



TO: Policy and Operations Committee
- *Chairman Smith*
- *Commissioner Goddard*

FROM: Latisha Marshall, Harbormaster

DATE: July 17, 2019

SUBJECT: Electronic Key Access for Dry Storage Customers

Recommendation: Develop recommendations regarding electronic key access for dry storage customers.

BACKGROUND

In March 2019, the Santa Cruz Port District successfully completed the implementation of the Harbor Security Project which transitioned all dock gates, restrooms and shower facilities to an electronic key system.

Customers who currently have access to electronic keys include:

- Slip renters; access to all facilities
- Santa Cruz Yacht Club dry storage customers; access to all facilities
- Rack storage customers on A-dock, FF-dock, U-dock and J-dock; access to all facilities
- Marine-related landside concessionaires; access to all facilities
- Outside marine-related service providers; access to dock and restrooms only between the hours of 6 AM and 10 PM. Shower access permitted with Harbormaster approval.

7th Avenue Dry Storage and North Harbor Dry Storage customers have never been granted hard keys with their dry storage license which would allow them restroom, shower and dock access. This policy continued when the electronic fobs were issued. However, over the years many dry storage renters obtained hard keys which allowed them facility access, either as former slip licensees or through the visitor berthing program.

Current Fees:

Slip licensees may purchase three (3) electronic fobs for \$20 each. Any additional fobs beyond the allotted three may be purchased for \$80 each. This group includes rack storage renters.

Vessels held in approved partnerships may purchase four (4) electronic fobs for \$20 each. Any additional fobs beyond the allotted four may be purchased for \$80 each.

Visitors may purchase an electronic fob for \$20.

Outside marine-related service providers and marine-related landside concessionaires may purchase electronic fobs for \$80 each and are required to associate an employee's name with each purchased fob. Outside first responder agencies are given a key code, which permits access, at no cost.

All fobs for all users are non-refundable.

ANALYSIS

Staff is seeking guidance in the following areas:

- Should electronic key fobs be issued to all dry storage customers?
- Should full access be allowed, or should some aspects be restricted (e.g., dock access; restroom access; shower access)?
- What combination of any of the above should be allowed or not allowed and should there be any associated time constraints?
- If access is allowed, what fees should be set?

Other Considerations

Public Restrooms: The public restroom in the concession lot is accessible from 5 am to midnight, and all portable toilet facilities are available 24/7. Portable toilets are located in the concession lot, and at O-dock. Public restrooms at D-dock and V-dock are open from 6 am to 9 pm.

Boaters' / Tenant Restrooms: North Harbor Dry Storage customers have all hours access to the restroom at Monterey Bay Marine in the north harbor with their hard key, which subsequently permits access to yard when the gate is locked. 7th Avenue Dry Storage customers do not have access to this locked restroom facility, but the lock could be rekeyed to provide such access.

Rack Storage Customers: Rack storage customers are provided full access with electronic fobs and pay a monthly fee of \$56.85/month. Dry storage renters pay between \$120.94 – \$169.32 per month for each space rented, and are not currently afforded electronic access.

Security: The new electronic key system enables staff to track use and turn off access if there is suspicious use.

Committee Recommendation

Staff is seeking a committee recommendation on whether dry storage customers should be provided electronic key fobs, and if so, whether full or restricted access should be provided and at what cost.



TO: Policy – Operations Committee Meeting
- Chairman Smith
- Commissioner Goddard

FROM: Marian Olin, Port Director

DATE: July 17, 2019

SUBJECT: Consider Request by Team O’Neill LTD to Amend 99-Pak Charter Permit

BACKGROUND

On March 26, 2019, the Port Commission approved a 99-pak charter permit for Team O’Neill LTD’s (“O’Neill”) new vessel. The permit memorialized terms submitted by O’Neill in their charter application (rev. #3) dated March 7, 2019, and two additional provisions recommended by Port District staff requiring the remote parking vehicle shuttle to:

1. operate on holidays;
2. operate mid-week, for group (private) charters of 20 or more.

After permit issuance, O’Neill memorialized their concerns about the permit provisions in two separate letters sent to Port District staff and the Santa Cruz Port Commission, dated April 26, 2019, and May 13, 2019.

Attached is a spreadsheet summarizing the sequence of events preceding, and subsequent to, approval of the charter permit, along with relevant correspondence, applications and permits.

STATUS

O’Neill has a valid permit to operate their new vessel; however, as indicated in a letter to the Port Commission dated May 13, 2019, they, “... cannot accept the new 99-Pak Charter Permit as it is currently written with the conditions required.”

The permit was issued in accordance with O’Neill’s charter application (rev #3), which proposed to operate a customer shuttle on weekends, year round. Staff recommended O’Neill also be required to operate the remote parking shuttle on holidays, and mid-week for group bookings of 20 passengers or more if the group has not made other transportation arrangements. The group booking requirement is similar to requirements in place for *Chardonnay II* and *III*. Chardonnay Sailing Charters does not operate a vehicle shuttle for its customers, but does pay the Port District a \$4,000/month base fee (\$2,000 per charter vessel).

After permit issuance, O’Neill initially requested relief from the mid-week requirement to operate the vehicle shuttle for group (private) charters of 20 or more. At the May 28 Commission meeting, the Commission directed me to continue negotiations with O’Neill. Tim and I met on May 31, and I indicated my willingness to bring their proposal to eliminate the mid-week vehicle shuttle requirement to the Commission for consideration at the June meeting, and revisit the off-peak vehicle shuttle requirement. However, O’Neill has since reconsidered their position and is

requesting the requirement to operate a vehicle shuttle only apply to groups (private charters) of 50 or more, if the group has not made other transportation arrangements. O'Neill is proposing no vehicle shuttle be required for ticketed passengers, regardless of whether ridership exceeds 49 passengers.

Following the meeting between me and Tim O'Neill on May 31, 2019, O'Neill followed up by submitting an amended charter application (rev. #4) on June 6, 2019 (Attachment H), which outlines the provisions they feel are appropriate for their operation.

Staff is seeking guidance from the committee on the revised charter application. An analysis of available southeast harbor parking is appended as Attachment I.

DISCUSSION TOPICS

Should O'Neill be required to provide vehicle shuttle service to remote parking for customers?

Staff believes a vehicle shuttle to remote parking on weekends and holidays is the simplest and most effective way to address increased parking demand during the peak season (April 1 – October 31).

Is it feasible for a private business to operate a vehicle shuttle on harbor access roads?

This is deemed uninsurable since harbor access roads do not meet public street standards.

If the vehicle shuttle service is eliminated, what other mitigations may be available to address parking demand?

Identifying opportunities to lease adjacent parking areas or develop unimproved lots to increase available parking in the southeast harbor.

Is charging a base fee in addition to the \$2 per passenger fee an acceptable mitigation?

While a base fee will not ensure there is available parking on busy days, it could potentially offset costs associated with leasing and/or developing additional parking areas.

Is a cooperatively operated shuttle feasible for large charters?

This would require re-opening negotiations with other large charter operators.

