol brought one victim onboard the patrol vessel and monitored the area until all victims were out of the water.
- 1/11/21 Harbor Patrol responded to a report of two surfers in distress in the area of Capitola Esplanade. Once on scene, Harbor Patrol brought the two surfers onboard the patrol vessel with assistance from State Parks personal watercraft (PWC) units. Harbor Patrol transported the surfers to the harbor. No injuries reported.
- 1/11/21 Harbor Patrol responded to a report of a surfer in distress in the area of Privates Beach. Once on scene, Harbor Patrol brought the surfer onboard the patrol vessel with assistance from State Parks PWC units. Harbor Patrol transported the surfer to the harbor. No injuries reported.
- 1/17/21 Harbor Patrol responded to a report of a vessel that ran aground in the harbor entrance after attempting to transit during shoaled, low tide conditions. Harbor Patrol assisted TowBoatU.S. in the recovery of the vessel, which was subsequently hauled out at the boatyard for inspection and repairs. No injuries were reported.
- 1/21/21 Harbor Patrol responded to a report of a surfer in distress in the area of Manresa State Beach. Prior to arrival, the victim self-rescued. Harbor Patrol returned to harbor without incident.
- 1/25/21 Harbor Patrol responded to a report of a vessel adrift in the area of Pleasure Point. Upon arrival, Harbor Patrol located a 16-foot dinghy, which appeared to have broken free of its mooring lines. A search of the area revealed no signs of debris or an accident. TowBoatU.S. towed the dinghy to the harbor where the owner was later contacted.
- 1/25/21 Harbor Patrol responded to a report of a kite surfer in distress in the area of Cowell's Beach. Once on scene, Harbor Patrol contacted two kite surfers who appeared to be struggling. The kite surfers declined assistance. Harbor Patrol remained on scene until it was clear that the kite surfers were able to make it to shore without assistance. Harbor Patrol returned to harbor without incident.

- 1/29/21 Harbor Patrol responded to a report of three surfers in distress in the area of 38th Avenue. Once on scene, Harbor Patrol brought the three surfers onboard the patrol vessel with assistance from State Parks PWC units. Harbor Patrol transported the surfers to the harbor launch ramp. No injuries reported.
- 1/29/21 Harbor Patrol responded to a report of a surfer in distress in the area of Pleasure Point. Once on scene, Harbor Patrol assisted the surfer onboard the patrol vessel and transported him to the harbor launch ramp. No injuries were reported.
- 1/30/21 Harbor Patrol responded to a report of a vessel that ran aground in the harbor entrance after attempting to transit during shoaled conditions. Upon arrival, Harbor Patrol contacted the vessel operator and advised him to raise the motor up. A small wave pushed the vessel back into deep water and the vessel was able to get underway.

Crime Reports, Assist Outside Department and Incident Reports

- 1/11/21 Harbor Patrol responded to a report of a subject tagging the Walton Lighthouse. Harbor Patrol cited the subject for 594 PC. Maintenance staff was able to clean off the paint and restore the area.
- 1/14/21 Harbor Patrol took an incident report after the Christmas tree anchor on *Twin Lakes* failed. No injuries were reported.
- 1/19/21 Harbor Patrol took a stolen property report after a cell phone was reported missing from a dock box. No suspect information available.
- 1/20/21 Harbor Patrol took an incident report after a female subject and her child were verbally harassed by an unknown male subject in the north harbor. The male subject was identified with help from the Sheriff's Office and Santa Cruz Police Department and is currently being detained on an involuntary commitment hold.

December Parking Citation: 76

From: Susan Moren <susanaudreym@yahoo.com>
Sent: Tuesday, February 9, 2021 9:52 AM
To: scpd@ SCPD
Subject: Providing WiFi in Harbor

Dear Port Commissioners,

I am writing to follow up on a discussion I had with Toby Goddard at the harbor the other day about having wifi available in the harbor for slip renters.

There are many times while either working at the boat or simply enjoying a good dock sail that the need for wifi comes up. The question was "What would I use it for?"

1. Correspondence with friends, family, visitors, and others often needs to be made during the day
2. Internet queries about directions, open and close times, information about what might be happening that day
3. Music nowadays usually through a streaming service like Spotify or Pandora
4. Search for needed parts or accessories during a boat repair

Having stayed in other harbors, the usefulness of having wifi available cannot be understated. Please consider providing this to slip renters with this budget meeting.

Thank you.
Susan Moren and Robert Nichols
P-5 Castle Cove

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062
831.475.6161
831.475.9558 Fax
www.santacruzharbor.org



PORT COMMISSIONERS:
Toby Goddard
Dennis Smith
Reed Geisreiter
Stephen Reed
Darren Gertler

February 10, 2021

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Alex Padilla
United States Senate
B03 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Jimmy Panetta
United States House of Representatives
212 Cannon House Office Building
Washington, D.C. 20515

SUBJECT: Support H.R. 535 and S. 91, the Special Districts Provide Essential Services Act

Dear Senator Feinstein, Senator Padilla, and Congressman Panetta:

The Santa Cruz Port District respectfully requests your support of H.R. 535 and S. 91, the Special Districts Provide Essential Services Act, and its inclusion in any potential pandemic relief package. These bills would ensure that your constituents receiving essential services, like fire protection, water, wastewater, childcare, healthcare, resource and agricultural conservation, and more from a special district, rather than a city or county, are not excluded from future COVID-19 relief approved for state and local governments.

