

San Mateo County Harbor District Board of Harbor Commissioners Meeting Agenda

May 6, 2015
6:30 p.m.

Sea Crest School, Think Tank, Room #19
901 Arnold Way
Half Moon Bay, Ca. 94019

All Harbor District Commission meetings are recorded and posted at www.PacificCoast.tv within 24-48 hours of the meeting. Pacifica residents can tune into Comcast Chanel 26 and residents from Montara through Pescadero can tune into Comcast Chanel 27. Copies of the meetings can also be purchased from PCT and mailed for \$18.

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A.) Roll Call

Commissioners

Sabrina Brennan, President
Tom Mattusch, Vice President
Nicole David, Secretary
Robert Bernardo, Commissioner
Pietro Parravano, Commissioner

Staff

Scott A. Grindy, Acting General Manager & Treasurer
Debra Galarza, Director of Finance
Vacant, Human Resources Manager
Jim Merlo, Acting Harbor Master - OPM
John Draper, Acting Harbor Master - PPH
Debbie Nixon, Deputy Secretary
Steven Miller, District Counsel

B.) Public Comments/Questions -

The Public may directly address the Board of Harbor Commissioners for a limit of three minutes, unless a request is granted for more time, on any item of public interest within the subject matter jurisdiction of the San Mateo County Harbor District, Board of Harbor Commissioners that is not on the regular Agenda. If a member of the public wishes to address the Board on an Agenda Item, that person must complete a Public Speaker Form and wait until that Item comes up for discussion. Agenda material may be reviewed at the administration offices of the District, 400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080 or online at www.smharbor.com.

Persons requiring special accommodation with respect to physical disability are directed to make such requests per the Americans With Disabilities Act to the Deputy Secretary to the Board at 650-583-4400.

C.) Staff Recognition-

D.) Consent Calendar

All items on the consent calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda. Any item on the regular agenda may be transferred to the consent calendar.

- 1 TITLE: **Minutes of Meeting March 18, 2015**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

- 2 TITLE: **Minutes of *Special* Meeting March 30, 2015**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

- 3 TITLE: **Minutes of Meeting April 1, 2015**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

- 4 TITLE: **Minutes of *Special* Meeting April 15, 2015 – 1:00pm**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

- 5 TITLE: **Minutes of *Special* Meeting April 15, 2015 – 4:00pm**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

E.) New Business

- 6 TITLE: **Cancellation of Board of Harbor Commissioners Meetings for May 20, 2015 and June 3, 2015; and Reinstate the July 1, 2015 Meeting**
 REPORT: Grindy, Memo
 PROPOSED ACTION: Cancel the May 20, 2015 and June 3, 2015 meetings and reinstate the July 1, 2015 meeting

- 7 TITLE: **Bills and Claims in the Amount of \$215,431.38**
 REPORT: Bills and Claims Detailed Summary
 PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$215,431.38 to cover payment of Bills and Claims

- 8 **TITLE:** **Authorization to Pay Bills and Claims Occurring Between May 7, 2015 and June 16, 2015 in an Amount Not to Exceed \$550,000**
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Authorize payment of Bills and Claims occurring between May 7, 2015 and June 16 , 2015 in an amount not to exceed \$550,000
- 9 **TITLE:** **Quarterly Investment Balances Report**
REPORT: Galarza, Report
PROPOSED ACTION: Accept quarterly investment balances report
- 10 **TITLE:** **Authorize Award of Contract to Regional Government Services for Interim Management Services**
REPORT: David, Resolution
PROPOSED ACTION: Adopt Resolution 09-15 awarding contract to Regional Government Services
- 11 **TITLE:** **Acting General Manager Compensation**
REPORT: Miller, Galarza, Memo, Resolution
PROPOSED ACTION: Adopt Resolution 10-15 to clarify compensation for Scott Grindy, Acting General Manager, in the amount of \$150,575.88 per year, effective January 1, 2015
- 12 **TITLE:** **Adopting and Affirming Factual Findings made During the Harbor District March 4, 2015 Public Meeting Regarding Three Captains Sea Products' Request to Maintain a Second Hoist on Johnson Pier**
REPORT: Miller, Resolution
PROPOSED ACTION: Adopt Resolution 11-15
- 13 **TITLE:** **Agreement with Search Firm, BHI Consulting**
REPORT: Grindy, Memo, Resolution
PROPOSED ACTION: Adopt Resolution 12-15 to authorize amending agreement with BHI Consulting to increase the not-to-exceed amount by \$10,500
- 14 **TITLE:** **Special Use Permit for the Coastside Fishing Club**
REPORT: Merlo, Memo
PROPOSED ACTION: Approve the Special Use Permit for the Coastside Fishing Club and waive the fees associated with the event
- 15 **TITLE:** **Discussion and possible Approval of Draft Letter to BCDC Expressing Concern About Increased Sand Mining in San Francisco Bay**
REPORT: David, Memo
PROPOSED ACTION: To be determined