ATTACHMENT: 99-pak Charter Application Spreadsheet with Attachments (pg 5)

- A. Letter from O'Neill to PD Olin dated 11/12/18 (pg 7)
- B. Letter from SCPD to O'Neill dated 11/13/18 (pg 8)
- C. Letter from SCPD to O'Neill dated 11/29/18 (pg 9)
- D. O'Neill Charter Application (rev. #3) dated 3/7/19 (pg 11)
- E. 99-pak Charter Permit approved by SC Port Commission 3/26/19 (pg 16)
- F. Letter from O'Neill to PD Olin dated 4/26/19 (pg 19)
- G. Letter from O'Neill to SC Port Commission dated 5/13/19 (pg 23)
- H. O'Neill Charter Application (rev. #4) dated 6/6/19 (pg 26)
- I. Southeast Parking Inventory Analysis dated 5/31/19 (pg 31)

Team O'Neill LTD
99-pak Charter Application

Date	Operating Plan	Parking Plan	Safety Plan	Insurance	Fee	Pak Rating	Other	Comments
11/12/2018 Letter	No change in use of boat. Same size as existing boat and will be used exclusively for O'Neill Sea Odyssey (OSO) and O'Neill Yacht Charters (OYC)	OYC will continue to encourage passengers to carpool, park in the North Harbor, and use alternative transportation and the water taxi	Will remain in place per existing charter operation	Will remain in place per existing charter operation. SCPD named add'l insured	Not addressed	99	Operation offers boating opportunities for families and visitors at rates that are historically significantly less than other public charter boating opportunities.	Team O'Neill LTD hand-delivered letter (Attachment A) confirming that the new Team O'Neill catamaran will be arriving in Santa Cruz in approximately one week. SCPD responded in letter dated 11/13/18 (Attachment B).
11/27/2018 Charter Application (Rev. #1)	No change from OYC's existing operations	OSO students / chaperones transport by bus to harbor. OYC no change from existing operation. Passengers will continue to be encouraged to use public and mass transit, use alternative transportation and groups will be advised to visit via charter bus services	All captains hold 100-ton Master's Captain's license; first aid; CPR. Crew first aid, CPR, man overboard drills and sailing training. Annual USCG vessel inspection	Cert of liability insurance included naming SCPD add'l insured. \$1 million ea occurrence; \$2 million general aggregate	Same as existing charter (\$119 per 99-pak rating). Charter fee and slip rent discounted by % of OSO use	99	Continued goal of providing lower cost family-oriented visits and education	Submitted application and fee (\$250) without staff services deposit. SCPD requested deposit in a letter dated 11/29/18 (Attachment C) . Staff Services deposit (\$2,500) remitted 12/5/18.
2/12/2019 Charter Application (Rev #2)	New boat operating plan is exactly the same as existing operations. No significant alteration to existing operations or programs proposed	Pledge to continue to monitor and work closely with harbor staff and participate in efforts and initiatives designed to facilitate public enjoyment of the harbor. OYC agreeable to charter permit condition requiring pro rata participation in any future public charter shuttle services that may be established or authorized by the Port District. OSO students / chaperones transport by bus to harbor. OYC passengers will be required to park in the North Harbor. OYC will promote use of water taxi, encourage use of public and mass transit, alternative transportation and groups will be advised to visit the harbor via charter bus services	Same as above with additional information about passenger safety features of new vessel	Cert of liability insurance remitted with 11/27/18 application	\$2 per passenger	99	Continued goal of providing lower cost family-oriented visits to and education of the Monterey Bay and the Sanctuary's coastal and ocean resources	Per passenger fee would not apply to OSO passengers or other passengers currently not paying any fees including charitable giving guests, infants and toddlers (0-4 yrs old)
3/7/2019 Charter Application (Rev. #3)	New boat operating plan is exactly the same as existing operations. No significant alteration to existing operations or programs proposed	OSO students / chaperones transport by bus to harbor. OYC will purchase and operate a shuttle that will run on weekends. OYC will continue to encourage passengers to use a variety of transportation alternatives. A shuttle operated by OYC will be made available for weekend charters during non-peak hours of operation (Nov-Mar); and, during peak hours of operation (Apr-Oct)	Same as above	Cert of liability insurance remitted with 11/27/18 application	\$2 per passenger	99	Same as above	Per passenger fee would not apply to OSO passengers or other passengers currently not paying any fees including charitable giving guests, infants and toddlers (0-4 yrs old). The application was presented to PC for approval at meeting on March 26, 2019 (Attachment D). Staff report recommended vehicle shuttle also operate on holidays, and mid-week for group bookings (private charters) of 20 or more, similar to Chardonnay Sailing Charters req't. Permit approved and issued (Attachment E)

Date	Operating Plan	Parking Plan	Safety Plan	Insurance	Fee	Pak Rating	Other	Comments
4/26/2019 Letter						99 (possible downgrade to 49 proposed)		Letter from Team O'Neill LTD requesting charter permit amendments (Attachment F). Primary request is that the "shuttle be used as proposed and only required at other times, for specific private charters for group bookings of 50 passengers or more..." Alternatives were presented including moving charter operation to F-dock end-tie area or downgrade vessel pak rating to 49
5/13/2019 Letter						99 (possible downgrade to 49 proposed)		Letter from Team O'Neill LTD indicating they cannot accept the 99-pak charter permit as currently written with the conditions required (Attachment G). Letter indicates that Team O'Neill did not propose, and did not mean to propose, using a shuttle for the existing capacity (49). Letter proposed a permit modification to clarify that for OYC charters, a shuttle will be provided for groups of 50 or more if the group has not made other transportation arrangements. If not acceptable, an alternative was proposed to downgrade the passenger rating to 49
6/6/2019 Charter Application (Current Proposal, Rev. #4)	No alteration of existing operations or programs other than the vessel's increased capacity	OSO students / chaperones transport by bus to harbor. Provide vehicular assistance for groups (private charters) in excess of 49 passengers, if other group transportation arrangements have not been made. Private group sails of 49 or less will be advised to park in the north harbor or encouraged to use alternative transportation. Ticketed sails will be advised to park in the north harbor and encouraged to use alternative transportation	All captains hold 100-ton Master's Captain's license; first aid; CPR. Crew first aid, CPR, man overboard drills and sailing training. Annual USCG vessel inspection. Details passenger safety features of new vessel	Cert of liability insurance remitted with 11/27/18 application	\$2 per passenger	99	Operation will continue to focus on providing high quality, low cost family-oriented public access and educational opportunities to the Monterey Bay	Submitted revised charter application (Attachment H) and the portion of staff services deposit previously refunded (\$1,283.79). Staff waived \$250 application fee.

OTHER ATTACHMENTS:

Attachment I -- Santa Cruz Harbor SE Parking Analysis



Team O'Neill LTD
PO Box 6300
Santa Cruz, CA 95063

Via Hand Delivery
November 12, 2018

Marian Olin
Santa Cruz Harbor Port Director
Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062

Re: New Team O'Neill Catamaran

Dear Director Olin,

As we have discussed, for several years the O'Neill family has been working to replace our catamaran with a new boat in order to fulfill Jack O'Neill's dream of continuing to serve the goals of enhancing public visitation and children's educational opportunities involving the Monterey Bay National Marine Sanctuary.

