



Special Closed Session of October 3, 2024

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Stephen Reed Chair
Toby Goddard Commissioner
Reed Geisreiter Commissioner
Darren Gertler Commissioner

Commission Members Absent:

Dennis Smith Vice-chair

SPECIAL PUBLIC SESSION – 4:30 PM

Chair Reed convened the special public session at 4:30 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA.

1. Oral Communication
2. Announcement of Closed Session Pursuant to Government Code (Ralph M. Brown Act) §54957.

At 4:30 PM, Chair Reed announced that the Commission will meet in closed session to discuss agenda item 3.

SPECIAL CLOSED SESSION

3. Public Employee Performance Evaluation
Title: Port Director

SPECIAL PUBLIC SESSION

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

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

Chair Reed adjourned the special open session following the closed meeting at 5:45 PM.

Stephen Reed, Chair



Special Closed and Regular Public Session of October 22, 2024

**Santa Cruz Port Commission
MINUTES**

Commission Members Present:

Stephen Reed	Chair
Dennis Smith	Vice-chair
Toby Goddard	Commissioner (<i>via Zoom</i>)
Reed Geisreiter	Commissioner
Darren Gertler	Commissioner

SPECIAL PUBLIC SESSION – 4:30 PM

Chair Reed convened the special public session at 4:30 PM at the Harbor Public Meeting Room, 365 A Lake Avenue, Santa Cruz, CA (hybrid meeting platform).

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

At 4:30 PM, Chair Reed announced that the Commission will meet in closed session to discuss agenda item 3.

SPECIAL CLOSED SESSION

3. Conference with Real Property Negotiators
Property: 216 4th Avenue
Agency Designated Representative: H. MacLaurie
Negotiating Parties: R. Steere
Under Negotiation: Easement

SPECIAL PUBLIC SESSION

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

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

Chair Reed adjourned the special open session following the closed meeting at 4:55 PM.

REGULAR PUBLIC SESSION – 5:30 PM

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

- 5. Pledge of Allegiance
- 6. Oral Communication

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

CONSENT AGENDA

- 7. Approval of Minutes
 - a) Special Closed Meeting of September 3, 2024
 - b) Special Closed and Regular Public Meeting of September 24, 2024

MOTION: Motion made by Vice-chair Smith, seconded by Commissioner Geisreiter to approve consent agenda item 7.
 - *Motion carried unanimously.*

REGULAR AGENDA

- 8. Port Commission Appointment Process
 - a) Discussion of Candidate Applications

Port Director MacLaurie stated that candidates Bengie Hodges and Ed Alaimo formally withdrew their applications for the Division 2 seat.

The following candidates made statements:

- Charles Maier
- Lora Lee Martin
- Camille Sobalvarro
- Robert Dewitt

- b) Appointment to Port Commission to Fill Vacancy (Division 2)

<u>Round 1 – First Vote Tally</u>	<u>Applicant</u>
Commissioner Gertler.....	Lora Lee Martin
Commissioner Goddard.....	Robert DeWitt
Commissioner Reed	Robert DeWitt
Commissioner Smith	Lora Lee Martin
Commissioner Geisreiter	Robert DeWitt

Robert DeWitt received the majority vote and was thereby appointed to fill the Division 2 vacancy.

Chair Reed announced a five-minute recess and the meeting reconvened at 6:20 PM.

9. Mid-Fiscal Year Review of Capital Improvement Program

Discussion: Port Director MacLaurie presented the mid-year report and highlighted the following:

- There are currently 27 projects funded in the District's CIP (including the Unallocated CIP Fund):
 - 3 have been completed (\$305,554 in expenditures)
 - 12 remain in progress (\$447,169 in expenditures to date)
 - 8 are slated to commence in future fiscal years.
- The CIP balance as of September 30, 2024, totals approximately \$7,834,856.
- One completed project on the list is recommended for close out and reallocation of funding to the Unallocated CIP Fund:
 - West Jetty Walkway (\$15,749).

In response to a question from Commissioner Goddard, Port Director MacLaurie provided the following updates:

Sanitary Sewer Lift Stations

- Staff is working with the District's engineers to refine project specifications. A Request for Proposals (RFP) is anticipated to be re-advertised early next year, following the completion of the North Harbor Transformer Project.

Aldo's Seawall Replacement

- A construction estimate for the conceptual design of the new restaurant building at 616 Atlantic Avenue is being developed and will be presented to the Commission at a future meeting for review.

In response to a question posed by Commissioner Geisreiter, Port Director MacLaurie confirmed that the Building Restoration Fund currently has adequate funding for ongoing maintenance needs and typically includes an allotment for unbudgeted repairs that occur during the fiscal year. Commissioner Geisreiter and Vice-chair Smith expressed support for continuing this budgeting practice and prioritizing building maintenance.

There was consensus among the Commission to reallocate the remaining balance of \$15,749 from the West Jetty Walkway Fund to the Unallocated CIP.

10. Approval of Cash/Payroll Disbursements (*There was no discussion on this agenda item*)

MOTION: Motion made by Vice-chair Smith, seconded by Commissioner Geisreiter to approve cash and payroll disbursements for September 2024, in the amount of \$683,530.64.

- *Motion carried unanimously.*

11. Port Director's Report

A brief discussion ensued regarding the ongoing efforts to renew the current Memorandum of Agreement with the U.S. Army Corps of Engineers for the maintenance of the federal entrance channel. Port Director MacLaurie noted that final approval is not expected until early 2025 and highlighted the possibility of a slight adjustment to the current cost share ratio, which would reduce the level of reimbursement provided to the Port District.

The Commission expressed its appreciation for staff efforts to reduce administrative costs.

12. Harbormaster's Report

Vice-chair Smith expressed his appreciation for staff's participation with the Readiness Working Group in developing a comprehensive evacuation plan as part of the Santa Cruz County Emergency Operations Plan. Chair Reed requested a copy of the plan once available.

13. Facilities Maintenance & Engineering Manager's Report

Facilities Maintenance & Engineering Manager (FME) Wulf stated that on October 19, 2024, staff began ongoing clean-up efforts following a fish kill in the south harbor, which was caused by low oxygen levels due to a large influx of anchovies.

In response to a question posed by Commissioner Gertler, FME Manager Wulf reported that the North Harbor Transformer Project is ahead of schedule and project completion is anticipated by the end of the year.

In response to a question posed by Chair Reed, FME Manager Wulf stated that the new metal canopy structure at AA-Dock will remain in place after the completion of the Murray Street Bridge Seismic Retrofit and Barrier Replacement Project.

14. 2023-24 Dredge Report

Commissioner Geisreiter expressed his appreciation for the detailed report.

In response to a question posed by Chair Reed, FME Manager Wulf stated that staff has been proactive in making improvements to the dredge, *Twin Lakes*, as part of its off-season maintenance, notably replacing rubber hosing with stainless steel tubes.

Commissioner Goddard requested that future dredge reports include the estimated volume summary of dredged material.

2023-24 Dredge Season Volume Summary

- Entrance Channel: 204,150 cubic yards
- Inner Harbor: 1,643 cubic yards

15. Financial Reports (*There was no discussion on this agenda item*)
 - a) Comparative Seasonal Revenue Graph
 - b) Quarterly Comparative Budget Report
 - c) Quarterly Employee Count
 - d) Quarterly Boatyard Report
 - e) Quarterly Fuel Sales Report
 - f) Quarterly Concession Percentage Rent Report
 - g) LAIF and CLASS Statements
16. Delinquent Account Reporting (*There was no discussion on this agenda item*)
17. Harbor Patrol Incident Response Report – September 2024 (*There was no discussion on this agenda item*)
18. Port Commission Review Calendar / Follow-Up Items (*There was no discussion on this agenda item*)

Chair Reed adjourned the regular public session at 6:49 PM.

Stephen Reed, Chair

Santa Cruz Port District
Accounts Payable Monthly Check Register
October 2024

Date	No.	Vendor	Description	Amount
10/4/2024	60562	Ace Portable Services	Portable Toilet Rental	\$ 214.76
10/4/2024	60563	Amazon Capital Services	Cordless Drill Repair Parts, Wrenches, <i>Dauntless</i> Grommets	\$ 313.53
10/4/2024	60564	Amerigas	Ancillary Equipment Fuel	\$ 358.93
10/4/2024	60565	Anderson Pacific	North Harbor Transformer Replacement Project Progress Payment	\$ 309,082.50
10/4/2024	60566	Batteries + Bulbs	Parking Meter Batteries	\$ 46.36
10/4/2024	60567	Bay Building Janitorial, Inc.	Janitorial Services, Refuse Collection	\$ 12,918.66
10/4/2024	60568	Bayside Oil II, Inc.	Boatyard Paint Chip Disposal, Oil Filter Disposal	\$ 1,589.00
10/4/2024	60569	Colleen Bellows	Credit Balance Refund	\$ 585.00
10/4/2024	60570	Big Creek	Door Latches, <i>Dauntless</i> Deck Lumber, Shims, Grout Sponge	\$ 180.66
10/4/2024	60571	Blake Anderson	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60572	California Municipal Advisors, LLC	Annual Unfunded Accrued Liability Policy Compliance Report	\$ 1,750.00
10/4/2024	60573	David Chandler	Security Deposit Refund	\$ 11.02
10/4/2024	60574	Charles Taylor Adjusting - CTA	Loss Control Insurance Inspection	\$ 11,449.56
10/4/2024	60575	Citi Cards	<i>Twin Lakes</i> Engine Oil, Employee Appreciation Luncheon Supplies, Breakroom Supplies, Pipe Fittings, CMANC Conference Parking	\$ 693.00
10/4/2024	60576	Comcast	Business Internet	\$ 171.11
10/4/2024	60577	Complete Mailing Service	Statement Mailing & Postage	\$ 608.36
10/4/2024	60578	County of Santa Cruz Auditor	Citation Tax (July - August)	\$ 7,734.00
10/4/2024	60579	County of Santa Cruz DPW	Hazmat Disposal	\$ 187.50
10/4/2024	60580	Crow's Nest Restaurant	1/2 Concession Lot Garbage (Tenant Reimbursable)	\$ 2,457.18
10/4/2024	60581	Data Ticket, Inc.	Citation Processing (July)	\$ 757.22
10/4/2024	60582	David Hill	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60583	Gottlieb, Landon	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60584	Guy, Parker	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60585	Home Depot Credit Services	Cordless Impact Driver, Spray Adhesive, Bungee Cords, Harbor Office Light Bulbs, Broom, Caution Tape, Lift Station Control Box Cover, Electrical Tape, Cleaner, Brush, Gaskets	\$ 725.98
10/4/2024	60586	Hose Shop	<i>Twin Lakes</i> Couplings, A-Dock Fire System Waterline Hose, <i>Twin Lakes</i> Hydraulic Tube Assemblies, <i>Twin Lakes</i> Hydraulic Flanges & Fittings	\$ 15,610.07
10/4/2024	60587	Elizabeth Hutton	Security Deposit Refund	\$ 130.07
10/4/2024	60588	John Haynes	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60589	Paul H. Kelly	Security Deposit Refund	\$ 273.78
10/4/2024	60590	Kimball Midwest	Boatyard Retail Items	\$ 1,048.05