Santa Cruz Port District maintains and operates Santa Cruz Harbor. Located at the northern end of Monterey Bay, Santa Cruz Harbor provides access to the Monterey Bay National Marine Sanctuary and is a federal and state harbor of refuge. The harbor supports recreational activities and commercial operations such as commercial fishing, charter and marine-related businesses and educational programs. Santa Cruz Harbor also supports and provides first responder marine search and rescue services. The US Coast Guard maintains a seasonal presence at Santa Cruz Harbor, and in 2020, the Port District's own marine rescue unit responded to 85 marine calls for service, took 14 vessel accident reports, and saved 59 lives at sea. Additionally, Santa Cruz Harbor is home to more than 40 concession-operated businesses, including restaurants, retail operations, business offices and non-profits. Santa Cruz Harbor supports more than 1,200 harbor-dependent jobs which are located within one-half mile of Santa Cruz Harbor.

Access to federal relief resources would help Santa Cruz Port District confront COVID-19 and overcome the pandemic's fiscal impacts. Due to financial impacts of COVID-19, Santa Cruz Port District has reduced its full and part-time staffing, eliminated \$590,000 in capital improvement projects, deferred \$267,000 in planned capital expenditures and is facing an estimated \$360,000 revenue loss as concession-operated restaurants have struggled to survive during the pandemic. Despite these challenges, the harbor has continued to operate and perform essential services to ensure a fully operational regional facility and has spent in excess of \$72,000 on personal protective equipment, sanitizers, equipment rental, disinfecting, sanitation and contract services and has dedicated its own personnel resources to protect the health of our employees and the public during the pandemic. **Our employees are on the front-lines, yet our local government**

agency has yet to receive the direct access to funding that other government agencies, as well as businesses and non-profits, have received.

Santa Cruz Port District is just one of 2,000 across the state that, altogether, anticipate a **\$1.26 billion impact** due to COVID-19 through the end of Fiscal Year 2021. Furthermore, 46 percent are unlikely to maintain current staffing of essential workers or are uncertain that they can, and 54 percent are unlikely to maintain or are uncertain about the level of essential services they can provide through this fiscal year.

These bills are identical to the bipartisan S. 4308 from the 116th Congress. H.R. 535 and S. 91 would allow the vital services that communities rely upon to continue unhindered, while also providing greater certainty for these governments to retain their essential workers. Specifically, the legislation would establish a federal definition of "special district", allow special districts' access to future Coronavirus Relief Fund allocations, and designate special districts as "eligible issuers" of the Federal Reserve Board's Municipal Liquidity Facility.

Without ready access to pandemic relief available to other units of local government, the risk of special districts' inability to continue providing uninterrupted, vital services to their communities will continue to grow. We look forward to working with you to ensure all essential workers and the vulnerable communities they serve receive equitable access to these important relief funds.

Thank you for your consideration of our request.

Sincerely,



Toby Goddard, Chairman
Santa Cruz Port District Commission

cc: Governor Gavin Newsom
Congressman John Garamendi
Cole Karr, Federal Advocacy Coordinator, California Special Districts' Association (advocacy@cnda.net)
Charlotte Holifield, Public Affairs Field Coordinator, California Special Districts' Association (charlotteh@cnda.net)

Port Commission Review Calendar 2021-22

2021

January-March

- ✓ Ethics Training Update
- Committee assignments for 2021
- Sea Scouts' biannual report
- Slip vacancy biannual report / waiting list statistics
- FY 22 Budget
- Review 5-year CIP
- Form 700 Filing (due by 03/31 each year)
- Biennial Anti-Harassment/Anti-Discrimination Training

April-June

- Dredge Report 2021-22
- Annual Vessel Use List Review

July-September

- Review of O'Neill Sea Odyssey slip rent reduction / charter fee. PC action of 07/07
- Sea Scouts' biannual report
- Slip vacancy biannual report / waiting list statistics
- Johnny's Harborside Restaurant lease exp. 8/15/2021 (*no option to extend*)

October-December

- Annual review of business use of slips
- Port Commission officers for 2022
- Bayside Marine lease exp. 01/31/2022 (*no option to extend*)

Committee Review Items (*timeline not specified*)

- Comprehensive Review of Charter Fees
- Public Benefit Discount Policy

Key

- Pending
- In process
- ✓ Done

2022

January-March

- Ethics Training Update
- Committee assignments for 2022
- Sea Scouts' biannual report
- Slip vacancy biannual report / waiting list statistics
- FY 23 Budget
- Review 5-year CIP
- Form 700 Filing (due by 03/31 each year)
- Biennial Anti-Harassment/Anti-Discrimination Training
- Santa Cruz Yacht Club lease exp. 03/31/2022 (*no option to extend*)

April-June

- Dredge Report 2022-23
- Annual Vessel Use List Review
- Biennial Update to Conflict of Interest Code

July-September

- Review of O'Neill Sea Odyssey slip rent reduction / charter fee. PC action of 07/07
- Sea Scouts' biannual report
- Slip vacancy biannual report / waiting list statistics

October-December

- Annual review of business use of slips
- Port Commission officers for 2023

Future Calendar

- ABC End-Tie review after Murray Street Bridge Retrofit
- 7th and Brommer Property Assessment