It is with great pride that I can now confirm for you that the new Team O'Neill catamaran will be arriving in Santa Cruz in approximately one week, with a goal of retiring the existing catamaran prior to next summer.

The use of the new boat will not change, it is the same size as the existing boat and it will be used exclusively for the nonprofit O'Neill Sea Odyssey (OSO) program and O'Neill Yacht Charter (OYC) business in the same manner as the existing catamaran.

On behalf of the O'Neill family, OSO and OYC we want to thank the Port Commission and staff for your longstanding efforts and support for the vital public access to the world famous oceanic resources of Monterey Bay that you provide. OSO's student marine education programs are unique and nationally acclaimed. OSO attendees will continue to access the harbor via bus and will continue to be the priority use of the new boat. When available, OYC's provides opportunities for families and visitors to Santa Cruz to also visit the Monterey Bay National Marine Sanctuary, at rates that are historically significantly less than other public charter boating opportunities. As always, OYC will continue to encourage passengers to carpool, park in the North Harbor, and use alternative transportation and the water taxi.

All public safety and existing insurance and liability protection measures will remain in place. The US Coast Guard has approved the new vessel for passenger service and we will provide the Santa Cruz Port District with confirmation that the District is named as an additional insured.

My family looks forward to working with your District to continue our 50+ year commitment to sharing the ocean and coastal resources of the Monterey Bay with youth, families and visitors from around the world, and to continue that tradition with a new vessel that my father Jack O'Neill intended would provide safe passage for children and students for future generations.

Please let me know if you need any further information.

Sincerely,


Tim O'Neill, President
Team O'Neill LTD



ATTACHMENT A

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

November 13, 2018

Tim O'Neill, President
Team O'Neill, LTD
PO Box 6300
Santa Cruz, CA 95063

SUBJECT: New Team O'Neill Catamaran

Dear Tim:

I am in receipt of your letter hand-delivered to the office yesterday, informing me that the new Team O'Neill catamaran will be arriving in Santa Cruz in approximately one week. Though it is not clear in your letter, I understand that the vessel is in transit to Mexico, and the stopover in Santa Cruz Harbor is short-term.

The vessel may occupy visitor end-tie berthing for up to two weeks. Visitor berthing rates of \$1.50 per foot will apply (\$97.50 per day). Any authorized stay beyond two weeks will require Harbormaster approval. If a longer stay is approved, the fee will increase to \$2.00 per foot (\$130 per day), in accordance with the Port District's current fee schedule.

As discussed on numerous occasions with you, Carl Keehn and Mark Massara, before the new vessel can be used for charter operations out of Santa Cruz Harbor, staff and the Santa Cruz Port Commission must review and approve your business plan. When we met in December 2017, you anticipated the vessel would be ready by July 2019. At that time we urged you to submit your charter application within 6 months, one year in advance of the vessel's anticipated arrival. Your letter to the Port Commission dated April 4, 2018, acknowledged your understanding of the review process. In an email to me from Carl Keehn dated April 10, 2018, he anticipated starting the application process within a month, in the May 2018 timeframe. After phone calls to Carl went unanswered, Harbormaster Marshall followed up via email on May 21, 2018, and again on August 28, 2018, reminding him to submit a charter application for the new vessel. To date, no charter application has been received.

Please submit the application with all required supplemental information and a \$250 non-refundable application fee. In addition to the application fee, a deposit of \$2,500 is required to offset staff time in considering this new charter proposal. Any balance remaining at the end of the process will be refunded to Team O'Neill, LTD. Additionally, I encourage you to schedule a meeting for Port Commissioners to tour the new Team O'Neill catamaran to strengthen your charter application, before it departs Santa Cruz Harbor for Mexico.

I appreciate your acknowledgement of the Port Commission and staff's longstanding efforts in support of the O'Neill Sea Odyssey and O'Neill Yacht Charters' programs. Similarly, we request your respect for, and cooperation with, our public process.

Sincerely,


Marjan Olin
Port Director

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

November 29, 2018

Tim O'Neill, President
Team O'Neill, LTD
PO Box 6300
Santa Cruz, CA 95063

SUBJECT: New Team O'Neill Catamaran

Dear Tim:

Thank you for inviting staff and Commissioners aboard your new vessel. She is incredibly beautiful and functional. You should be very proud. I hope that you enjoy every minute aboard.

We are in receipt of your charter application and application fee in the amount of \$250. As mentioned in my November 13 letter to you, a deposit of \$2,500 is also required to offset staff time in considering this new charter proposal. We will track hours spent working on the application and at the end of the process, refund any remaining balance.

Once we receive your deposit, Harbormaster Marshall and Assistant Harbormaster Anderson will begin their review and be in contact with you to discuss any questions they may have, and provide feedback on your application.

If you have any questions about the deposit, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Marian Olin". The signature is written in a cursive, flowing style. Below the signature, the name "Marian Olin" and the title "Port Director" are printed in a standard sans-serif font.

Marian Olin
Port Director

Santa Cruz Harbor
135 5th Avenue
Santa Cruz, CA 95062

Santa Cruz Harbor
135 5th Avenue
Santa Cruz, CA 95062

Cust # 16007

Cust # 16007

O'Neill, Jack
P.O. Box 6300
Santa Cruz, CA 95063-6300

O'Neill, Jack
P.O. Box 6300
Santa Cruz, CA 95063-6300

12/05/18 12:13 nrothwell
Payment# 84445 12/05/18

12/05/18 12:14 nrothwell
Payment# 84446 12/05/18

Description	TOTAL
Charter app fee	250.00
TOTAL	250.00

Description	TOTAL
Charter app deposit	2500.00
TOTAL	2500.00

Customer Signature
I agree to pay the above amount
according to the credit agreement.

Customer Signature
I agree to pay the above amount
according to the credit agreement.

TEAM O'NEILL LTD

PO Box 6300
Santa Cruz, CA 95063
(831) 818-3645
sailingsantacruz@gmail.com



Marian Olin
Port Director
Santa Cruz Harbor
135 5th Avenue
Santa Cruz CA 95062

March 7, 2019

Re: Team O'Neill LTD Boat Replacement Charter Permit Application

Dear Director Olin,

Pursuant to our recent discussions and your request, please find attached a revised and updated Charter Permit Application on behalf of Team O'Neill LTD ("Team O'Neill") for replacement of our existing boat used by O'Neill Sea Odyssey ("OSO") and O'Neill Yacht Charters ("OYC").

Along with this cover letter, attached you'll find updated Plans for Operations, Safety, and Parking.

As discussed, while Team O'Neill does not plan any significant alteration to existing operations or programs, we are updating our application to specifically address Port District staff recommendations regarding Charter Fees and Parking. We remain focused on providing high quality, low cost family oriented public access and educational opportunities to the Monterey Bay. The plans, as updated, remain consistent with our commitment to our shared goal of the Santa Cruz Harbor being the gateway to the National Marine Sanctuary.