- 16 TITLE: **Outreach Event with the College of San Mateo (CSM) to Promote Sustainable Seafood Saturday**
REPORT: David, Memo
PROPOSED ACTION: Approve participation in Sustainable Seafood Saturday program, and authorize the Acting General Manager to spend up to \$1,000 in support of such participation
- 17 TITLE: **Draft Preliminary Operating and Capital Budget for Fiscal Year 2015/16**
REPORT: Grindy, Draft preliminary Operating and Capital Budget for Fiscal Year 2015/16, Resolution
PROPOSED ACTION: Adopt Resolution 14-15 to approve Preliminary Operating and Capital Budget for Fiscal Year 2015/16 and authorize issuance of a public notice for public budget review and comment and specify a date, time and place for fixing (adopting) the final budget
- 18 TITLE: **Mural for Electrical Panel in Front of Pillar Point Harbor Masters Office**
REPORT: Draper, Memo
PROPOSED ACTION: Authorize Acting General Manager to enter into Contract with Sabrina Muscot for creation of Mural in the not to exceed amount of \$1,700.

F.) Staff Reports: a) Administration and Finance

- 19 **Acting General Manager – Grindy**
- 20 **Director of Finance & Human Resources – Galarza**

b) Operations

- 21 **Oyster Point Marina/Park – Merlo**
- 22 **Pillar Point Harbor – Draper**

G.) Board of Harbor Commissioners

23 A. Committee Reports

Communications and Marketing Committee – Brennan (03/26/15)

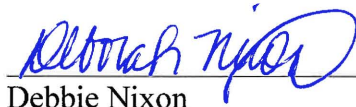
B. Commissioner Statements and Requests

1. The Board of Harbor Commissioners may make public statements limited to five (5) minutes.
2. Any Commissioner wishing to place an item on a future agenda may make a motion to place such an item on a future agenda

H.) Adjournment

The next scheduled meeting will be held on May 20, 2015 at the Municipal Services Building, 33 Arroyo Drive, South San Francisco, CA at 6:30 p.m.

Agenda Posted As Required:
May 1st at 10:30 a.m.



Debbie Nixon
Deputy Secretary

**San Mateo County Harbor District
Board of Harbor Commissioners
Meeting Minutes****March 18, 2015
6:30 p.m.****Municipal Services Building
33 Arroyo Drive
South San Francisco, Ca. 94080**

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Roll Call**Commissioners**

Sabrina Brennan, President
Tom Mattusch, Vice President
Nicole David, Secretary
Robert Bernardo, Commissioner
Pietro Parravano, Commissioner

Staff

x Scott A. Grindy, Acting General Manager & Treasurer
x Debra Galarza, Director of Finance
Vacant, Human Resource Manager
Charles White, Acting Harbor Master - OPM
John Draper, Acting Harbor Master - PPH
Debbie Nixon, Deputy Secretary
Steve Miller, District Counsel

x- absent

Public Comments/Questions — Brian Rogers expressed concern regarding reimbursements on past bills and claims. He was also concerned that a commissioner has attended the same training class two times. **(0:55)**

Staff Recognition- None

Consent Calendar

All items on the consent calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda. Any item on the regular agenda may be transferred to the consent calendar.

(4:22)

- 1 **TITLE:** **Minutes of *Special Meeting February 18, 2015***
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

Item 1 was pulled from the agenda.

New Business, Continued

(5:28)

- 2 **TITLE:** **Certified Employment List for Accounting Specialist**
 REPORT: Certified Employment List
 PROPOSED ACTION: Adopt Certified Employment List

Public Comment: Charli Micallef stated she wasn't aware the Accounting Specialist position was open and that the list hadn't been updated since 2008.