Santa Cruz Port District
Accounts Payable Monthly Check Register
October 2024

Date	No.	Vendor	Description	Amount
10/4/2024	60591	Kingdom, Kyle	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60592	Large's Metal Fabrication, Inc.	Aerator Shafts, Trash Can Repair Steel	\$ 814.31
10/4/2024	60593	Larry Quigley Trust	Security Deposit Refund	\$ 59.88
10/4/2024	60594	Lighthouse Welding	Snorkel Repairs	\$ 4,340.00
10/4/2024	60595	Linde Gas & Equipment, Inc.	Welding Gas & Rod	\$ 828.70
10/4/2024	60596	Marine Travelift, Inc.	Annual Inspection & Training	\$ 3,650.00
10/4/2024	60597	McDermott, Dick	497 Lake Ave Installment Payment	\$ 4,535.45
10/4/2024	60598	McMaster-Carr Supply Company	<i>Twin Lakes</i> Christmas Tree Set Screws, Hex Nuts, Screws	\$ 412.68
10/4/2024	60599	Mid County Auto Supply	<i>Twin Lakes</i> Hydraulics Oil Filter	\$ 609.48
10/4/2024	60600	Mission Uniform Service	First Aid Supply, Uniform Service	\$ 494.24
10/4/2024	60601	Monterey Bay Marine	Dredge Skiff Repairs	\$ 131.68
10/4/2024	60602	Mutual of Omaha	Life/AD&D/LTD Insurance	\$ 918.87
10/4/2024	60603	Nigro & Nigro, PC	FY24 Audit Final Payment	\$ 10,500.00
10/4/2024	60604	Operating Engineers	Union Dues (Payroll Deduction)	\$ 207.00
10/4/2024	60605	Capital One Trade Credit - OSH	Parking Signage Hardware	\$ 59.68
10/4/2024	60606	Pacific Gas & Electric Company	Utilities	\$ 21,391.55
10/4/2024	60607	Pagoda Technologies Inc	IT & Cyber Security Services (October)	\$ 3,504.00
10/4/2024	60608	Palace Business Solutions	Office Supplies	\$ 215.87
10/4/2024	60609	Peninsula Diesel Inc.	<i>Dauntless</i> Valve Cover Gaskets	\$ 133.96
10/4/2024	60610	Peninsula Welding & Medical Supply	Flex Wheels	\$ 312.72
10/4/2024	60611	Riverside Lighting & Electric	AA-Dock Lighting, Fuel Dock Lighting, Screw Driver, Aerator Electrical Plugs	\$ 779.38
10/4/2024	60612	Neil Roberts	Security Deposit Refund	\$ 120.92
10/4/2024	60613	Rodamer, Becky	Special Event Security Deposit Refund	\$ 500.00
10/4/2024	60614	Rowe Machinery	<i>Twin Lakes</i> Bushing Replacement	\$ 800.00
10/4/2024	60615	Santa Cruz Municipal Utilities	Utilities	\$ 21,643.13
10/4/2024	60616	Sean Rothwell	Quarterly Uniform Allowance	\$ 190.00
10/4/2024	60617	Staples Business Advantage	Office Supplies	\$ 87.08
10/4/2024	60618	Superior Alarm Company	493 Lake Avenue Alarm Monitoring	\$ 252.00
10/4/2024	60619	Mark Tepper	Legal Consultation	\$ 680.00
10/4/2024	60620	Trionic Corp.	Dock Boxes for Resale	\$ 4,470.28
10/4/2024	60621	Uline	Fire Extinguisher Brackets	\$ 27.96
10/4/2024	60622	West Marine Pro	<i>Dauntless</i> Anodes, Cable Fittings, and Electrical Wire, <i>Twin Lakes</i> Anodes and Coax Cable	\$ 1,047.41

Santa Cruz Port District
Accounts Payable Monthly Check Register
October 2024

Date	No.	Vendor	Description	Amount
10/4/2024	60623	West Marine Pro	Boatyard Retail Items	\$ 481.43
10/4/2024	60624	Wex Bank	Fleet Fuel	\$ 2,712.49
10/10/2024	60625	Randazzo Enterprises, Inc.	Vessel Disposal (Grant Reimbursable)	\$ 9,690.00
10/18/2024	60626	Ace Portable Services	West Side Sinkhole Temporary Safety Fencing	\$ 1,020.00
10/18/2024	60627	Allied Administrators for Delta Dental	Dental Insurance	\$ 3,216.17
10/18/2024	60628	Allied Universal	Security Patrol	\$ 8,453.11
10/18/2024	60629	Amazon Capital Services	Paint Sprayer, Breakroom Supplies	\$ 283.77
10/18/2024	60630	AT&T	Telephone	\$ 320.55
10/18/2024	60631	David Austin	Credit Balance Refund	\$ 1,220.00
10/18/2024	60632	Big Creek	Fuel Dock Door Repair	\$ 41.33
10/18/2024	60633	Bow Wow Pet Waste Products	Pet Waste Station Bags	\$ 210.88
10/18/2024	60634	Cale America, Inc.	Monthly Service	\$ 1,358.52
10/18/2024	60635	Carpi & Clay	Washington Representation	\$ 800.00
10/18/2024	60636	Chad Cashin	Security Deposit Refund	\$ 582.40
10/18/2024	60637	Christianson Tree Experts	Tree & Brush Removal	\$ 6,600.00
10/18/2024	60638	Comcast	Business Internet	\$ 403.12
10/18/2024	60639	Complete Mailing Service	Statement Mailing & Postage	\$ 615.99
10/18/2024	60640	Crystal Springs Water Co.	Boatyard Drinking Water	\$ 118.75
10/18/2024	60641	Ken Dahl Jr.	Credit Balance Refund	\$ 311.15
10/18/2024	60642	Data Ticket, Inc.	Citation Processing (September)	\$ 669.00
10/18/2024	60643	FedEx	Shipping	\$ 288.24
10/18/2024	60644	Mark Frasca	Security Deposit Refund	\$ 230.00
10/18/2024	60645	Garda CL West, Inc.	Deposit Courier Service	\$ 1,077.78
10/18/2024	60646	Todd Goudberg	Security Deposit Refund	\$ 209.38
10/18/2024	60647	Grainger	Annular Cutters, Sockets, Bits, Thread Repair Kit	\$ 678.09
10/18/2024	60648	Guardian Public Safety Background Investigations	Harbor Patrol Pre-Employment Background Investigation	\$ 1,450.00
10/18/2024	60649	HD Supply Facilities Maintenance, Ltd.	Janitorial Supplies	\$ 1,993.48
10/18/2024	60650	Hose Shop	Travelift Hydraulic Hose	\$ 240.70
10/18/2024	60651	Hutchinson & Bloodgood LLP	LeaseCrunch Software	\$ 1,210.40
10/18/2024	60652	Johnson Hicks Marine Electronics	<i>Twin Lakes</i> Transducer Cable & Bracket	\$ 173.28
10/18/2024	60653	McMaster-Carr Supply Company	<i>Dauntless</i> Hardware	\$ 95.56
10/18/2024	60654	Melrose, Rick	Quarterly Uniform Allowance	\$ 100.00

Santa Cruz Port District
Accounts Payable Monthly Check Register
October 2024

Date	No.	Vendor	Description	Amount
10/18/2024	60655	Frank Menacho	Security Deposit & Credit Balance Refund	\$ 726.53
10/18/2024	60656	Mission Uniform Service	First Aid Supply, Uniform Service	\$ 240.85
10/18/2024	60657	Klaus Model	4-Haul Program Refund, Security Deposit Refund	\$ 1,133.60
10/18/2024	60658	MSC Industrial Supply Co.	Refuse Bin Wheels	\$ 1,408.80
10/18/2024	60659	Musolf, Michael	Security Deposit Refund	\$ 317.75
10/18/2024	60660	Niki Rothwell	Employee Expense Reimbursement: Breakroom Supplies	\$ 74.89
10/18/2024	60661	Capital One Trade Credit - OSH	Aerator Hardware	\$ 23.87
10/18/2024	60662	Pacific Gas & Electric Company	Utilities	\$ 20,595.23
10/18/2024	60663	Palace Business Solutions	Office Supplies	\$ 83.26
10/18/2024	60664	PDM Steel Service Centers, Inc.	Steel Plate & Tubing	\$ 2,716.94
10/18/2024	60665	Krystle Pham	Security Deposit Refund	\$ 284.90
10/18/2024	60666	PNC Bank, N.A.	Taxable Loan Principal & Interest	\$ 43,688.13
10/18/2024	60667	Powertherm Maxim	<i>Twin Lakes</i> Service Parts	\$ 1,186.20
10/18/2024	60668	San Lorenzo	Harbor Office Network Closet Door, Adhesive	\$ 265.07
10/18/2024	60669	Santa Cruz Records Management, Inc.	Document Shredding	\$ 41.50
10/18/2024	60670	SC Fuels	Fuel Dock Gas & Diesel	\$ 55,473.57
10/18/2024	60671	Scheidt & Bachmann	Monthly Service	\$ 2,765.66
10/18/2024	60672	Santa Cruz Municipal Utilities	Utilities	\$ 4,296.33
10/18/2024	60673	Svensden's Marine & Industrial Supply	Paint Rollers	\$ 10.50
10/18/2024	60674	Townley Engineering & Mfg. Co., Inc.	<i>Twin Lakes</i> Snorkel Gaskets, Beach Valves Rubber Elbow	\$ 7,021.45
10/18/2024	60675	TranSystems Corporation	Engineering Services: Murray Street Bridge Project and North Harbor Transformer Replacement Project	\$ 12,156.63
10/18/2024	60676	U.S. Bank Equipment Finance	Copier Leases	\$ 305.55
10/18/2024	60677	US Relay	Webcam Service	\$ 484.00
10/18/2024	60678	Verizon Wireless	Cell Phone & Tablet Service	\$ 277.07
10/18/2024	60679	J. Dawn Waters	Security Deposit Refund	\$ 138.32
10/18/2024	60680	West Marine Pro	Aluminum Polish, <i>Dauntless</i> Hose Fittings, <i>Dauntless</i> Wiring	\$ 345.55
10/18/2024	60681	West Marine Pro	Boatyard Retail Items	\$ 1,343.46
10/18/2024	60682	Michael Zlotkin	Security Deposit Refund	\$ 368.70
10/4/2024	Various	Various Employees	9/16/24-9/30/24 Payroll	\$ 8,572.86
10/18/2024	Various	Various Employees	10/1/24-10/15/24 Payroll	\$ 8,440.35
10/1/2024	EFT	American Express	Fuel Dock Credit Card Fees	\$ 68.14
10/1/2024	EFT	Transaction Express	Online Billpay ACH Fees	\$ 762.07

