

**BOARD OF HARBOR COMMISSIONERS
CITY OF SANTA BARBARA
MINUTES**

Regular Monthly Meeting
February 18, 2016
City Council Chambers - City Hall 6:30 p.m.

CALL TO ORDER 6:45 p.m.

ROLL CALL Commissioners Present

Bill Spicer, Chair
Jim Sloan, Vice Chair
Betsy Cramer

Staff Present

Scott Riedman, Waterfront Director
Brian Bosse, Business Manager
Mick Kronman, Harbor Operations Manager
Karl Treiberg, Facilities Manager
Jeanette Prusinski, Commission Secretary

Commission Liaison

June Pujo, Planning Commissioner (6:45 p.m. to 7:15 p.m.)

Commissioners Absent

Cory Bantilan
Stephen MacIntosh

CHANGES TO THE AGENDA – None

PUBLIC COMMENT – None

CONSENT CALENDAR

1. Approval of the Minutes

Moved RECOMMENDATION: That Harbor Commission waive further reading and approve the Minutes from the Special Meeting of January 14, 2016.

Betsy Cramer/ Jim Sloan 3-0

DEPARTMENT UPDATE

2. Director's Report

- Council Actions
- California Marine Affairs and Navigation Meeting
- Tentative Agenda Items for the March Meeting

3. Facilities Management Report

- Federal Channel Dredging
- Harbor Patrol Boat 1 Replacement

Public Speaker:

- Edward Anderson, representing Anderson Custom Boats, was one of the builders invited to bid on the Boat 1 Replacement project. Mr. Anderson introduced himself to the Commission and listed numerous utility boats his company has built for other agencies.

4. Harbor Operations Report

- New Life-Jacket Law
- Disaster Loans Available to Fishermen Impacted by Crab Closure. For more information concerning disaster loans, contact:
 - David Reetz:
(916) 708-3068 david.reetz@sba.gov
 - Disaster Customer Service:
(800) 659-2955 disastercustomerservice@sba.gov

NEW BUSINESS

5. Fiscal Year 2016 Mid-Year Budget Report

Brian Bosse gave a status report on the Waterfront Department Fiscal Year 2016 Mid-Year Budget revenues and expenditures.

6. Proposed Lease Agreement with The Blue Water Hunter

Moved RECOMMENDATION: That Harbor Commission review and recommend City Council approval of a five-year lease agreement with Andrew M. Taylor, a Sole Proprietor, doing business as The Blue Water Hunter, at an initial base rent of \$2,430.50 per month, for the 878 square foot lease space located at 117-D Harbor Way.

Jim Sloan/ Betsy Cramer 3-0

7. Budget Overview for Fiscal Year 2017

Brian Bosse gave a status report on the Waterfront Department Fiscal Year 2017 operating and capital budget, including proposed fee adjustments. As of mid-year, December 31, 2015, the Waterfront Department remains on track to meet budgeted revenue projections and expenditures.

Commissioner Sloan asked about funding the Boat 1 Replacement for \$198k because there will not be enough funds in the Vessel Replacement Fund this year (FY16). Karl Treiberg said there was \$110k in FY16's budget to repower Boat 1, and \$75k in the Vessel Replacement Fund, totaling \$185k to use for vessel replacement instead of repowering. Additionally, Waterfront has asked Council to appropriate another \$40k from the Capital Reserve/ Harbor Preservation Fund, (Fund 5820) which will be a grand total of \$225k available to replace Boat 1. Commissioner Sloan asked since the funds from both categories were being used for the Boat 1 replacement, shouldn't the Department simply combine the projects

into one line item. Staff's preference is to combine the vessel repower Capital Project with the Vessel Replacement Fund this year to replace boat 1, the Department's smallest vessel. In future years the Vessel Replacement Fund (Fund 5830) will continue to accrue funds each year until enough funds have accumulated for vessel replacement. The Department will recommend increasing the Vessel Replacement fund from \$75,000 to \$150,000/ year in FY 2017 so that sufficient funds accumulate to replace Boat 2 within 5-6 years. Funds for repowering the remaining vessels are identified separately in the Capital Improvement Plan so the vessels can be kept running until the Vessel Replacement Fund accumulates enough money to replace them.

Commissioner Cramer supports freezing the slip permit transfer fees for various-sized slips and asked for an explanation of increasing the fee for the other sizes. Mick Kronman explained that the transfer fee is charged for two reasons: First for the privilege of direct access to public berthing as opposed to waiting for a permit through a Slip Wait List. Second, it's a way for the City to recoup revenue from the private-sector commerce in a municipal resource—a boat slip in the Santa Barbara Harbor. Expressed as a percentage of that private-sector value, the transfer fee for smaller slips has increased to a point where people are less likely to obtain a slip permit as an investment, and more likely to do so for the purpose of boating. At that point, it makes sense to freeze the transfer fee for those slip sizes. For larger slips, however, the transfer fee is still too small a percentage of the privately transacted value of those berths to justify a similar freeze.

COMMISSION/STAFF COMMUNICATIONS

- Commissioner Sloan said that he attended a few Local Coastal Program Update Committee meetings, along with Commissioner MacIntosh and Facilities Manager Karl Treiberg. Changes to the program will be presented to the Coastal Commission, in anticipation of presenting a document to Harbor Commission and other public venues and boards later this spring.

ADJOURNMENT

Moved ADJOURNMENT at 8:00 p.m.

Jim Sloan/ Bill Spicer 3-0