Action: Motion by Bernardo, second by Parravano to adopt the Certified Employment List. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

(10:00)

- 3 **TITLE:** **Proclamation for Charles White**
 REPORT: Bernardo, Proclamation
 PROPOSED ACTION: Approve proclamation

Action: Motion by Bernardo, second by Mattusch to approve the proclamation. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

(15:34)

- 4 **TITLE:** **Draft Preliminary Operating and Capital Budget for Fiscal Year 2015/16**
 REPORT: Draft Preliminary Budget
 PROPOSED ACTION: Information only

Public Comment: Jim Steele asked why contractual services in the budget was going down from \$185,000+ in FY 14/15 to \$79,000 in FY 15/16 and was curious what it was for. He stated he was not used to seeing depreciation in the budget until the end of the year. Steele also stated he liked seeing the reserves in the budget.

No action was taken on the item. Information only.

(39:13)

- 5 **TITLE:** **Authorize The Award of Contract to JJACPA in the amount of \$3,600 for Auditing Services**
 REPORT: Galarza, JJACPA, Memo
 PROPOSED ACTION: Award contract to JJACPA for auditing services

Action: Motion by Parravano, second by Bernardo to award contract to JJACPA for auditing services. The motion passed.

Ayes: Bernardo, David, Mattusch, Parravano

Nays: Brennan

(1:05:26)

- 6 **TITLE:** **Commercial Activity Permit for Ronnie's Yard Art**
 REPORT: Draper, Memo
 PROPOSED ACTION: Deny request for Commercial Activity Permit

Item 6 was pulled from the agenda.

Item 8 was taken up next.

(1:06:05)

8 TITLE: **Discussion and Possible Action: Lisa Wise Consulting Contract and Invoices**
REPORT: Mattusch, Bernardo
PROPOSED ACTION: To be determined

Public Comment: Brennan read a letter from Half Moon Bay Seafood Association which stated they hope that Lisa Wise Consulting would be able to complete the strategic business planning process and requested the Board to move the Community Sustainability Plan forward. (1:10:34)

No action was taken on the item.

(1:45:51)

7 TITLE: **Discussion and Possible Action: Communications and Marketing Committee Public Member Appointment**
REPORT: Brennan, Memo
PROPOSED ACTION: To be determined

Action: Motion by David, second by Bernardo to appoint Jim Anderson to the Communications and Marketing Committee as committee member for one year, starting March 18th, 2015 and to complete an application. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

(2:12:56)

9 TITLE: **California Special District Association Call for Nominations Seat A**
REPORT: Attachment
PROPOSED ACTION: To be determined

No action was taken on the item.

(2:14:06)

10 TITLE: **Acting General Manager Compensation**
REPORT: Miller, Memo
PROPOSED ACTION: Adjust compensation for Acting General Manager

b) Operations

15 Oyster Point Marina/Park – White (2:26:06)

White presented the report.

16 Pillar Point Harbor – Draper (2:27:42)

Draper presented the report.

Board of Harbor Commissioners

17 A. Committee Reports (2:30:14)

Water Quality and Public Safety Meeting- March 12th

The next Water Quality and Public Safety Meeting is cancelled on Thursday, April 9th and rescheduled for Thursday, May 14th, 7 p.m. at the Resource Conservation District.

B. Commissioner Statements and Requests (2:33:44)

1. The Board of Harbor Commissioners may make public statements limited to five (5) minutes.

David clarified when the General Manager brings staffing concerns to the Board during closed session; it should be treated as confidential information and cannot be discussed.

David stated there is a survey on the Harbor District website to solicit public input regarding the desired qualifications for a General Manager. She stated the advertisement and design from the feedback will be posted by April 1st; however the names of the candidates cannot be revealed because their privacy must be maintained. David also stated that Brent Ives has contacted several agencies as well as individuals who have administrative and management skills. She mentioned the interview process will hopefully take two weeks.

Mattusch stated he was concerned with the staffing levels; however the Harbor District with 30 employees did not need a full-time Human Resources Manager.

Parravano asked where Ernie was, a member of the public who typically attends

all South San Francisco meetings but has not come to meetings lately.