Santa Cruz Port District
Accounts Payable Monthly Check Register
October 2024

Date	No.	Vendor	Description	Amount
10/1/2024	EFT	Cardconnect	RV Park Credit Card Fees	\$ 680.94
10/1/2024	EFT	Merchant Services	Fuel Dock Credit Card Fees	\$ 825.36
10/1/2024	EFT	Merchant Services	Online Billpay Credit Card Fees	\$ 197.54
10/1/2024	EFT	Merchant Services	CALE Credit Card Fees	\$ 1,985.21
10/1/2024	EFT	Merchant Services	Boatyard Credit Card Fees	\$ 509.36
10/1/2024	EFT	Gravity Payments	Front Desk Credit Card Fees	\$ 2,900.65
10/1/2024	EFT	Windcave, Inc.	Concession Lot Credit Card Fees	\$ 2,722.47
10/1/2024	EFT	ElectronicPayments	Fuel Dock Credit Card Fees	\$ 21.71
10/3/2024	EFT	Fiserv	RV Park ACH Fees	\$ 10.00
10/4/2024	EFT	PAYCHEX	9/16/24-9/30/24 Payroll Direct Deposit	\$ 67,665.30
10/4/2024	EFT	PAYCHEX	9/16/24-9/30/24 Payroll Taxes	\$ 32,029.76
10/4/2024	EFT	PAYCHEX	Payroll Service Fees	\$ 639.68
10/4/2024	EFT	CalPERS	Health Insurance	\$ 53,095.70
10/4/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 9,925.77
10/4/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,555.65
10/4/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,708.22
10/4/2024	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 4,524.20
10/4/2024	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 88.88
10/7/2024	EFT	California State Disbursement Unit	Wage Garnishment (Payroll Deduction)	\$ 125.00
10/7/2024	EFT	Comerica Commercial Card Services	WhenWork Subscription, Harbor Patrol Uniform Shirts, Spray Paint, Patrol Vehicle Light Bar Lens, Local Budgeting Webinar, Zoom Subscription, Shipping, Network Closet Cooling and Exhaust Fans, Constant Contact Subscription, Commission Meeting Refreshments, Hydrogen Sulfide Functional Test Module Calibration, pH Meter, Pressure Washer Fittings, CMANC Fall Meeting Registration & Sponsorship, Pest Control, Qualified Applicator Certificate Fee, <i>Dauntless</i> Cutlass Bearings, Hydraulic Fittings, <i>Twin Lakes</i> Spotlight Mounts, Stainless Steel Fasteners, Harbor Patrol Uniform Embroidery, Portable Sounding Kit, Aerator U-Joints	\$ 9,620.84
10/8/2024	EFT	California Department of Tax and Fee Administration	Sales Tax Return	\$ 3,991.00
10/8/2024	EFT	California Department of Tax and Fee Administration	Underground Storage Tank Maintenance Return	\$ 946.00
10/9/2024	EFT	Comerica Bank	Service Charges	\$ 712.17
10/10/2024	EFT	Campspot	RV Park Software Monthly Fees	\$ 309.50
10/10/2024	EFT	Gravity Payments	Front Desk Credit Card Gateway Fee	\$ 24.08
10/16/2024	EFT	GoTo Communications, Inc.	Monthly IP Telephone Service	\$ 505.38

Santa Cruz Port District
Accounts Payable Monthly Check Register
 October 2024

Date	No.	Vendor	Description	Amount
10/18/2024	EFT	PAYCHEX	10/1/24-10/15/24 Payroll Direct Deposit	\$ 68,595.30
10/18/2024	EFT	PAYCHEX	10/1/24-10/15/24 Payroll Taxes	\$ 32,513.81
10/18/2024	EFT	PAYCHEX	Payroll Service Fees	\$ 612.31
10/18/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 10,025.94
10/18/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 7,554.15
10/18/2024	EFT	CalPERS	Retirement Contributions (Employee & Employer)	\$ 1,708.22
10/18/2024	EFT	CalPERS	457 Contributions (Payroll Deduction)	\$ 4,547.56
10/18/2024	EFT	Empower Retirement	457 Loan Repayments (Payroll Deduction)	\$ 88.88
10/18/2024	EFT	California State Disbursement Unit	Wage Garnishment (Payroll Deduction)	\$ 125.00
10/20/2024	EFT	PAYCHEX	Time & Attendance Fees	\$ 120.45
10/30/2024	EFT	Windcave, Inc.	Concession Lot Credit Card Gateway Fee	\$ 663.34
Total October 2024 Disbursements				\$ 1,006,103.16

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

TO: Port Commission
FROM: Holland MacLaurie, Port Director
DATE: November 14, 2024
SUBJECT: Port Director's Report – November 26, 2024

Anchovy Clean-Up Response

On October 19, 2024, staff commenced clean up efforts after a large influx of anchovies depleted oxygen levels in the harbor causing a die-off in the south harbor area. Clean-up efforts lasted 5 days, resulting in approximately 90,000 pounds of anchovies being removed. Costs associated with the clean-up, including labor, supplies, and disposal fees, totaled approximately \$45,000.

West Jetty Walkway Repairs by Army Corps

On January 19, 2023, the U.S. Army Corps of Engineers (Corps) performed an inspection of the east and west jetties after a series of major atmospheric river events impacted the Central California coast. The purpose of the inspection was to identify any major and/or significant changes in structural condition, due to the winter storms, that would warrant remedial action by the Corps. As a result, the Corps identified approximately \$1.3 million in necessary repairs to address armor stone placement and concrete cap and walkway repairs along the southern portion of the west jetty. The Corps has received the necessary funding for construction and has initiated work to obtain permits for the project. An official commencement date has not been provided.

Verizon Wireless Lease Update

After submitting proposed lease revisions to Verizon Wireless (Verizon) on July 30, 2024, and receiving no response, the Port District informed Verizon on October 23, 2024, that it is no longer interested in negotiating terms for a future lease agreement. To date, no communication or acknowledgement has been received from Verizon.

Coast Guard Auxiliary Presentation

On November 5, 2024, I attended a Coast Guard Auxiliary meeting to provide relevant harbor updates and discuss capital projects that are scheduled for the coming year.

Port Commission December Meeting Schedule

The regular public meeting in December has been rescheduled to Tuesday, December 10, 2024, at 5:30 PM.



TO: Port Commission
FROM: Blake Anderson, Harbormaster
DATE: November 15, 2024
SUBJECT: Harbormaster's Report – November 26, 2024

Basic Coastal Operator Training

Deputy Harbormaster staff participated in a Division of Boating and Waterways Basic Coastal Operator (BCO) class at Pillar Point Harbor on October 14-18, 2024. The BCO class was designed with Harbor Patrol personnel in mind and expands on the Basic Enforcement class, covering topics specific to coastal rescue operations and weather considerations.

Central Fire Exercise

Staff participated in an exercise with Central Fire on Sunday, November 3, 2024, in the north harbor. The exercise was meant to familiarize fire personnel with our infrastructure and highlight considerations specific to marine/boat fires.



Anchovies

Anchovy schools are still abundant outside the harbor, with birds and whales actively feeding. The dissolved oxygen level has improved since the die off on October 18, 2024, but it has not fully recovered, so the aerators are still deployed. Staff will continue to monitor the activity offshore until the bait pushes to deeper water, hopefully in the coming weeks.

Annual Fuel Dock Inspection and Operator Training

Deputy Harbormasters, operations, and maintenance staff participated in an annual fuel dock operations training with Triton Construction. The annual training, which is required under the District's operating permit, included a review of the fuel system, troubleshooting, emergency procedures, record keeping, hazmat mitigation, and best management practices. Additionally, representatives from Santa Cruz County Environmental Health were onsite to perform an annual inspection.

Lighted Boat Parade

The Lighted Boat Parade will take place on Saturday, December 7, 2024, at 5:30 pm, rain or shine. Last year had a great participant turnout, so hopefully we see the same in this year's event!

Fishery Update

The Dungeness crab sport fishery opened on November 2, 2024, however, anglers are limited to using hoop nets (or snares) only. The commercial Dungeness crab fishery remains delayed due to the presence of humpback whales in the management zone. The California Department of Fish and Wildlife (CDFW) anticipates another assessment on or around November 15, 2024. It is unknown when the CDFW will allow the use of conventional traps in the recreational fishery.

Rockfish regulations changed on November 1, 2024, with fishing permitted inside 50 fathoms through November 30, 2024. Starting December 1, 2024, through December 31, 2024, it will again switch back to an offshore-only fishery (50 fathoms or greater). The CDFW imposed these depth restrictions to protect the Quillback rockfish stocks.

Fisheries Report continued on the next page.