On behalf of Team O'Neill, OSO, OYC and the entire O'Neill family, we look forward to working with you to complete this application. Thank you again for your assistance.

Sincerely,

Tim O'Neill, President
Team O'Neill LTD

Team O'Neill Operating Plan

Team O'Neill LTD ("Team O"), on behalf of O'Neill Sea Odyssey ("OSO") and O'Neill Yacht Charters ("OYC"), makes this Business Use of Slip / Charter Permit Application in order to continue our decades long efforts to provide public educational visitation opportunities and access to the world famous Monterey Bay National Marine Sanctuary ("Sanctuary"), and to facilitate our collaboration with the Santa Cruz Port District in our mutual goal of making Santa Cruz the internationally known and identified point of departure for Sanctuary visits.

OSO was established in 1996 and has to date provided marine education and Sanctuary visits to over 100,000 children at no cost to participants whatsoever.

OYC was established in 1993 and today provides seasonal family oriented public recreation opportunities to local residents and visitors from around the world.

Founder Jack O'Neill's goal in building a specially designed and custom-built new boat is that Team O be able to continue to provide these unique services and opportunities for decades to come.

With this application Team O attempts to honor Jack's legacy and requests that the new *Team O'Neill* be docked at L Dock in the location of the existing boat. At that point, the existing boat would be relocated to F Dock to be prepared for sale.

The Operating Plan for the new boat is exactly the same as our existing operations. This includes our goal of continuing to provide lower cost family oriented visits to and education of the Monterey Bay and the Sanctuary's coastal and ocean resources.

Based upon our discussions with Port District officials, Team O proposes to incorporate the established Charter Fee Schedule consistent with our goal to maintain our existing operations with the new vessel, so that rather than adhere to our former charter fee agreement Team O will now remit to the Port District a fee of two (2) dollars per passenger for all OYC charter passengers.¹

This will significantly benefit the Port District in at least two ways. First, our former Charter Fee agreement did not include the two-dollar fee. Second, the old boat COI was 49, and the new boat COI is 99. Based on our past charter business, and it's limited capacity, fees to the Port District will at a minimum more than quadruple annually per the new proposal.

We look forward to continuing to work with the Port District and appreciate that without your support over these many years, Team O could not provide the educational and public recreation opportunities that we are so fortunate to be able to offer today. Our hope is that we can continue together our efforts to make the Santa Cruz Harbor the world's gateway to the spectacular Monterey Bay National Marine Sanctuary.

¹ Consistent with current practice, for those passengers not paying any fees, including charitable giving guests, infants and toddlers (0-4 years old), no Charter Fee would be collected.

Team O'Neill Safety Plan

Team O's current vessel, *Team O'Neill*, has always maintained a high standard of excellence in safety, above and beyond what is required by the U.S. Coast Guard. These high standards apply not only to our vessel, but our captains and crew as well. With the new *Team O'Neill*, we will continue to hold ourselves to these high standards to meet and exceed U.S. Coast Guard requirements.

Captains & Crew

All Captains for Team O are required to hold and maintain an active 100-ton Master's Captains License, as well as first aid and CPR certifications.

All crew members are required to maintain active first aid and CPR certifications, and successfully complete man-overboard drills and sail trainings as required by the U.S. Coast Guard. They are also extensively trained beyond the minimum number of hours required by the U.S. Coast Guard, to meet Team O'Neill's high standards of onboard operations.

New *Team O'Neill* vessel

This vessel was designed and custom-built with passenger safety being the chief priority, and we've accomplished this in several ways. The following are a few examples:

- The deck was specifically designed to be flush, with nothing obstructing or protruding that would create a hazard for our passengers transiting the boat.
- For added safety and comfort, additional handrails and railings were installed, as well as extra wide stairwells and walkways.
- Two restrooms are available and easily accessible from both the bow and stern.
- In the instance of evening sails, LED lighting is installed along the perimeter of the boat and along all stairwells.

U.S. Coast Guard Requirements and Inspections

OYC and OSO comply with all U.S. Coast Guard requirements for children wearing life vests aboard. Moreover, OSO maintains the requirement that all students participating in the program, regardless of height and weight, wear a life vest from the time they leave the OSO building to the time they return the OSO building after their onboard lessons. They are not permitted to remove it at any point while onboard the boat.

Additionally, the U.S. Coast Guard annually inspects the *Team O'Neill* for safety compliance, including but not limited to life vest availability and fire fighting equipment, training, and capability. On the water and dry dock inspections are conducted by the U.S. Coast Guard regularly in compliance with their requirements, as well.

Team O'Neill Schedule & Parking Plan

Team O has always been and continues to be committed to reducing parking impacts in the harbor wherever possible. We are sensitive to the harbor's existing parking capacity, its various users, and to solutions that maximize our passengers' enjoyment and experience while visiting the harbor. Team O is dedicated to exploring solutions that will benefit not only our passengers, but also positively impact parking in the harbor and the Southeast lot in particular.

To this end, we have thoroughly analyzed and updated our proposal for parking and examined our seasonal schedule for OSO and OYC based both on projections and past bookings. The results of our analysis show that with the conditions below, any impacts from OYC sails specifically can be significantly reduced and managed to eliminate any adverse consequences.

O'NEILL YACHT CHARTERS (OYC)

Based on our research of numerous possible strategies and alternatives, OYC proposes the following to mitigate parking impacts that may arise throughout our sailing season:

- OYC will purchase and operate a shuttle that will run on weekends to help transport passengers to check-in at L Dock.
- OYC will continue to encourage passengers to use a variety of transportation alternatives for all sails, including being dropped off before and picked up after their sail and utilizing the water taxi when available.

OYC Non-Peak Hours of Operation (November – March)

Estimated Schedule

- Monday – Friday: Afternoon private sails (1/day)
- Saturday – Sunday: Morning/afternoon private sails (1-2/day)

Passengers:

- Public sails: 0 (Public sails not offered during this time of the year)
- Private sails: Up to 99

Parking:

- Private sail passengers will be encouraged to arrive to the harbor via carpool, on-demand transport service, walking, biking.
- A shuttle operated by OYC will be made available for weekend charters.

OYC Peak Hours of Operation (April – October)

Estimated Schedule

- Monday – Friday: Afternoon/evening public or private sails (1-3/day)
- Saturday – Sunday: Morning/afternoon/evening public or private sails (1-4/day)

Passengers:

- Public and private sails: Up to 99

Parking:

- Public and private sail passengers will be encouraged to arrive to the harbor via carpool, on-demand transport service, walking, biking.
- A shuttle operated by OYC will be made available for weekend charters.

O'NEILL SEA ODYSSEY (OSO)

Pursuant to existing practice, OSO will continue to schedule classes during non-peak times and transport students to the harbor on school buses. Per OSO's past practice and in coordination with Port Staff, OSO's exceedingly significant public benefits are achieved with virtually no parking impact whatsoever.

OSO Seasonal Hours of Operation (March - June; September - December)

Estimated Schedule

- Monday through Friday
- 9 AM - 2 PM (2 onboard classes/day)

Passengers:

- On board classes: up to 40

Parking:

- Students and chaperones arrive and depart together on school bus' parked in the Southeast lot during their classes.



