

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

Regular Monthly Meeting

March 17, 2011

City Council Chambers - City Hall 6:30 p.m.

ROLL CALL 6:30 p.m.

Commissioners Present

Will Anikouchine
Cory Bantilan
Betsy R. Cramer
Eric Friedman
Frank Kelly
Jim Sloan
Bill Spicer

Staff Present

John Bridley, Waterfront Director
Scott Riedman, Business Manager
Mick Kronman, Harbor Operations Manager
Mary Adams, Harbor Commission Secretary

Council members Present

None

CHANGES TO THE AGENDA

None

PUBLIC COMMENT

None

APPROVAL OF MINUTES

1. Moved to approve the minutes for the February 17, 2011, meeting.
Sloan/Cramer 7-0.

DIRECTOR'S REPORT

2. Director's Report

- Council Actions
- Marina One Re-Construction Project
- Tentative Agenda Items for April

3. Business Services Report

- Stearns Wharf Coastal Cruise / Whale Watching Concession

Commissioner Sloan spoke from the Selection Committee's perspective about the RFQ / RFP process involving the Stearns Wharf concession.

Speakers:

Fred and Kathy Hershman – Santa Barbara Water Taxi: The Hershman's conveyed their interest in becoming the new operator for a Stearns Wharf Coastal Cruise / Whale Watching Concession. They asked that the RFQ/RFP be issued in a timely manner, so a new operator can be up and running by July 1st.

The Commission empathized with the Hershman's position, but did not override the Committee's decision. The Hershman's were encouraged to reapply when the new process begins.

4. Harbor Operations Report

- Three Cruise Ship Visits in April and May
- Yacht Club Celebrates Opening Day; Wet Wednesdays Begin March 16th
- Phoning Harbor Patrol "After Hours"

NEW BUSINESS

5. General Lottery Drawing—East Beach Mooring Area

Harbor Commission Chair, Frank Kelly, conducted a General Lottery drawing to rank prospective Mooring Permittees for the East Beach Mooring Area. Initially, there were 46 applicants, but one applicant withdrew. Therefore, 45 names were drawn and placed on the lottery list (see attached).

6. Berthing Policy—Designated Commercial Fishing Slips

Mick Kronman gave the staff report with recommended changes to the berthing policy for designated commercial fishing slips in Santa Barbara Harbor.

Speaker:

Ray Kennedy – Commercial Fisherman: Mr. Kennedy would like to see reduced slip fees for the commercial fishermen who received slips off the wait list as part of the Marina One Expansion.

Commissioners discussed the differences in the various Commercial Fishermen's slip fees including those slips received off the wait list, historic fishing slips in Fish Float North and South, and visiting or transient slips used by commercial fishermen throughout the harbor. Questions regarding the historic and/or background that put the current policy in place were reviewed. Mr. Kronman went over the policy enforce and staff's recommended changes to that policy, which were outlined in the report.

Moved to recommend to City Council amendments to the Commercial Fishing Policy regarding earnings requirements from commercial fishing and methods of reporting those earnings with the following change to Sections 5 and 13, "plus copies of internal Revenue Service 1099 'or W-2 tax forms'." Sloan/Friedman 7-0.

7. Lease Agreement with Blue Water Hunter

Staff report was given by Scott Riedman.

Moved to recommend Council approval of a five-year lease with Andrew Taylor, doing business as Blue Water Hunter, at a monthly rent of \$2,221, subject to annual CPI increases, for the 878 square foot retail store located at 117-D Harbor Way. Anikouchine/Cramer 7-0.

8. Fiscal Year 2012 and 2013 Operating Budget Recommendation

The staff report on the Waterfront Department's proposed Fiscal Year 2012/2013 budget submittal, including a PowerPoint presentation was given to the Commission by Scott Riedman.

Commission Chair Kelly explained why he would be voting on the motion to increase slip fees and conversely recusing himself on the vote to increase slip transfer fees.

Commissioners initiated discussion and raised questions regarding the proposed parking system, reserve balance levels, specific program expenses/revenues, fee increases, employee salary or benefit increase, level of ocean dependent resources as revenue source, debt refinancing options, cost saving ideas / cutting expenses.

Staff will do a cost benefit analysis on the new proposed automated parking system and bring the results back to the Commission at the next meeting.

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Moved to recommend approval of a \$25 per linear foot slip transfer fee increase in Fiscal Year 2012 and Fiscal Year 2013 on all slip categories except 20 foot slips. Friedman/Cramer 5-0 (Kelly/Sloan recused themselves)

Moved to recommend approval of a 3% slip fee increase in Fiscal Year 2012 and a 2% slip fee increase in Fiscal Year 2013. Cramer/Anikouchine 5-1 (Spicer Against; Sloan recused himself)

Moved to forward a recommendation to City Council for approval of the Waterfront Department's proposed Fiscal Year 2012 and Fiscal Year 2013 budget and incorporation into the City budget process. Cramer/Bantilan 6-1 (Spicer Against)

COMMISSION/STAFF COMMUNICATIONS

John Bridley gave an update on the effects of the tsunami event that occurred in the harbor on March 11, 2011.

Commissioner Bantilan asked for an update on electrolysis in the harbor. Mr. Bridley said that staff is having an electrolysis study done and will bring the results of the study to the Commission as soon as it completed.

ADJOURNMENT

Moved to adjourn the meeting at 9:06 p.m. Bantilan/Sloan 7-0.

*It should be noted that Harbor Commission Meetings are televised and recorded. To view these televised recordings, please visit www.santabarbaraca.gov/government/boards_and_commissions_D-M/Harbor_Commission/Videos