Fisheries Report

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

October 2024 – Total Port Landings:

Species	Weight (lbs.)	Ex-Vessel (\$ per lbs.)	Approx. Value
CA Halibut	4,090.46	\$ 6.72	\$ 27,506.63
Jack Mackerel	20,395.89	\$ 1.22	\$ 25,060.93
White Croaker	1,957.30	\$ 1.22	\$ 2,407.43
Rockfish (various)	580.00	\$ 2.56	\$ 1,486.00
Lingcod	297.20	\$ 3.05	\$ 908.10
Pacific Mackerel	584.90	\$ 1.41	\$ 826.51
Jacksmelt	555.70	\$ 1.02	\$ 568.20
Total	28,461.45		\$58,763.80

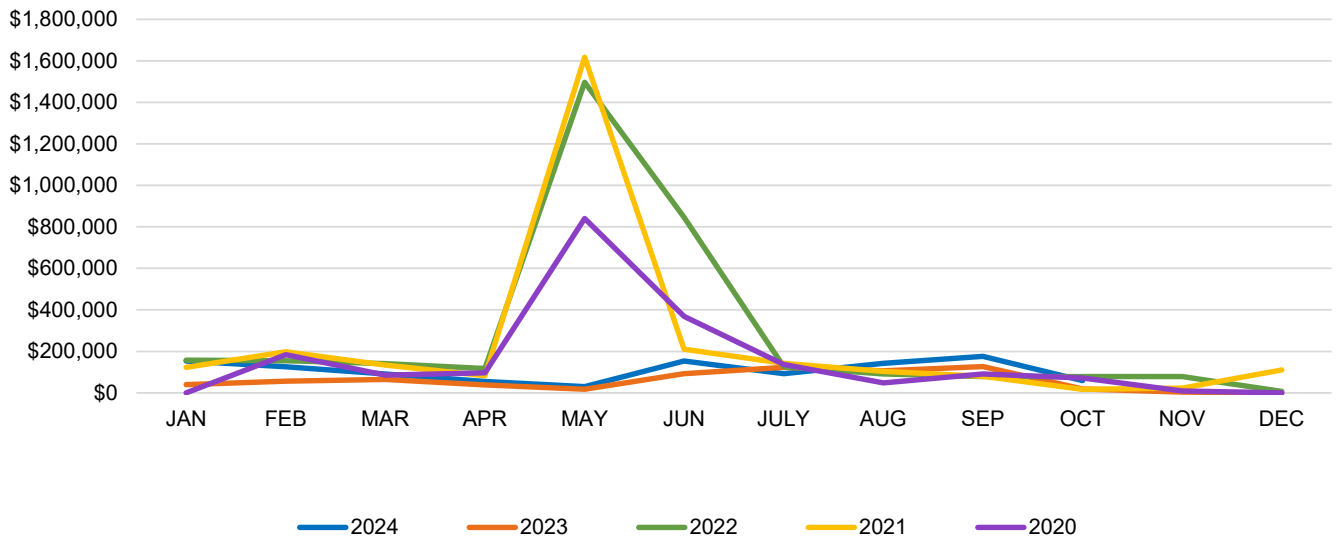
October 2024 – Resident Buyer Landings:

Species	Weight (lbs.)	Ex-Vessel (\$per lbs.)	Approx. Value
Rockfish (various)	8,054.00	\$ 2.00	\$ 16,108.00
CA Halibut	1,672.65	\$ 6.50	\$ 10,872.22
Sablefish (Blackcod)	1,953.80	\$ 3.00	\$ 5,861.40
Rock Crab	1,228.00	\$ 3.00	\$ 3,684.00
White Seabass	189.00	\$ 6.50	\$ 1,228.50
Jack Mackerel	772.00	\$ 1.00	\$ 772.00
Lingcod	211.80	\$ 3.00	\$ 635.40
Sanddabs	120.15	\$ 1.00	\$ 120.15
Jacksmelt	73.00	\$ 1.00	\$ 73.00
Starry Flounder	7.40	\$ 2.00	\$ 14.80
Petrale Sole	3.50	\$ 2.00	\$ 7.00
Total	14,285.30		\$39,376.47

Species also landed*-Albacore Tuna, Yellowtail, Rock Crab, Pacific Pompano, Pacific Sardine, Northern Anchovy, California Barracuda, Sablefish, Sanddab, Petrale Sole, Starry Flounder

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

Santa Cruz Harbor - Total Port Landings





TO: Port Commission
FROM: Carl Wulf, Facilities Maintenance & Engineering Manager
DATE: November 15, 2024
SUBJECT: Facilities Maintenance & Engineering Manager's Report - November 26, 2024

Dredging Operations:

Twin Lakes

The dredge crew has completed maintenance tasks in preparation for the upcoming dredge season. On Thursday, November 14, 2024, *Twin Lakes* was moved from its off-season mooring in the north harbor to the entrance channel during low tide. The dredge will begin the season facing north to focus on deepening the areas around AA-Dock and the fuel dock, which were not dredged last year. The crew has also finished mobilizing the disposal pipeline on the beach and securing the anchors in the channel.

Squirt

Squirt will not be utilized during the 2024-25 dredge season and will remain hauled out in the boatyard for extended maintenance.

Dauntless

The dredge crew has completed the maintenance for this season and *Dauntless* was splashed on Wednesday, November 6, 2024.

Maintenance:

Santa Cruz Waterfront Center Painting Project

Selway Construction has completed the painting project on the building at 2222 East Cliff Drive. Painting commenced on October 28, 2024, and finished on November 8, 2024.



North Harbor Transformer Replacement and Relocation Project

Anderson Pacific has completed all underground site work for this project. The platforms are finished, and installation of the power centers began on November 18, 2024. The cutover process to transition to the new power centers is scheduled to start on December 2, 2024, at W-Dock, with completion for all docks expected by December 18, 2024.



Metal Canopy Structure Project

SSB Construction's work on the canopy structure is complete. Maintenance crews will be installing the kayak racks in the coming weeks.



On November 5, 2024, staff observed a water leak emanating from the trash compactor area. It was determined that the leak originated from underneath the compactor. On Wednesday, November 6, 2024, a City of Santa Cruz crew removed the compactor and provided staff with a substitute dumpster. Staff excavated the area beneath the compactor to locate and repair the source of the leak.





2023
UAL POLICY
COMPLIANCE ANALYSIS

PENSION POLICY COMPLIANCE ANALYSIS

INTRODUCTION

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

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

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

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

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

DISTRICT’S PENSION PLANS AND UNFUNDED ACCRUED LIABILITY

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

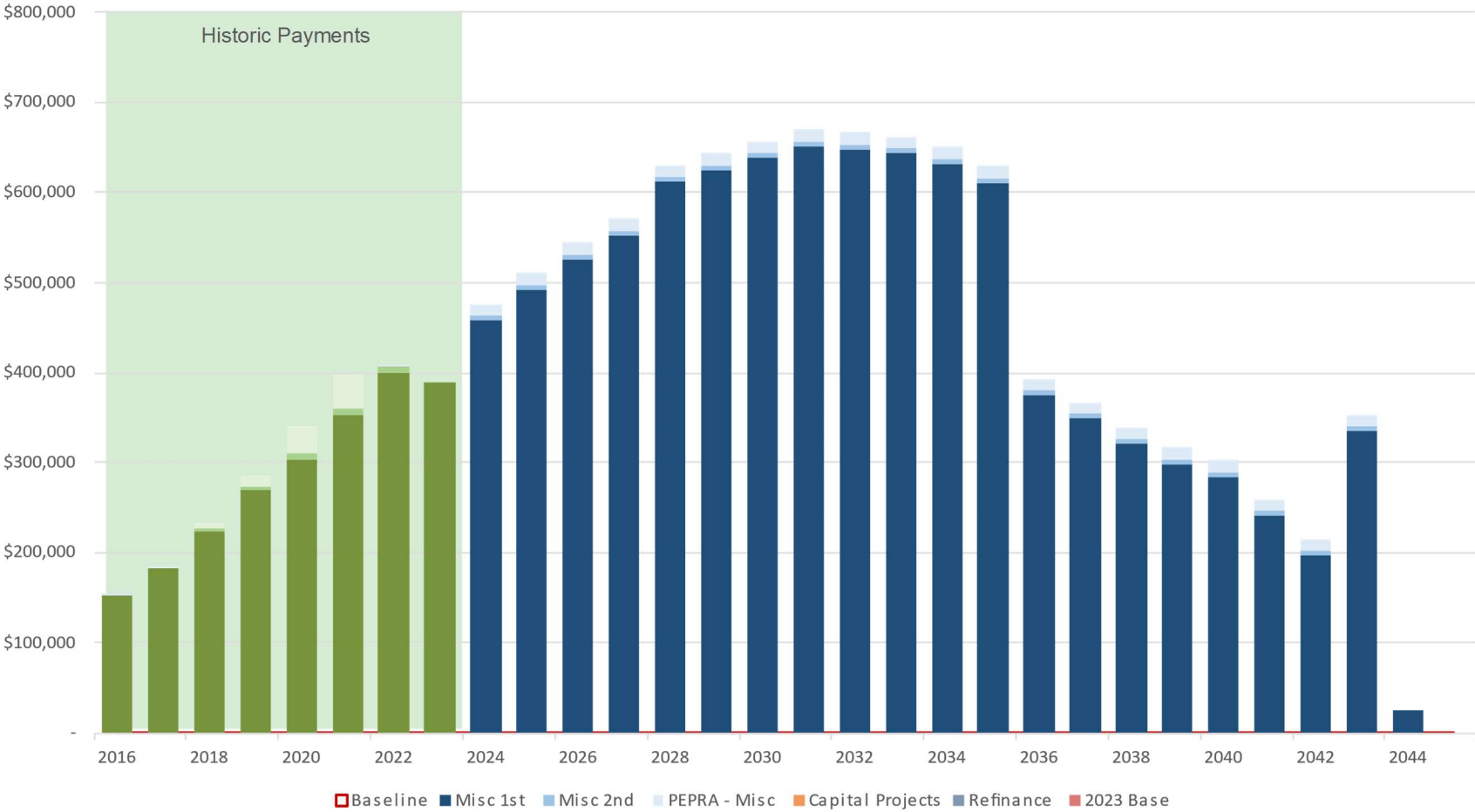
Table 1
Santa Cruz Port District
Pension Plans Summary