Brennan stated she was confused about the General Manager search and asked if it was available to people who are not going through a firm. She stated it should be clarified at a future meeting. Brennan also stated she was confused with the General Manager interview process, and would like to revisit the process so there are no surprises.

2. Any Commissioner wishing to place an item on a future agenda may make a motion to place such an item on a future agenda (2:43:44)

Action: Motion by Mattusch, second by David to agendize an item for the April 15th meeting to discuss of placing an RFP for a part-time Human Resources Manager position with a full-time possibility. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

Action: Motion by Bernardo, second by Brennan to bring back the Community Sustainability Plan at the April 15th, 2015 meeting; tentatively if parties are able to do the presentation, otherwise, then at the May 6th, 2015 meeting. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

Action: Motion by David, second by Brennan to agendize an item the April 15th agenda to discuss organizing a fishing community event to possibly be held at Skyline College. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

Action: Motion by Parravano, second by Brennan to agendize an item for the April 1st agenda to adopt the list of norms. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

(2:58:33)

Action: Motion by Brennan, second David by to extend the meeting by one hour. The motion passed.

Ayes: Bernardo, Brennan, David, Mattusch

Nays: Parravano

Action: Motion by Brennan, second by Mattusch to present the Facility Conditions Survey prior to the Budget Workshop on April 15th, 2015. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

Action: Motion by Brennan, second by David to provide a presentation on the Fish Line application at the April 1st, 2015 meeting. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

The Board adjourned into Closed Session at 9:35 p.m.

(3:01:39)

Closed Session

- 18 TITLE:** Conference with Real Property Negotiators. California Government Code Section 54956.8.
- PROPERTIES:**
- 504 Avenue Alhambra, El Granada, CA 94018
 - 225 S. Cabrillo Highway, Half Moon Bay, CA 94019
 - 400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080
 - 270 Capistrano Road, Half Moon Bay, CA 94019
- DISTRICT NEGOTIATORS:** Scott Grindy and Randy Kinghorn
- NEGOTIATING PARTIES:**
- Working Dirt LLC, Billy Daniels
 - Castro Partners LLC, Marcus Wood
 - Cushman and Wakefield, Scott Ennis
 - Point Pillar Properties Developers LLC, Keet Nerhan
- UNDER NEGOTIATION:** Price and terms of payment

There was no reportable action from Closed Session.

Adjournment

The Board of Harbor Commissioners adjourned the meeting.

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

DRAFT

**San Mateo County Harbor District
Board of Harbor Commissioners
*Special Meeting Minutes***

**March 30, 2015
6:30 p.m.**

**Oyster Point Marina/Park
95 Harbormaster Road
South San Francisco, Ca. 94080**

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Roll Call

Commissioners

- x Sabrina Brennan, President
- x Tom Mattusch, Vice President
- Nicole David, Secretary
- Robert Bernardo, Commissioner
- Pietro Parravano, Commissioner

Staff

- Scott A. Grindy, Acting General Manager & Treasurer
- Steve Miller, District Counsel

x- absent

Public Comments/Questions — None

New Business

- 1 TITLE: **Receive Memorandum From, Provide Guidance To, and Adopt Recommendations of General Manager Recruitment Consultant Brent Ives on Search Efforts for General Manager**
- REPORT: Draft minutes
- PROPOSED ACTION: Approval

Brent Ives presented the item. See the attached document.

The Board meeting adjourned into Closed Session at 8:01 p.m.

Closed Session

- 2 TITLE: **Public Employee Performance Evaluation Pursuant to Government Code Section 54957(b)(1): Acting General Manager**

No reportable action from Closed Session.

Adjournment

The Board of Harbor Commissioners adjourned the meeting.

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

BHI MANAGEMENT CONSULTING

"Organizational Health for Special Districts"

Date: April 2, 2015
To: Executive Search Committee
From: Brent Ives, BHI Management Consulting
Subject: Commission Approved Process forward for Permanent General Manager search process

As agreed by the Board of Commissioners on March 30th 2015, please review and comment on this understanding of the next stages of the permanent General Manager search process through to conclusion.

