

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

Regular Monthly Meeting
February 19, 2015
City Council Chambers - City Hall 6:30 p.m.

CALL TO ORDER 6:30 p.m.

ROLL CALL Commissioners Present

Bill Spicer, Chair
Jim Sloan, Vice Chair
Cory Bantilan
Betsy Cramer
Dennis Power (6:31)
Helene Webb

Staff Present

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

Commissioner Absent

Stephen MacIntosh

CHANGES TO THE AGENDA – Item #5, Appeal of Termination of Slip Permit 4A021, Mr. Richard Smith, is continued to next month at the request of the appellant.

PUBLIC COMMENT – None

CONSENT CALENDAR

- 1. Subject: Approval of the Minutes**
Moved RECOMMENDATION: That Harbor Commission waive further reading and approve the Minutes from the Special Meeting of January 22, 2015.
Jim Sloan/ Cory Bantilan 4-0
Abstention: Bill Spicer

DEPARTMENT UPDATE

- 2. Director's Report**
 - Council Actions
 - Dredge Funding
 - Appointment of City Administrator Paul Casey
 - Tentative Agenda Items for the March Meeting
- 3. Facilities Report**
 - Marina One Replacement Project – Phase 5

4. Harbor Operations Report

- Catamaran Fire in Marina 2
- Felony Conviction for Man who Injured Harbor Patrol Officer

NEW BUSINESS

5. Appeal of Termination of Slip Permit 4A021, Mr. Richard Smith

Continued RECOMMENDATION to next month: That Harbor Commission consider Mr. Richard Smith's appeal of a slip permit termination for berth 4A021 in Santa Barbara Harbor.

6. Budget Overview for Fiscal Year 2016 and Fiscal Year 2017

Brian Bosse reported on the status of the Fiscal Year 2016 and Fiscal Year 2017 Waterfront operating and capital budget. Commissioners commented on the various components of the draft budget proposal as follows:

Commissioner Sloan asked to clarify the substantial increase in Parking revenue of 13.1%. Mr. Bosse explained that the proposed revenue assumptions are 13.1% over the 2015 budgeted amounts. He noted, however, that the increase is actually a 2.6% decrease over 2015 projections. So next year's revenue assumptions are based on the current year's revenue projections which tend to be accurate.

Mr. Sloan asked for the total current debt, which is roughly \$23M. Director Riedman said as part of the budget process, Staff plans to present a breakdown of the four debts next month.

Mr. Sloan asked about the status of elevators in the budget. Mr. Riedman says elevators are currently unfunded. The Brophy's Restaurant at 119 Harbor Way is compliant with ADA provisions with equivalent facilitations in their Clam Bar downstairs. Conway's wine tasting room on Stearns Wharf is in most need of an elevator and this may be addressed and funds allocated in the next few years.

Commissioner Bantilan asked when the change in the parking fee structure occurred, which was in Fiscal Year 2014.

Mr. Bantilan also asked to reduce \$17,000 from the Financial Management FY15 Budget category. Mr. Bosse will look at those numbers because they don't seem to be accurate based on the current financial markets. We actually have fewer funds in the account that generates those interest earnings because we refinanced the Waterfront COPs last year.

Chair Spicer asked for the formula for calculating the projected value of slip transfer revenue. Staff uses information from the past three years and there is an element of speculation of the trajectory of the market.

Mr. Spicer commented on the increase of Parking revenue which seems to coincide with the installation of new Luke Machines. It is assumed that people are accustomed to using this type of machine and fees collected in this method quickly compensate for the machine's installation cost.

Mr. Spicer commented that salary costs increase moderately, but the benefit cost increase is higher. Mr. Bosse says the primary increase is due to the City's payments to CalPers.

Mr. Spicer also commented on the amount of handrail purchased over the next two years.

7. Request for Proposal: Commercial Lease Space at 117-G Harbor Way

Mr. Bosse presented the Commission with a review and analysis of the five business proposals received for the commercial space at 117-G Harbor Way.

Moved B. Accept the recommendation from the RFP Selection Committee that Michael Jansen Marine Services is the most responsive and appropriate business to lease the commercial space; and
Cory Bantilan/ Helene Webb 6-0

Moved C. Direct staff to negotiate a lease agreement with Michael Jansen Marine Services based on the business terms outlined in the RFP and return to Harbor Commission with a proposed lease agreement.
Cory Bantilan/ Helene Webb 6-0

COMMISSION/STAFF COMMUNICATIONS - None

ADJOURNMENT

Moved ADJOURNMENT at 7:40 p.m.
Jim Sloan/ Cory Bantilan 6-0