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

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

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

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

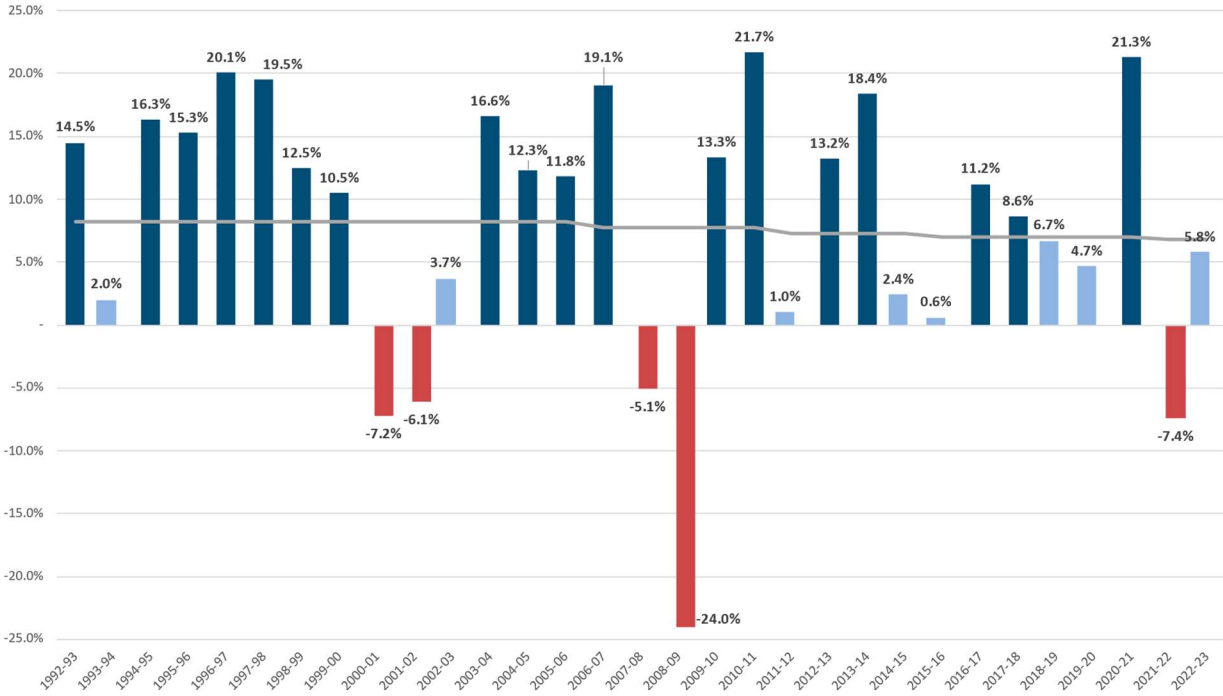


Source: CalPERS Actuarial Valuation Reports as of June 30, 2023

CALPERS INVESTMENT PERFORMANCE FOR FYE 2022

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

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



Source: CalPERS

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

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

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

IMPACT OF CALPERS' INVESTMENT PERFORMANCE ON THE DISTRICT

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

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

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

Table 3
Santa Cruz Port District
Estimated 2023 Investment Loss Impact

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

Source: California Municipal Advisors

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

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

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

DISTRICT'S ESTIMATED FYE 2023 PENSION PLAN FUNDED LEVELS

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

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

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

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

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

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

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

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

AMORTIZATION OF NEW UAL

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

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

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

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

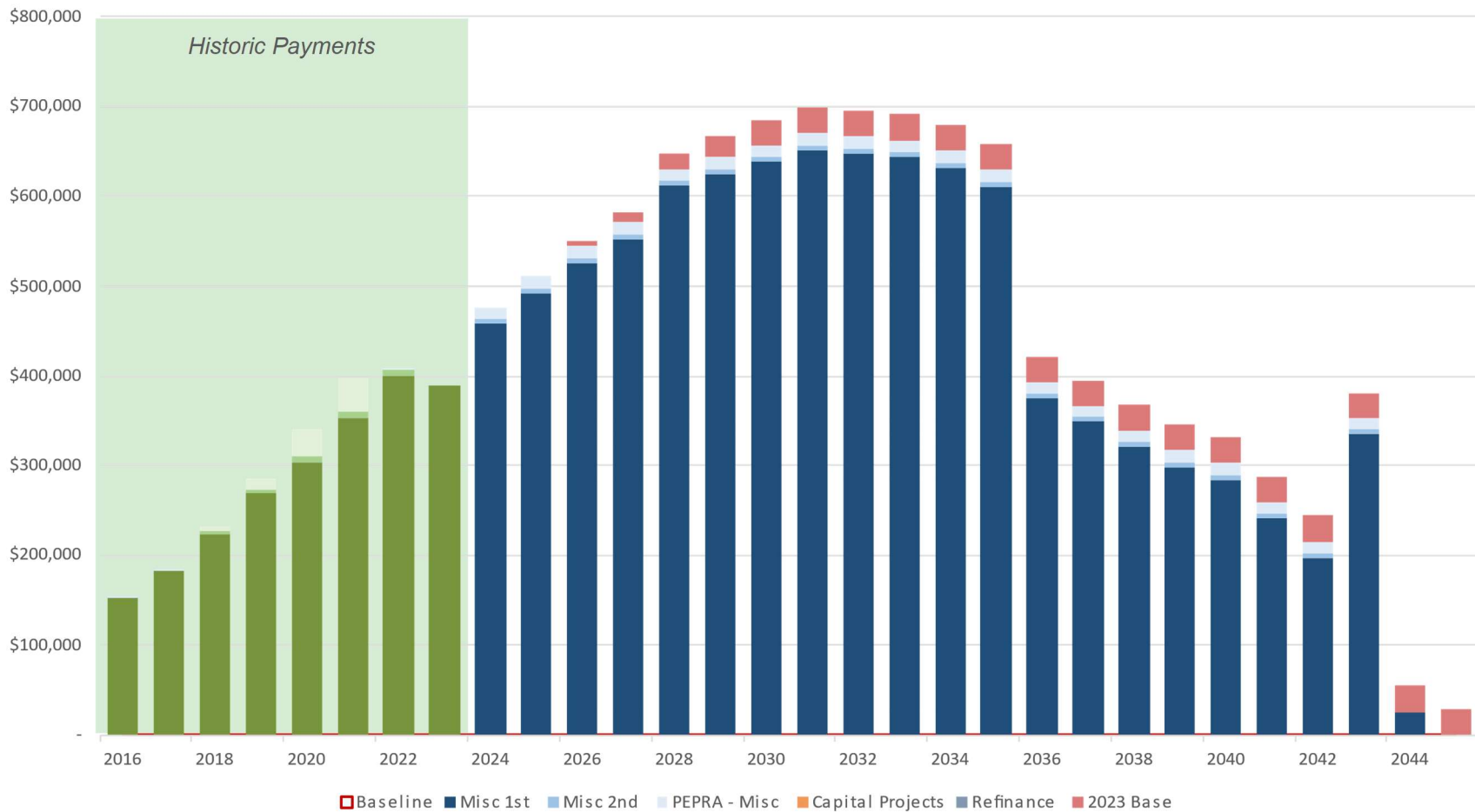


Table 5 provides the annual detailed estimate of the existing UAL amortization and the new UAL amortization schedule.

Table 5
Santa Cruz Port District
Estimated UAL Amortization Schedule

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

PENSION COST OPTIMIZATION STRATEGIES

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

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

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

Strategy A: Additional Discretionary Payments

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

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

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

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

Source: California Municipal Advisors

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

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

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

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

Source: California Municipal Advisors

Strategy B: Eliminate Negative Amortization

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Table 9
Santa Cruz Port District
Negative Amortization Elimination Detail