1. The current Executive Search Committee (Committee) is endorsed and will continue to lead in all of the aspects of the search process and will continue to guide the Consultant in search efforts.
2. The Board agreed to full confidentiality with any and all names of candidates throughout the entire process. Confidentiality was discussed as a critical element of establishing a qualified candidate pool. The Committee will determine how to best establish a set of 2-3 final candidates to the full Commission for interviews and other selection assessments and methods.
3. The Committee will narrow the candidate pool to a field of 8-10 candidates for review by two groups described in step 4 and 5 below.
4. The Committee is charged with selecting a 5-7 member panel of individuals representing the public, environmental communities, and the county to narrow the interview and down-select the candidate field. This panel will provide a broad view and representative cross-section to the interview process. All members of this group are to sign a confidentiality agreement prior to their service. The intention of this group is to narrow the field of candidates down from 8-10 to a group of 5-6 candidates for the next selection step. It was decided to allow the Committee to design and control this process.
5. The Committee is also charged with selecting a 3 member panel of industry-related technical individuals representing surrounding port and harbor leaders. This panel will narrow the 5-6 candidates down to 2-3. All members of this group are to sign a confidentiality agreement prior to their service. It was decided to allow the Committee to design and control this process.
6. The next selection stage of the process is for the full Commission to select the one finalist to begin working through contract negotiations.
7. The three interview days would be scheduled in early July and on consecutive days to allow for a convenient travel schedule for candidates.

Sincerely,

BHI MANAGEMENT CONSULTING

"Organizational Health for Special Districts"

Brent H. Ives

Brent H. Ives, Principal
BHI Management Consulting
brent@bhiconsulting.com
209-740-6779

April 2, 2015

Date

**San Mateo County Harbor District
Board of Harbor Commissioners
Meeting Minutes**

**April 1, 2015
6:30 p.m.**

**Sea Crest School, Think Tank, Room #19
901 Arnold Way
Half Moon Bay, Ca. 94019**

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Roll Call

Commissioners

- Sabrina Brennan, President
- x Tom Mattusch, Vice President
- Nicole David, Secretary
- x Robert Bernardo, Commissioner
- Pietro Parravano, Commissioner

Staff

- Scott A. Grindy, Acting General Manager & Treasurer
- x Debra Galarza, Director of Finance
- Vacant, Human Resource Manager
- Jim Merlo, Acting Harbor Master - OPM
- John Draper, Acting Harbor Master - PPH
- Debbie Nixon, Deputy Secretary
- Steve Miller, District Counsel

x- absent

A.) Public Comments/Questions – None

B.) Staff Recognition- Grindy thanked the Administrative Staff: Debbie Nixon, Debra Galarza, David Doyle and Belen Cruz for a job well done while he was on vacation.

C.) Consent Calendar (1:46)

All items on the consent calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda. Any item on the regular agenda may be transferred to the consent calendar.

- 1 TITLE: **Minutes of *Special Meeting February 18, 2015***
REPORT: Draft minutes
PROPOSED ACTION: Approval
- 2 TITLE: **Minutes of Meeting February 18, 2015**
REPORT: Draft minutes
PROPOSED ACTION: Approval
- 3 TITLE: **Application for Public Members Appointed to Committees**
REPORT: Draft application
PROPOSED ACTION: Approval

Action: Motion by Parravano, second by David to approve the Consent Calendar.

Ayes: Brennan, David, Parravano

Absent: Bernardo, Mattusch

D.) New Business

- (2:53)
- 5 TITLE: **Immediate Technology Procurement**
REPORT: Galarza, Memo, Well Connected Office
PROPOSED ACTION: Approve an amount not to exceed \$39,500 for Technology consulting and equipment with the Well Connected Office

Public Comment: Brian Rogers stated the quotes were too high and it would be best to look into a different configuration. **(28:58)**

Leonard Woren urged the Commissioners to go out to bid and to get more quotes. **(31:35)**

John Ullom stated the firewalls are more than what the District needed, and a reevaluation of IT services was necessary. **(34:33)**

David Eblovi passed out material and made a presentation. **(39:01)**

Charli Micallef spoke highly of Steve Almes. (1:14:40)

(1:37:48)

4 TITLE: **Presentation from LAFCo**
REPORT: Martha Poyatos
PROPOSED ACTION: Information only

Martha Poyatos made a presentation.

Public Comment: Leonard Woren stated the Municipal Service Review is to evaluate efficiencies, and one way would be to stop wasting money.