Team O'Neill LTD – Charter Permit

The following memorializes the basic terms of the new charter permit approved by the Port Commission on March 26, 2019, for Team O'Neill, LTD.

Vessel Passenger Rating	Single vessel with a U.S. Coast Guard passenger rating of 99
Berthing	F1 end-tie (the vessel may occupy the L1 end-tie in lieu of F1)
Single Charter Operation	No concurrent charter operation is allowed. The <i>Team O'Neill</i> cat must cease charter operations when the new vessel goes into service. Team O'Neill LLC is responsible for notifying the harbor office of the exact date when the charter operation transitions to the new vessel.
Charter Fee	\$2 per passenger fee will apply to customers of the charter operation in accordance with the Port Commission's fee schedule. No monthly base fee applies. The charter fee is reportable and payable on a monthly basis by the 20 th of the following month. The per passenger charter fee shall not apply to complimentary or donated tickets (see below for O'Neill Sea Odyssey discount). The Port District's fee schedule is subject to change by the Commission from time-to-time.
Slip Rent	Market rate slip rent at 1.3 times single side-tie rate for Team O'Neill LLC charter vessel (see below for O'Neill Sea Odyssey discount). The multiplier is assessed due to the vessel's width.
O'Neill Sea Odyssey Public Service Discount	The O'Neill Sea Odyssey's (OSO) discount on charter and berthing fees benefits the OSO program and is not a component of this charter permit. The current discount authorized for OSO by the Port Commission is 100% of the charter fee and slip rent, based on the percentage of foundation use of the charter vessel. Therefore, the per passenger charter fee does not apply to foundation use (i.e., OSO students and chaperones).

<p>Audit</p>	<p>Charter vessel ridership manifests shall be maintained by O’Neill for a period of four years and shall be auditable by Port District. Charter vessel ridership manifests shall include a complete recordation of all OSO use, and donated or complimentary tickets which are not subject to the per passenger charter fee. O’Neill shall allow Port District audit access from time-to-time, to all books and accounting records relating to sales and gross income, for purposes of verifying the per passenger charter fee due.</p>
<p>Parking and Shuttle Service</p>	<p>Team O’Neill shall acquire and operate a vehicle shuttle to transport charter customers to and from remote parking in the north harbor area. The shuttle shall operate for all scheduled charters on weekends and holidays year round (peak and non-peak season)*, and mid-week for group bookings of 20 passengers or more that have not made other group transport arrangements. Ticketing, brochures and online information shall direct customers to remote parking areas.</p> <p>The Team O’Neill vehicle shuttle shall operate on public surface streets.</p> <p>The Port District shall not assess parking or storage fees for the Team O’Neill vehicle shuttle.</p> <p>Standard visitor parking rates shall apply to charter customers. Team O’Neill has the option to pre-purchase harbor parking passes and sell them to their customers.</p> <p>No changes to the parking management plan for OSO are proposed as a part of this charter permit. OSO classes are scheduled during non-peak times and student transport is accomplished primarily via school bus.</p> <p>The Port Commission reserves the right to review the Team O’Neill shuttle service on an annual basis, as part of its annual business use of slip review (see below). Staff recommends O’Neill maintain a vehicle shuttle ridership log.</p> <p>* For purposes of Team O’Neill’s charter, peak season is defined as April 1 to October 31; non-peak season is defined as November 1 to March 31</p>
<p>Annual Business Use of Slip Review</p>	<p>The charter operation is subject to annual review, including a review of the vehicle shuttle operation. The annual Business Use of Slip Review is typically conducted in the October – December window.</p>

OTHER – TEMPORARY BERTHING¹

The *Team O'Neill* cat may temporarily occupy the F1 end-tie, previously occupied on a temporary basis by the O'Neill Power Cat at a discounted end-tie berthing rate of 1.5 times the single side-tie rate, while the vessel is readied for sale. This discounted rate is effective for a 6-month period after the new charter vessel's arrival. If needed, an extension of the discounted rate may be authorized by staff for an additional 3-month period for a total of 9-months. Any extension of the discounted rate beyond 9 months requires approval of the Port District Commission. Any secondary occupancy of end-tie berthing by an O'Neill vessel beyond expiration of the temporary berthing rate will revert to the standard visitor berthing rate.

¹ The timeline for extension of the temporary berthing rate is authorized by staff. Though addressed in the staff report dated March 19, 2019, the Port District Commission did not discuss or provide specific guidance on the term.

TEAM O'NEILL LTD

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Santa Cruz, CA 95063
(831) 818-3645
info@sailoyc.com



Marian Olin
Port Director
Santa Cruz Harbor
135 5th Avenue
Santa Cruz CA 95062

April 26, 2019

Re: Team O'Neill LTD Charter Permit Amendments

Dear Director Olin,

We would like to extend our gratitude to you, the Port Commissioners, and the Port District staff for the time and effort in considering our Charter Application, and subsequent approval by the Commission of a new Charter Permit on March 26.

Thank you also for meeting with us on April 11 to discuss the Commission's approval, as well as our concerns and reservations regarding our ability to fulfill what you believe the Commission approved as part of the permit and our understanding of what they intended with their approval. We feel they intended something different with respect to balancing our proposal to incorporate a shuttle into our present right to parking spaces associated with our existing 49-passenger permit.

While we discussed numerous issues, the provision regarding use of the shuttle for groups of 20 or more is, and has been, the most troublesome for us. As we said during our meeting, we are willing to initiate and utilize a shuttle within the harbor, a significant and unprecedented obligation among all existing harbor users, but we are not able to abandon our current charter right to 49-passengers having unrestricted parking in the vicinity of boat. As you explained in our meeting, as written and interpreted by you, the proposed permit would effectively eliminate our existing 49-person entitlement and replace it with a 20-person criterion. Given our broader commitment to using a shuttle, the 20-person proposal is unnecessarily unfair and overly burdensome.

The situation was made worse for us by your having provided us your proposed Minutes for the March 26 Commission meeting on the afternoon of April 23, the very evening you



presented them to the Commission. This left us with no time to discuss the matter further and/or include the Commission in our discussion or explain our concerns. Instead they presumably were encouraged to approve Minutes for their March 26 permit approval without having been allowed to hear our concerns or decide for themselves what they meant to approve in our permit. Under nearly any conceivable circumstance, your dismissal of our concerns is disconcerting to say the least.

In any event, we wish to again reiterate our inability to accept the permit as approved and once again state our narrow concern regarding your continuing demand in which we use the shuttle for “group bookings of 20 passengers or more” is not sustainable for our charter business.

Rather than decline the permit as you interpret it we would prefer to resolve this matter. Preferably we suggest that the shuttle be used as proposed and only required at other times, for specific private charters for group bookings of 50 passengers or more, consistent with our existing 49-passenger charter permit. We continue to believe this will sustain not our operations, but greatly benefit the Port District both economically and by establishing the desired requirement to have charters incorporate use of shuttle services.