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

Strategy C: Capital Project Considerations

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

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

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

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

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

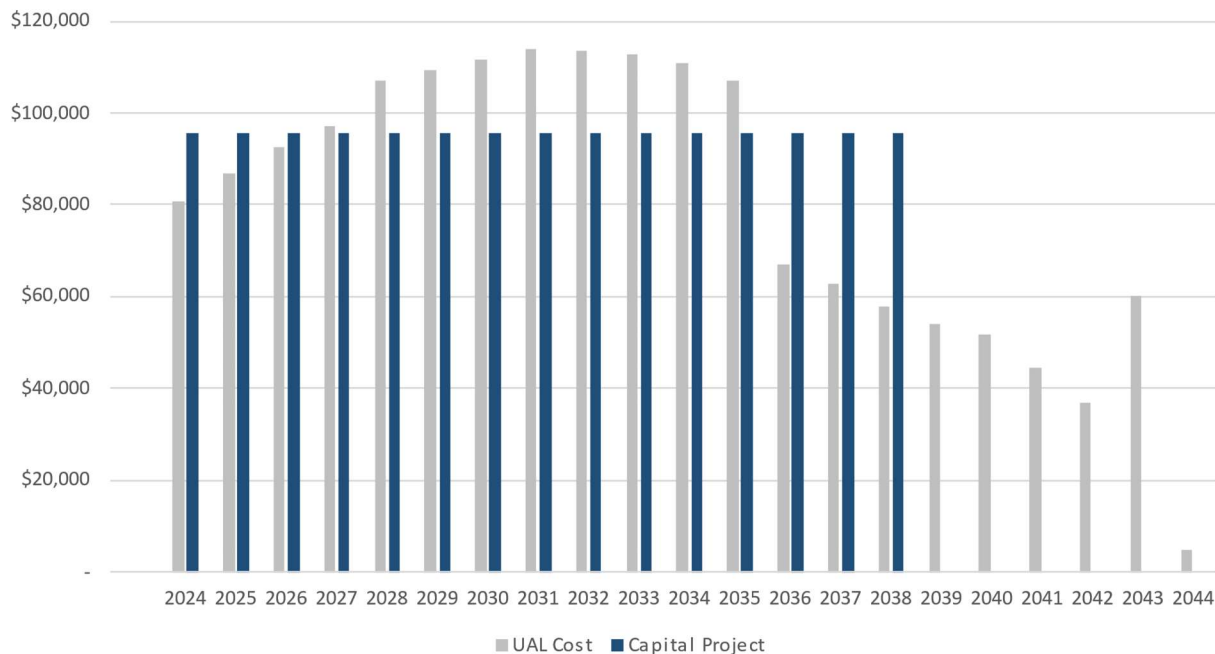


Table 11
Santa Cruz Port District
Capital Financing Alternatives

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

Strategy D: Refinance UAL

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

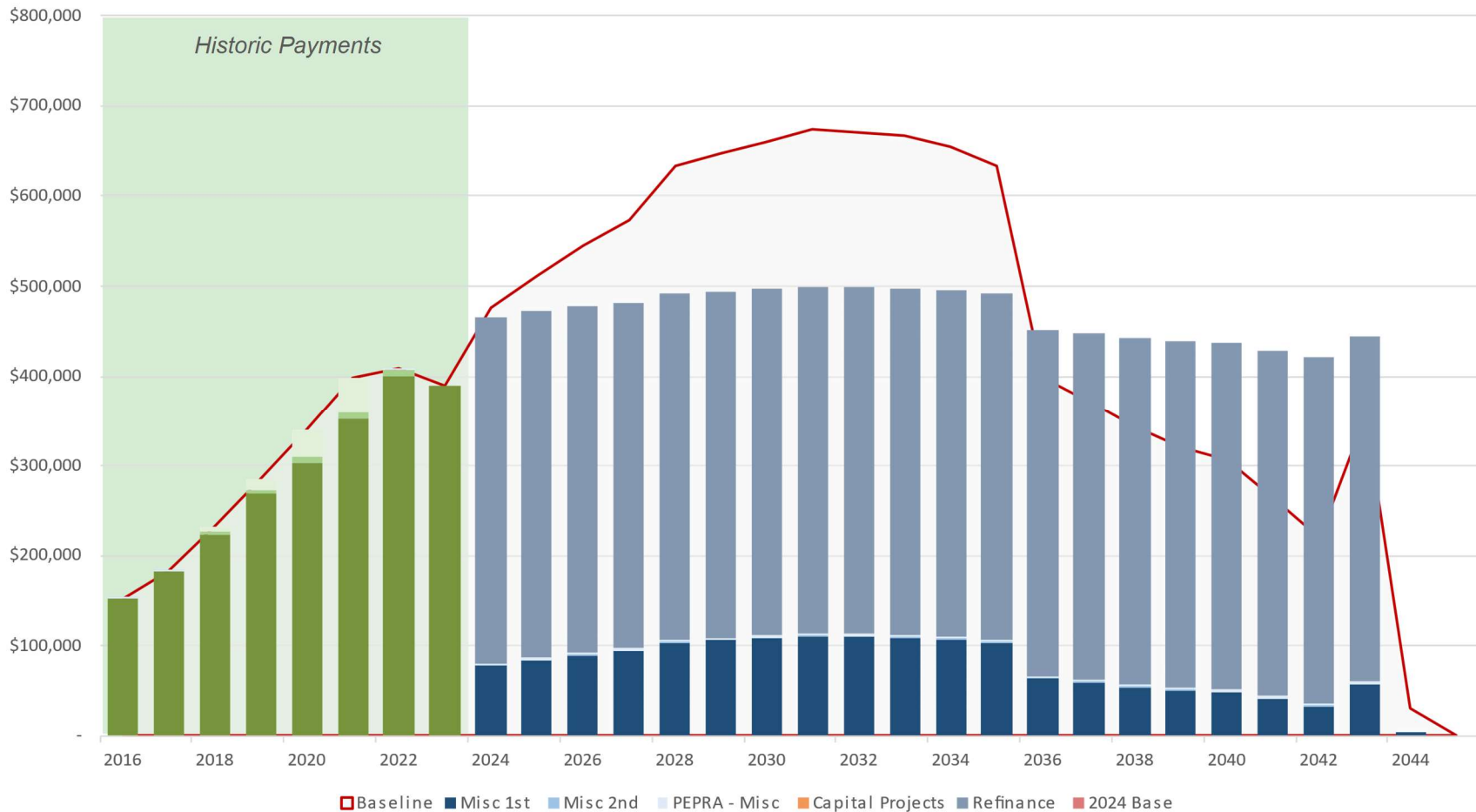
Refinancing UAL involves borrowing funds from a bank on a taxable basis and using the borrowed funds to pay down current UAL with CalPERS. The goal of this approach is to borrow the funds at an interest rate sufficiently lower than the Discount Rate (6.8%) to ensure long-term savings. While the interest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

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

Table 12
Santa Cruz Port District
Capital Financing Alternatives

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

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



Strategy E: Make discretionary contributions to a 115 Trust

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

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

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

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

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

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

Combining Strategies

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

Strategy A: Contribute \$25,000 as ADPs

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

Strategy D: Refinance UAL to 95% funded.

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

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

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

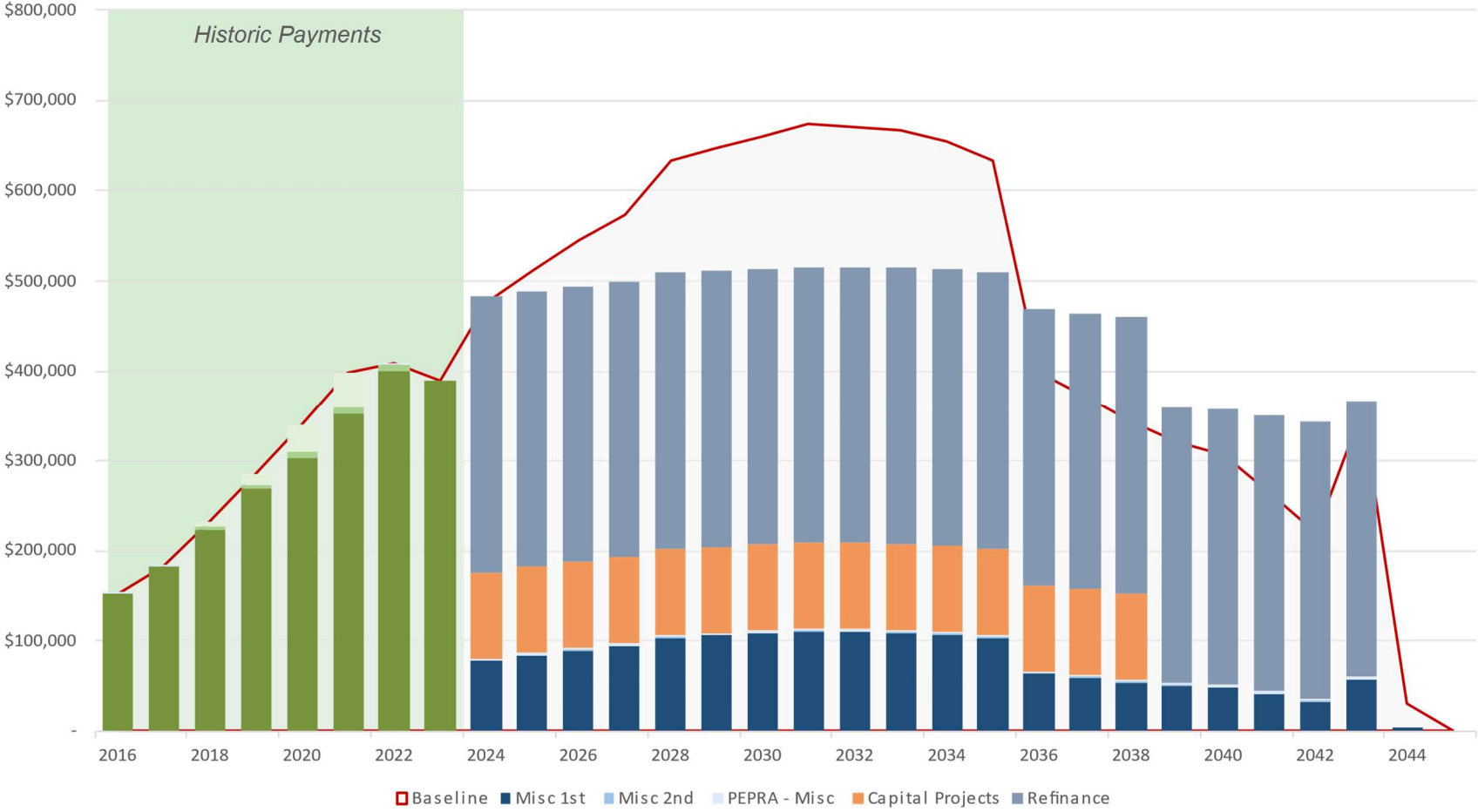


Table 13 provides the annual detailed estimate of the existing UAL payments, the Pension Loan payments, and the accelerated UAL amortization schedule, and the resulting savings from the current baseline.

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

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

CONCLUSION

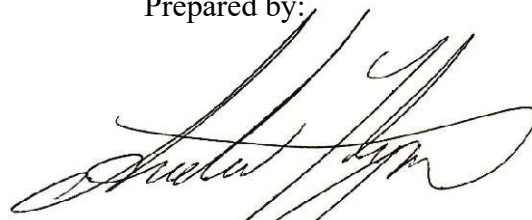
Proactive pension liability management practices are essential for keeping the District's future UAL balances and the associated interest costs under control.

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

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

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

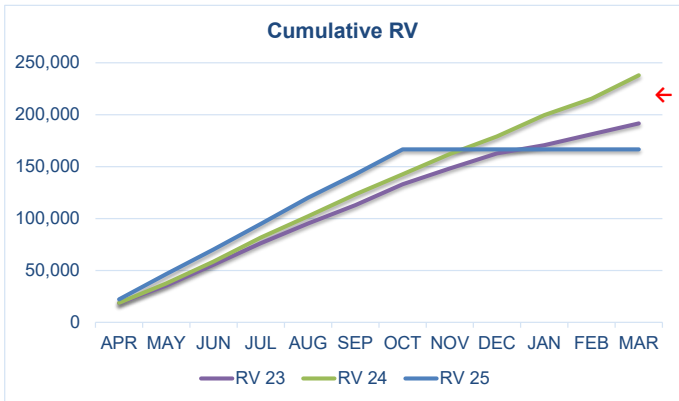
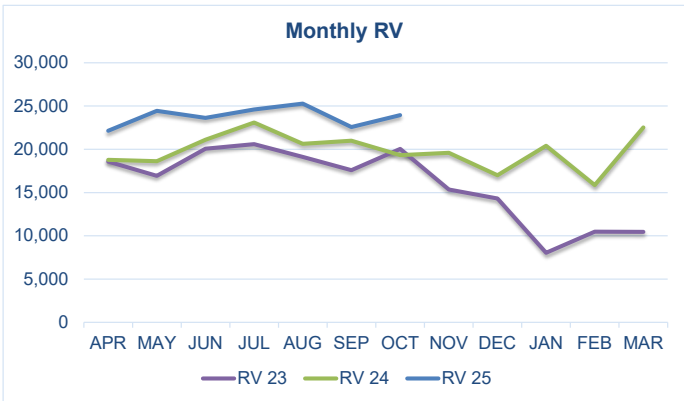
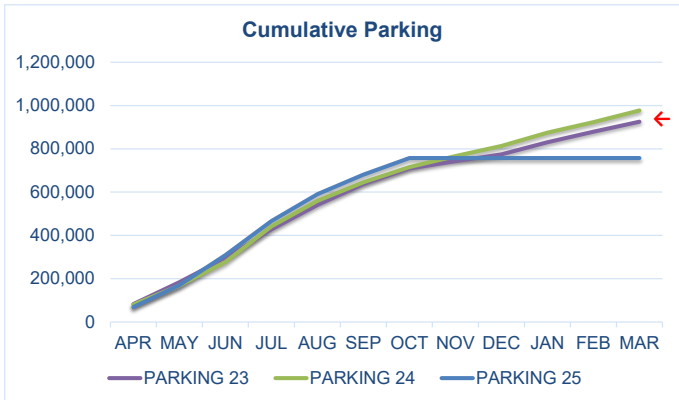
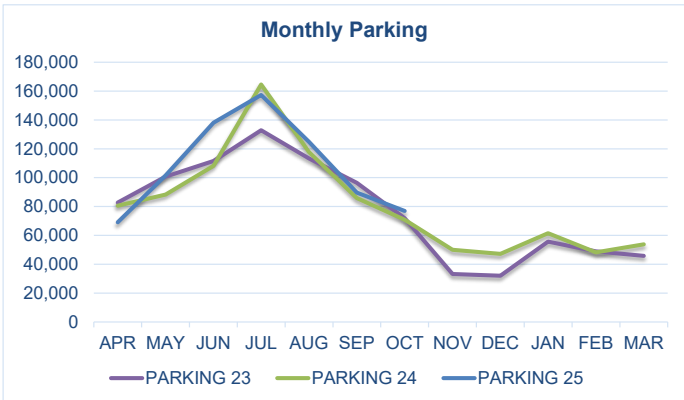
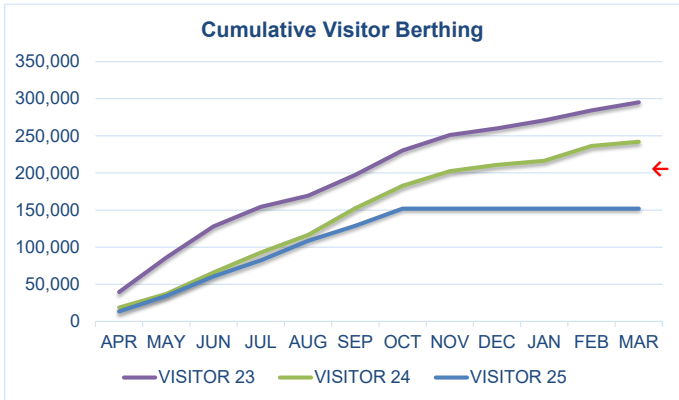
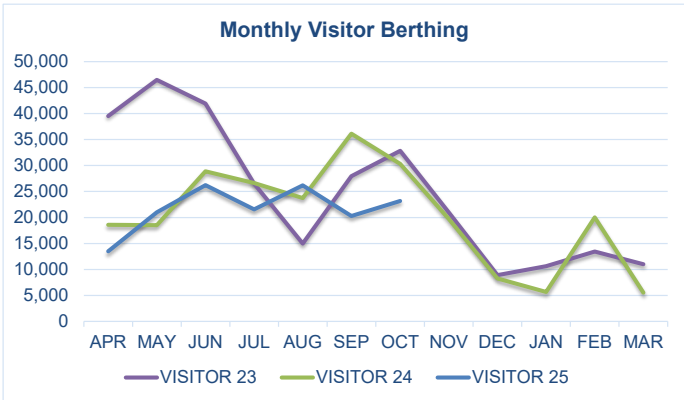
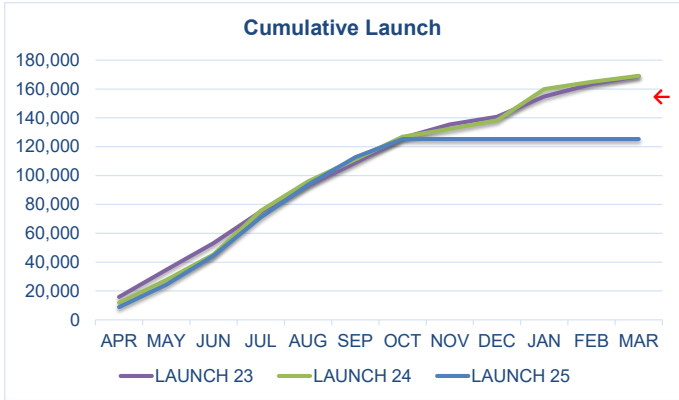
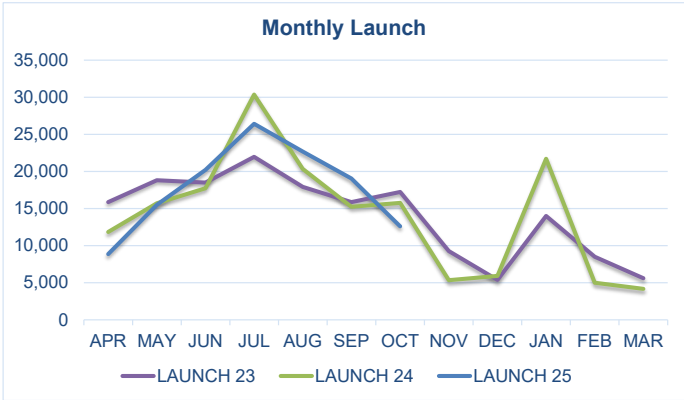
Prepared by:



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Managing Director
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Santa Cruz Port District
SEASONAL INCOME
 For the Seven Months Ending October 31, 2024

FY25 Budget ←



California State Treasurer
Fiona Ma, CPA



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

November 01, 2024

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

SANTA CRUZ PORT DISTRICT

PORT DIRECTOR
 135 5TH AVENUE
 SANTA CRUZ, CA 95062

[Tran Type Definitions](#)

Account Number:

October 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/15/2024	10/14/2024	QRD	1761575	N/A	SYSTEM	3,539.07

Account Summary

Total Deposit:	3,539.07	Beginning Balance:	298,430.19
Total Withdrawal:	0.00	Ending Balance:	301,969.26



Summary Statement

October 31, 2024

Page 1 of 3

Investor ID:

0000072-0000295 PDF 708953

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

California CLASS

California CLASS

Average Monthly Yield: 5.0039%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Port District Main	17,601,550.47	350,000.00	0.00	74,791.00	795,316.58	17,682,995.34	18,026,341.47
TOTAL	17,601,550.47	350,000.00	0.00	74,791.00	795,316.58	17,682,995.34	18,026,341.47



Port District Main

Account Summary

Average Monthly Yield: 5.0039%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	17,601,550.47	350,000.00	0.00	74,791.00	795,316.58	17,682,995.34	18,026,341.47

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
10/01/2024	Beginning Balance			17,601,550.47	
10/25/2024	Contribution	350,000.00			7047
10/31/2024	Income Dividend Reinvestment	74,791.00			
10/31/2024	Ending Balance			18,026,341.47	



California CLASS

California CLASS

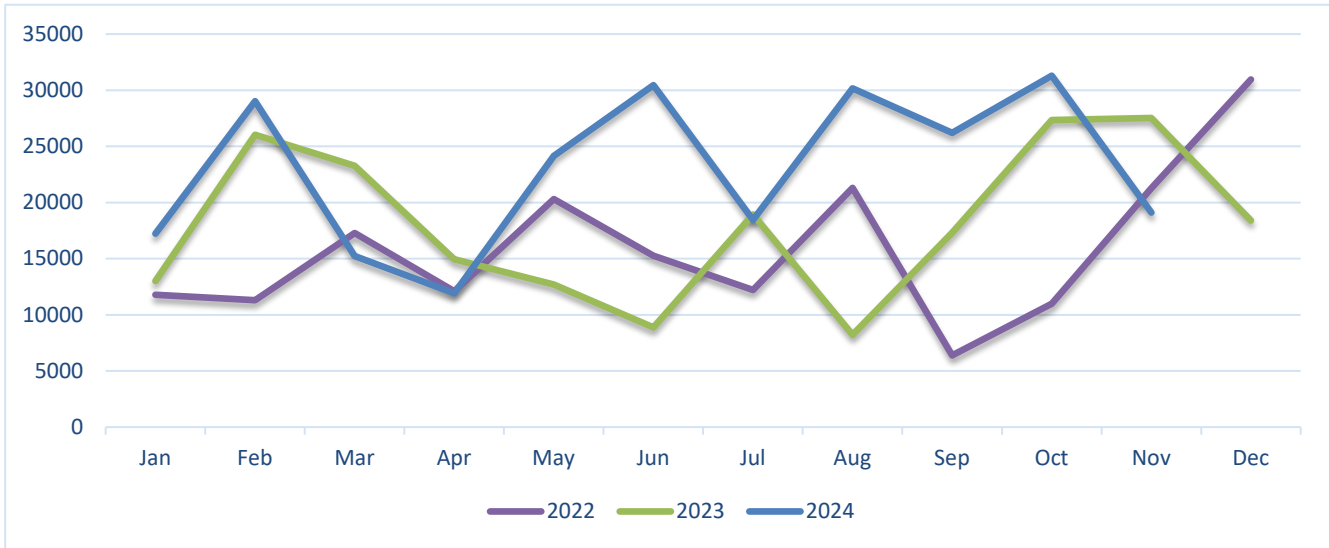
Date	Dividend Rate	Daily Yield
10/01/2024	0.000138678	5.0756%
10/02/2024	0.000139380	5.1013%
10/03/2024	0.000138137	5.0558%
10/04/2024	0.000411603	5.0216%
10/05/2024	0.000000000	5.0216%
10/06/2024	0.000000000	5.0216%
10/07/2024	0.000136858	5.0090%
10/08/2024	0.000136838	5.0083%
10/09/2024	0.000136889	5.0101%
10/10/2024	0.000136658	5.0017%
10/11/2024	0.000545556	4.9919%
10/12/2024	0.000000000	4.9919%
10/13/2024	0.000000000	4.9919%
10/14/2024	0.000000000	4.9919%
10/15/2024	0.000136312	4.9890%
10/16/2024	0.000136701	5.0033%
10/17/2024	0.000136971	5.0131%
10/18/2024	0.000410037	5.0025%
10/19/2024	0.000000000	5.0025%
10/20/2024	0.000000000	5.0025%
10/21/2024	0.000136508	4.9962%
10/22/2024	0.000136214	4.9855%
10/23/2024	0.000136301	4.9886%
10/24/2024	0.000136188	4.9845%
10/25/2024	0.000408363	4.9820%
10/26/2024	0.000000000	4.9820%
10/27/2024	0.000000000	4.9820%
10/28/2024	0.000136133	4.9825%
10/29/2024	0.000136054	4.9796%
10/30/2024	0.000136022	4.9784%
10/31/2024	0.000135894	4.9737%