Alternatively, we would be willing to consider moving our charter business across the Harbor to the F Dock end-tie area where our charter business originally started and where you have stated the parking is less congested. We could run our operations from that side of the Harbor without the need to incorporate a shuttle service. In that event, we would be able to incorporate the new \$2 per person passenger fee in exchange for a 99-person service and would agree to use charter bus services for group bookings over 49 passengers.

While we remain open and willing to discuss other alternatives, if the above suggestions are not acceptable we will have no choice but to decline the permit as approved, downgrade our passenger rating on the new *Team O’Neill* catamaran with the U.S. Coast Guard to 49 passengers, and continue to operate under our existing permit as written, depriving both us and the Port District of the otherwise agreeable provisions in the new permit.

Separately, and in addition to the issue above, we have attached a letter from our boat sale broker stating that the sale of the current *Team O’Neill* catamaran is likely to take a year or more, consistent with what we explained in our April 11 meeting, based on the sale of that type and size vessel. Thus, your proposal under the “Other” section of the permit is not consistent with our discussion or request, namely that we be allowed to maintain the current *Team O’Neill* catamaran at F1 Dock until sold, and that thereafter we be permitted to berth *Toboggan* in that space, which is consistent with the invitation made by then-Port Director Brian Foss to Tim O’Neill when the F1 end-tie was originally offered to and accepted by the O’Neill family. In

exchange for this accommodation, the O'Neill's are willing to relinquish the 60-ft F8 dock back to the Port District.

Thank you once again for continuing to discuss with us the Team O'Neill charter permits and our efforts to accommodate your requests while attempting to sustain our business. We request the opportunity to discuss this matter with you as soon as possible – the afternoon of Monday, May 6 if possible – in order to determine whether any of the above proposals meet with your support. Please call me at your earliest convenience in order to schedule a meeting.

As always, the entire Team O'Neill organization thanks you and appreciates your continued support in this endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim O'Neill', with a stylized flourish at the end.

Tim O'Neill, President
Team O'Neill LTD



TEAM O'NEILL

Jim Elliott <Jim.Elliott@northropandjohnson.com> Wed, Apr 24, 2019 at 3:55 PM
To: Jenny Duckart <jenny@saloyo.com>, "Tim O'Neill (toneill@oneillwetsuits.com)" <toneill@oneillwetsuits.com>

Hi Tim,

Thank you for the conversation regarding putting your 1983 USCG 65' sailing catamaran, TEAM O'NEILL, on the market.

I do feel it's ideal that she is Coast Guard certified for 49 passages and has 4 staterooms and 2 heads. This should be beneficial to a particular group of buyers. It may not appeal to all buyers but for those serious ones, it will help.

The market is a bit mixed at this time, but based on my experience, a vessel of this type, size, and age will likely require at least a year to market and find the right buyer. Unfortunately, color-print advertising is about 60 to 90 days out, as the magazines have a long lead time once an ad is placed. Websites go online fairly fast. I would want to do a professional photo shoot. That normally takes about 30 days to get that completed and online.

Finding the right buyer will be important with the boat being 36 years old. It will have to be a cash buyer; a lender will not loan on a vessel over 30 years old - that does limit it somewhat.

I will do further research into the market to see what our comps are. Let me know any questions you might have at this time.

Best Regards,

Jim Elliott

Jim Elliott Sales Broker
Jim.Elliott@NorthropandJohnson.com



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TEAM O'NEILL LTD

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Dennis Smith, Chairman
Santa Cruz Port Commission
Santa Cruz Port District
135 5th Avenue
Santa Cruz, CA 95062

May 13, 2019

Re: Team O'Neill LTD Charter Permit for the New *Team O'Neill* Catamaran

Dear Chairman Smith and Commissioners,

On behalf of Team O'Neill LTD and all our family and employees, I would like to extend my gratitude to each of you for your time, consideration and approval of Team O'Neill's application for a 99-Pak Charter Operation at the Port Commission's March 26 meeting. We appreciate not only your thoughtful deliberation that evening, but the time and support provided to us by Port Director Marian Olin and the Port District staff leading up to and following the meeting.

I am writing to you now because although we sincerely appreciate the new permit, we have carefully analyzed the associated conditions and have determined we cannot operate a sustainable charter within the proposed constraints. After deliberate and mindful examination we have reluctantly concluded that we cannot accept the new 99-Pak Charter Permit as it is currently written with the conditions required.

Our chief mission in operating a charter boat out of the Santa Cruz Harbor has always been to provide reasonably priced access to and education about the Monterey Bay National Marine Sanctuary. For decades, Team O'Neill has carried out this mission through O'Neill Yacht Charters' seasonal public sailing tours and O'Neill Sea Odyssey's non-profit educational, hands-on field trips.

To continue this mission for many more decades to come, we felt the best option for us was to construct a new catamaran that would stand the test of time, allowing thousands of community members, students, and tourists alike to experience the unparalleled beauty and marine ecosystem of the Monterey Bay. During this time, we worked closely with ship builder and the

U.S. Coast Guard to construct a similarly sized catamaran. We were excited when the Coast Guard certified the vessel for a capacity of up to 99 passengers.

We were looking forward to putting our new vessel into operation this summer and had been working with Port District staff, beginning with former Port Director Lisa Ekers in 2016, to collaborate for that to happen. The first setback for us was that the increase of passengers from our existing 49-Pak permit to 99-Pak required Team O’Neill to obtain a new permit, with numerous additional conditions associated with it. We worked closely with Port District staff to discuss and consider those conditions and impacts leading up to the March 26 meeting.

Unfortunately, the staff report and accompanying recommendation published just before the March 26 meeting included conditions that we did not consider, namely that a shuttle would be required for groups of over 20, and not over 49, which is the number of passengers we are currently permitted to serve without providing shuttle operations.

Though I am deeply grateful of the Port Commission’s support, after contemplating the full impacts and costs of the conditions attached therein and assessing the operational and financial repercussions on our current staff and services, the new permit will almost certainly have significant, lasting and potentially catastrophic negative impacts on our primary mission and economic sustainability.

Our main concern is in the new permit’s Parking and Shuttle Service section:

The shuttle shall operate for all scheduled charters on the weekends and holidays year round (peak and non-peak season), and mid-week for group bookings of **20 passengers or more** that have not made other group transportation arrangements.*

We find this condition unfairly burdensome because our existing and historic charter operations allows for us to accommodate up to 49 passengers without providing any shuttle services or other mitigation. In our new 99-Pak Charter Permit application, we proposed using shuttle services to account for the delta—the new catamaran’s increased capacity from 49 to 99—and proposed providing solutions and mitigation specifically designed to accommodate the additional 50 passengers we could *potentially* carry. We did not propose, and did not mean to propose, using a shuttle for the existing capacity we are already entitled to carry pursuant to our existing 49-Pak Charter Permit.

During the March 26 Port Commission meeting, we believed the Port Commissioners recognized this as well, and stated what we concluded to be the Commission’s intent that a shuttle not be required for groups of less than 50. Though the Minutes that followed the

meeting were unclear in our opinion, our understanding was that what this condition was modified during the meeting to state 50, not 20 passengers.