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

Santa Cruz Port District
60 DAY DELINQUENT ACCOUNTS

The following accounts have balances 60 days delinquent as of November 12, 2024

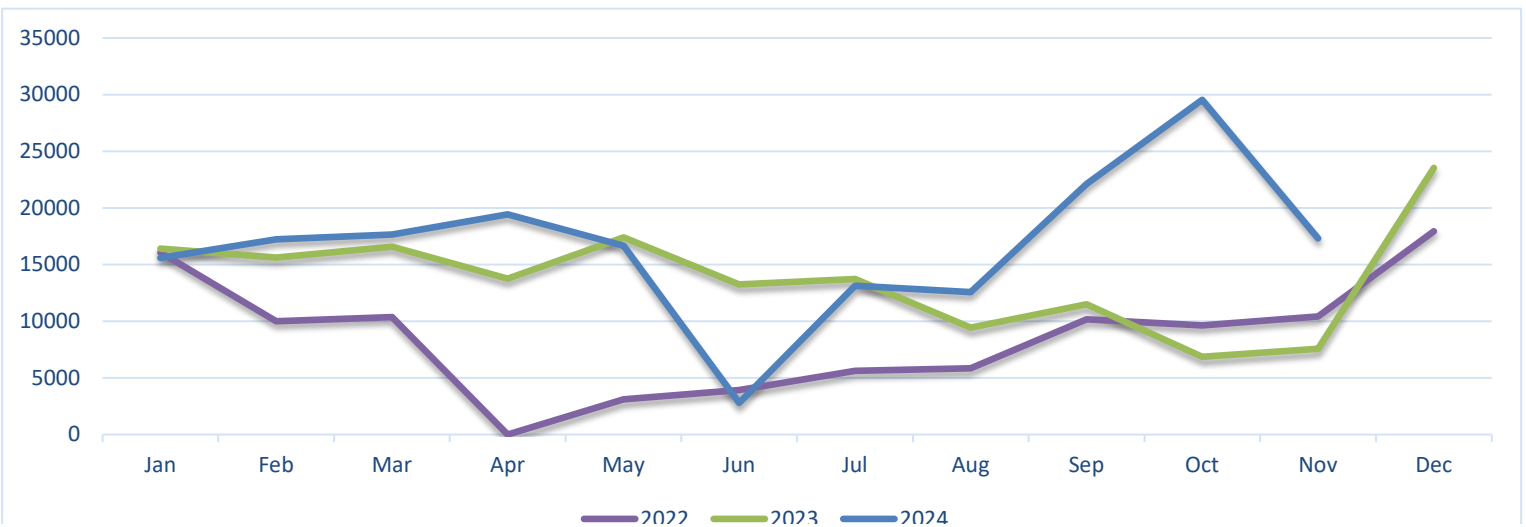
Account Number	Current Month	30 Day Balance	60 Day Balance	90 Day Balance	Total Balance
55834	1,154.44	1,159.90	759.52	0.00	3,073.86
60701	845.29	785.02	806.60	0.00	2,436.91
57057	864.89	1,193.62	111.24	0.00	2,169.75
56308	654.72	649.56	619.40	0.00	1,923.68
2093	525.33	526.33	373.28	0.00	1,424.94
3094	452.98	449.55	439.41	0.00	1,341.94
55386	436.73	433.36	403.37	0.00	1,273.46
59797	478.92	329.34	170.66	0.00	978.92
55439	457.84	454.29	59.73	0.00	971.86
59365	298.89	296.64	269.40	0.00	864.93
55602	395.75	400.54	40.30	0.00	836.59
58520	265.39	263.42	213.67	0.00	742.48
55462	138.36	138.36	128.44	0.00	405.16
57229	91.11	90.57	66.66	0.00	248.34
57443	90.82	90.28	30.06	0.00	211.16
58491	98.30	97.70	6.68	0.00	202.68
Total	\$ 7,249.76	\$ 7,358.48	\$ 4,498.42	\$ -	\$ 19,106.66



Santa Cruz Port District
90+ DAY DELINQUENT ACCOUNTS

The following accounts have balances 90 days delinquent or greater as of November 12, 2024

Account Number	Current Month	30 Day Balance	60 Day Balance	90+ Day Balance	Total Balance	Commercial Slip	Action
4134	1,639.19	1,864.80	1,551.94	439.06	5,494.99	X	Revoke
3375	-	595.54	590.98	2,174.33	3,360.85		Bad Debt
47438	757.27	701.78	733.96	333.89	2,526.90	X	
47895	-	-	-	2,007.80	2,007.80		Bad Debt
59429	414.12	298.88	296.63	268.20	1,277.83		Revoke
60043	167.97	166.82	165.67	302.87	803.33	X	Revoke
57891	177.87	176.64	175.41	40.24	570.16		Payment Plan
59934	-	-	-	423.32	423.32		Bad Debt
60103	-	-	-	422.65	422.65		Bad Debt
58302	69.16	69.16	69.16	214.96	422.44		Revoke
Total	\$ 3,225.58	\$ 3,873.62	\$ 3,583.75	\$ 6,627.32	\$ 17,310.27		





TO: Port Commission
FROM: Sean Rothwell, Assistant Harbormaster
DATE: November 1, 2024
SUBJECT: Harbor Patrol Incident Response Report – October 2024

Search and Rescue, Patrol Boat Response

- 10/5/24 Harbor Patrol responded to a report of multiple surfers in distress in the area of Pleasure Point Beach. Upon arrival, Harbor Patrol, along with an off-duty State Parks' Lifeguard rescue swimmer, assisted three victims onboard the patrol boat. Harbor Patrol transported the victims to the harbor. No injuries reported.
- 10/7/24 At the request of the Santa Cruz Police Department, Harbor Patrol responded to a report of a combative subject resisting arrest in the water near the Santa Cruz Municipal Wharf. Upon arrival, Harbor Patrol, along with Santa Cruz Police (onboard the vessel), attempted to make contact with the subject. The subject continued to resist arrest for five hours before being taken into custody by Santa Cruz Police. Harbor Patrol transported Santa Cruz Police officers back to the harbor.
- 10/13/24 Harbor Patrol responded to a report of a capsized kayaker who had collided with a whale in the area of 26th Avenue. Upon arrival, the victim was located aboard a Good Samaritan's vessel. The Good Samaritan transported the victim back to the harbor. No injuries reported.
- 10/27/24 Harbor Patrol responded to a report of a capsized catamaran in the area of the harbor entrance. Upon arrival, Harbor Patrol assisted the sailors in righting the overturned vessel and provided a tow back into the harbor.
- 10/29/24 Harbor Patrol responded to a report of a surfer in distress in the area of Pleasure Point Beach. Prior to arrival, the victim was assisted to shore by Central Fire rescue swimmers. Harbor Patrol returned to the harbor without incident.

Crime Reports, Assist Outside Department, and Incident Reports

- 10/8/24 At the request of the Santa Cruz Police Department, Harbor Patrol along with Santa Cruz Police, and Santa Cruz County Mental Health Specialist performed a welfare check on a subject onboard a vessel in the area of O-Dock. Upon arrival, the subject was evaluated and provided information regarding available resources.
- 10/11/24 Harbor Patrol responded to a report of a subject who tripped and fell in the area of the launch ramp while loading a vessel onto a trailer. Upon arrival, Harbor Patrol assisted the victim until Central Fire paramedics arrived. The victim was evaluated by paramedics and released into the care of a friend.

- 10/11/24 Harbor Patrol responded to a fuel spill near W-Dock. Staff initiated clean-up efforts, deployed boom and absorbent pads around the suspected source, and contacted the National Response Center, the U.S. Coast Guard, and the California Department of Fish and Wildlife. Following an investigation, the source of the spill remains undetermined.
- 10/16/24 Harbor Patrol took an incident report after a charter vessel passenger lost consciousness in the area of the fuel dock. The subject was evaluated by paramedics before being transported to Dominican Hospital by ambulance.
- 10/17/24 Harbor Patrol took an incident report after a bicyclist lost control and fell in the area of X-Dock. Upon arrival, Harbor Patrol assisted the victim who had sustained an arm injury. The victim was evaluated by Central Fire before being transported to Dominican Hospital by ambulance.

Parking Citations:

October 2024 Parking Citations: 275
October 2023 Parking Citations: 230

Santa Cruz Port District Port Commission Review Calendar / Follow-Up Items 2024-25

2024

January-March

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

April-June

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

July-September

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

October-December

- ✓ Mid Fiscal Year Review of CIP
- Review of CalPERS Actuarial Valuation Report
- H&H Fresh Fish Lease Exp. 1/31/2025
2nd (3) year option to extend
- Annual Vessel Use List Review (postponed until February 2025)
- Ethics Training Update (due by year-end)
- Port Commission Officers for 2024

Committee Review Items

- ✓ Review of Proposal to Purchase a Floating Barge

Key

- Pending
- In process
- ✓ Done

2025

January-March

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

April-June

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

July-September

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

October-December

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

Future Calendar

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