Unfortunately, since the March 26 meeting, we have been unable to satisfactorily resolve these concerns with Port District staff. At the recommendation of Port Director Olin I am writing to you now in order to suggest an alternative in lieu of having to decline the new 99-Pak Charter Permit.

With the support of the Port Commission, we propose modification to the new Charter Permit to clarify that for charters with OYC, a shuttle will be provided for groups of 50 or more if the group has not made other transportation arrangements. We feel this amendment would more precisely address, resolve, and mitigate any impacts associated with the potential increase of passengers associated with use of the of new vessel.

Pursuant to our economic analysis and discussions with Director Olin, if the Commission is not supportive of this alternative, we have determined that we have no sustainable alternative but to apply to the Coast Guard for a reduction in the passenger capacity of the new vessel, downgrading from 99 to 49 passengers. This would facilitate a simple replacement our existing catamaran with the new catamaran and allow us to continue our operations under our existing permit.

Given our mutual support for much of the new permit this is not the result that we initially hoped for. However, given the reality of trying to operate the business, it is the result we cannot afford to ignore without jeopardizing its future viability.

I'd be happy to meet and discuss these issues further, so please do not hesitate to contact me.

As always, thank you for taking the time to consider our input and continuing efforts to improve our charter operations. We appreciate all your hard work and diligence in this matter.

Sincerely,



Tim O'Neill, President
Team O'Neill LTD

BUSINESS USE OF SLIP / CHARTER PERMIT APPLICATION

CONTACT & BUSINESS INFORMATION

Applicant Name:

Home Address:

Email Address:

Phone Number:

Assigned Slip #: Slip Assigned through Port District Waiting List? YES NO

Vessel Pak Rating: Vessel Type: Vessel Size:

Vessel Draw: Operating Schedule:

THE FOLLOWING INFORMATION MUST BE SUBMITTED AS PART OF THE APPLICATION PROCESS. THE INFORMATION WILL ASSIST IN THE APPROVAL PROCESS. ADDITIONAL INFORMATION MAY BE SUBMITTED, IF DESIRED.

PROPOSED OPERATING PLAN

Include days, times, and seasons of planned operation. Please note that any changes to the operating plan, including changes to the vessel's pak rating or size, will require additional Port Commission approval.

PROPOSED PARKING PLAN

Parking within the harbor is limited. Please address how parking will be utilized and any steps you will take to minimize parking impacts.

SAFETY PLAN

A comprehensive safety plan, outlining courses, certifications, licensing of each qualified vessel operator and/ or skipper.

INSURANCE REQUIREMENTS

Liability insurance, in the amount of \$1 million, naming the Santa Cruz Port District as additional insured, must be provided.

SIGNATURE

Owner hereby agrees that, to the full extent permitted by law, Port District shall not be liable or responsible for any claims, demands, damages, debts, liabilities, obligations, costs, expenses, liens, actions or causes of action of any kind whatsoever, resulting (1) from any collision with any of the dredging equipment or any other boat, (2) from any collision or contact with the bottom of the Harbor or any obstructions on the bottom of the Harbor, (3) from any collision or contact with the jetties or surrounding beaches, or (4) from, or in any way relating to, the dredging operations or the lack of dredging operations, including, but not limited to, the closure of the Harbor entrance for any reason or under any circumstances

NAME: SIGNATURE:

SIGNATURE: DATE:

PRIMARY BANKING INSTITUTION:

FOR PORT DISTRICT USE

Application Fee: Insurance Req't (Date Submitted):

Received Date: Other Special Conditions:

Approval Date:

TEAM O'NEILL LTD

PO Box 6300
Santa Cruz, CA 95063
(831) 818-3645
sailingsantacruz@gmail.com



Marian Olin
Port Director
Santa Cruz Harbor
135 5th Avenue
Santa Cruz CA 95062

June 6, 2019

Re: Team O'Neill LTD Charter Permit Application

Dear Director Olin,

Pursuant to our recent discussions and your request, on behalf of Team O'Neill LTD ("Team O"), please find attached a revised and updated Charter Permit Application for 99-passenger operation aboard the new *Team O'Neill*.

Along with this cover letter, attached you'll find updated Plans for Operations, Safety, and Parking.

As discussed, Team O does not plan any alteration of existing operations or programs. We are updating our application to specifically address Port District staff recommendations regarding Charter Fees and Parking. We remain focused on providing high quality, low cost family oriented public access and educational opportunities to the Monterey Bay. The plans, as updated, remain consistent with our commitment to our shared goal of the Santa Cruz Harbor being the gateway to the National Marine Sanctuary.

Please let us know if you have any feedback while reviewing our updated application, and we hope to be included in the June 25, 2019 Port Commission meeting agenda.

On behalf of Team O'Neill, O'Neill Sea Odyssey, O'Neill Yacht Charters and the entire O'Neill family, we look forward to continuing to work with you to complete this application. Thank you again for your assistance.

Sincerely,

Tim O'Neill, President
Team O'Neill LTD

Team O'Neill Operating Plan

PROPOSAL SYNOPSIS

Team O proposes to operate the new 99-passenger *Team O'Neill* catamaran, and agrees to pay a per passenger charter fee to the Port District of \$2.00 and to provide vehicular assistance for groups in excess of 49-passengers.

OPERATIONAL BACKGROUND

The new *Team O'Neill* catamaran was custom designed, commissioned, and constructed in order to continue Team O's decades long efforts of providing public educational visitation opportunities and affordable access to the world famous Monterey Bay National Marine Sanctuary, as well as to facilitate our collaboration with the Santa Cruz Port District in our mutual goal of making Santa Cruz the internationally known and identified point of departure for Sanctuary visits.

OPERATIONAL DETAILS

The operational plan for the new *Team O'Neill* is the same as our existing operations, with the exception of increased capacity of 99. However, we may choose to voluntarily impose a lower maximum capacity if we feel necessary.

O'Neill Sea Odyssey

Seasonal Hours of Operation (March – June; September – December)

Estimated Schedule:

- Monday through Friday 9 AM - 2 PM (2 onboard classes/day)

O'Neill Yacht Charters

Seasonal Hours of Operation (November 1 – March 31)

Estimated Schedule

- Monday – Friday: Afternoon private group sails (1/day)
- Saturday – Sunday: Morning/afternoon private group sails (1-2/day)

Seasonal Hours of Operation (April 1– October 31)

Estimated Schedule

- Monday – Friday: Afternoon/evening public or private group sails (1-3/day)
- Saturday – Sunday: Morning/afternoon/evening public or private group sails (1-4/day)

OPERATIONAL BENEFIT TO THE SANTA CRUZ PORT DISTRICT

Team O proposes to update and increase our Charter Fee remittance to the Port by incorporating the Port's current established Charter Fee Schedule. Team O will now remit to the Port District a fee of two (2) dollars per passenger for all OYC charter passengers¹, which will benefit the Port by at a minimum more than quadrupling Team O's annually charter fees based on past charter business.

¹ Consistent with current practice, for those passengers not paying any fees, including charitable giving guests, infants and toddlers (0-4 years old), no Charter Fee would be collected.

Team O'Neill Safety Plan

Team O's current vessel, *Team O'Neill*, has always maintained a high standard of excellence in safety, above and beyond what is required by the U.S. Coast Guard. These high standards apply not only to our vessel, but our captains and crew as well. With the new *Team O'Neill*, we will continue to hold ourselves to these high standards to meet and exceed U.S. Coast Guard requirements.

CAPTAINS & CREW

All Captains for Team O are required to hold and maintain an active 100-ton Master's Captains License, as well as first aid and CPR certifications.

All crew members are required to maintain active first aid and CPR certifications, and successfully complete man-overboard drills and sail trainings as required by the U.S. Coast Guard. They are also extensively trained beyond the minimum number of hours required by the U.S. Coast Guard, to meet Team O'Neill's high standards of onboard operations.

NEW TEAM O'NEILL VESSEL

This vessel was designed and custom-built with passenger safety being the chief priority, and we've accomplished this in several ways. The following are a few examples:

- The deck was specifically designed to be flush, with nothing obstructing or protruding that would create a hazard for our passengers transiting the boat.
- For added safety and comfort, additional handrails and railings were installed, as well as extra wide stairwells and walkways.
- Two restrooms are available and easily accessible from both the bow and stern.
- In the instance of evening sails, LED lighting is installed along the perimeter of the boat and along all stairwells.

U.S. COAST GUARD REQUIREMENTS AND INSPECTIONS

OYC and OSO comply with all U.S. Coast Guard requirements for children wearing life vests aboard. Moreover, OSO maintains the requirement that all students participating in the program, regardless of height and weight, wear a life vest from the time they leave the OSO building to the time they return the OSO building after their onboard lessons. They are not permitted to remove it at any point while onboard the boat.

Additionally, the U.S. Coast Guard annually inspects the *Team O'Neill* for safety compliance, including but not limited to life vest availability and fire fighting equipment, training, and capability. On the water and dry dock inspections are conducted by the U.S. Coast Guard regularly in compliance with their requirements, as well.

Team O'Neill Parking Plan

Team O has always been and continues to be committed to reducing parking impacts in the harbor wherever possible. We are sensitive to the harbor's existing parking capacity, its various users, and to solutions that maximize our passengers' enjoyment and experience while visiting the harbor.

O'NEILL SEA ODYSSEY (OSO)

Pursuant to existing practice, OSO will continue to schedule classes during non-peak times and transport students to the harbor on school buses. Per OSO's past practice and in coordination with Port Staff, OSO's exceedingly significant public benefits are achieved with virtually no parking impact whatsoever.

Group Class Sails

- Students and chaperones arrive and depart together on school busses parked in the Southeast lot during their classes.

O'NEILL YACHT CHARTERS (OYC)

Based on our research of numerous possible strategies and alternatives, OYC proposes the following to mitigate parking impacts that may arise throughout our sailing season:

Private Group Sails

- Groups of 49 or less will be advised to park in the North Harbor or encouraged to use alternative transportation (e.g. carpool, on-demand transport service, walking, biking), if they have not made their own group transportation arrangements.
- Groups of 50-99 will be provided with vehicular assistance (e.g. shuttle bus arrangements, valet, or alternative transportation), if they have not made their own group transportation arrangements

Ticketed Sails

- Public sail ticketholders will be advised to park in the North Harbor, encouraged to use alternative transportation (e.g. carpool, on-demand transport service, walking, biking) or use the Santa Cruz Port District water taxi when available.
- OYC's Parking Advisory Information is provided to every public sail ticketholder, as well as prominently displayed on our website and promotional materials.

- *Parking Advisory Example:*

PARKING

Please arrive at least 45 minutes prior to your departure time (check-in begins 30 minutes prior to departure). During the summertime and holidays, please give yourself extra time to park. There are several parking options:

- We highly advise parking in the North Harbor (via the Brommer St. and 7th Ave. entrance) and walking to L Dock in the Southeast Harbor at all times. There is generally much more available "Visitor" parking in the North Harbor. Hourly (\$1.25/hour) and All-Day (\$13.00/day) parking permits may be purchased at the pay station (credit card and cash only) or you may use the hourly coin-operated meters. Please give yourself extra time to walk from the North Harbor (about 10-15 minutes) to L Dock for check-in. If you purchase an Hourly Parking Permit from the pay station, please park in a "Visitor" parking spot and leave the permit on your dashboard.
- Metered "Visitor" parking spots are located by the Southeast boat launch ramp (near L Dock). Meters are coin-operated and the rate is \$1.25/hour.
- All-Day Parking Permits (\$13.00/day) are available for purchase at the pay stations by O Dock and the southeast boat launch ramp, as well as in the Harbormaster office. If you purchase an All-Day Parking Permit, you may park in a Visitor parking space in the southeast lot and leave the permit on your dashboard.
- Street parking is no charge during the off-season, but a permit is required on weekends and holidays beginning May 4-September 29, 2019 from 11 AM-5 PM. These one-day permits cost \$8.00 and more information is available on the [Santa Cruz County Parking Program website](#).

All parking prices are not determined by O'Neill Yacht Charters and are subject to change without notice.

**Santa Cruz Harbor
Southeast Parking Inventory**

5/31/2019

Concession Lot Parking	148
Southeast Harbor Parking	<u>267</u>
	415

Less:

Reserved "C" Business Parking	16
Trailer Rig	43
Slip Renter ⁽ⁱ⁾	78
Short Term ⁽ⁱⁱ⁾	6
ADA (southeast harbor & concession lot)	8
Patrol	2
Boatyard	<u>9</u>
Remaining Visitor Spaces	253
Unmet Slip Renter Req't	<u>69</u>
Actual Visitor spaces	184

Existing SE Area Charters (1/4 Req't)

O'Neill 49 pak	12.25
Dolan 2, 6-paks ⁽ⁱⁱⁱ⁾	3
Armstrong 1, 6-pak	<u>1.5</u>
Remaining Visitor Spaces less Charter Demand	167.25

O'Neill 99-Pak Charter Proposal

Additional 50 passengers	<u>12.5</u>
Visitor Parking Remaining Availability with 99-pak	154.75 ^(iv)

The 155 visitor parking spaces serve the beach, Crow's Nest & Beach Market, SUP Shack, Intero, Java Junction, Café El Palomar, 2222 East Cliff Drive offices, harbor office, offices and retail spaces at 275 Lake, 333 Lake, 345 Lake, 365 Lake, Johnny's Harborside, H&H Fresh Fish. Employees of concession-operated businesses must utilize remote parking, or street parking except for limited access to the launch ramp parking lot after 4 pm daily.

Footnotes:

- (i) Slip renter parking demand is based on .6 per berth, which places the parking requirement at 147, though only 78 spaces are designated for slip renters in the southeast harbor area. Slip renters can park in any visitor space, excluding the concession lot
- (ii) 4 in front of Bayside Marine
- (iii) Holds charter permit for 2, but only operating 1
- (iv) Per the Local Coastal Program, the harbor is required to provide parking for 53 beach visitors -- 31 on the west side and 22 on the east side