(1:58:35)

6 TITLE: **Presentation from Phondini Partners LLS regarding
Fishline Community Program**
REPORT: Joe Falcone, Letter
PROPOSED ACTION: To be determined

Action: Motion by Brennan, second by David to authorize the Acting General Manager to write a letter in support of the National Fish and Wildlife Foundation grant. The motion passed.

Ayes: Brennan, David
Nays: Parravano
Absent: Bernardo, Mattusch

Adjournment

At 9:22 p.m. Legal Counsel announced there was no longer a quorum (only Commissioners David and Parravano were present), so the meeting would not continue.

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

***These items were not addressed.**

7 TITLE: **Draft Preliminary Operating and Capital Budget for
Fiscal Year 2015/16**
REPORT: Draft Preliminary Budget, Memo
PROPOSED ACTION: Information only

- 8 TITLE: **Draft District Rates and Fees Schedule for FY2015/16 for Pillar Point Harbor**
REPORT: Galarza, Memo
PROPOSED ACTION: To be determined
- 9 TITLE: **Draft District Rates and Fees Schedule for FY2015/16 for Oyster Point Marina/Park**
REPORT: Galarza, Memo
PROPOSED ACTION: To be determined
- 10 TITLE: **Suspension of Hiring Freeze and Possible Hiring of One or More Temporary Employees for a Six Month Period to Complete Immediate Tasks**
REPORT: Galarza, Memo
PROPOSED ACTION: Suspend the hiring freeze in order to hire temporary staff to complete immediate tasks
- 11 TITLE: **Committee Assignment: *Oyster Point Marina Liaison Committee***
REPORT: Brennan, Memo
PROPOSED ACTION: Appoint two (2) Harbor District *Commissioners* to the Liaison Committee *with the City of South San Francisco (City) pursuant to the Joint Powers Agreement with the City*
- 12 TITLE: **Adoption of List of Norms for the San Mateo County Harbor District as follow-up to the Board Dynamics Workshop**
REPORT: Parravano, Memo
PROPOSED ACTION: Adopt the list of norms
- 13 TITLE: **Framework for Potential Water Quality Monitoring Efforts**
REPORT: David
PROPOSED ACTION: Approve water quality monitoring framework for inclusion in the FY 2015/16 budget
- 14 TITLE: Bills and Claims in the Amount of \$141,044.20
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$141,044.20 to cover payment of Bills and Claims

E.) Staff Reports: a) Administration and Finance

- 15 **Acting General Manager – Grindy**
- 16 **Director of Finance & Human Resources – Galarza**

F.) b) Operations

- 17 **Oyster Point Marina/Park – Merlo**
- 18 **Pillar Point Harbor – Draper**

G.) Board of Harbor Commissioners

- 19 **A. Committee Reports**
- B. Commissioner Statements and Requests**
 - 1. The Board of Harbor Commissioners may make public statements limited to five (5) minutes.
 - 2. Any Commissioner wishing to place an item on a future agenda may make a motion to place such an item on a future agenda

H.) Closed Session

20 **TITLE:** **Conference with Real Property Negotiators. California Government Code Section 54956.8.**

PROPERTIES:

- **504 Avenue Alhambra, El Granada, CA 94018**
- **400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080**
- **270 Capistrano Road, Half Moon Bay, CA 94019**
- **985 Marina Blvd., South San Francisco, CA 94080**

DISTRICT **Scott Grindy and Randy Kinghorn**

NEGOTIATORS:

- **Working Dirt LLC, Abraham Farag**

**NEGOTIATING
PARTIES:**

- **Cushman and Wakefield, Scott Ennis**
- **Point Pillar Properties Developers LLC, Keet Nerhan**
- **San Mateo County Harbor District, Scott Grindy**

**UNDER
NEGOTIATION:**

Price and terms of payment

DRAFT

**San Mateo County Harbor District
Board of Harbor Commissioners
*Special Meeting Minutes***

**April 15, 2015
1:00 p.m.**

**Oyster Point Yacht Club
911 Marina Blvd
South San Francisco, Ca. 94080**

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A.) Roll Call

Commissioners

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Tom Mattusch, Vice President
Nicole David, Secretary
Robert Bernardo, Commissioner
Pietro Parravano, Commissioner

Staff

Scott A. Grindy, Acting General Manager & Treasurer
Steven Miller, District Counsel
Debbie Nixon, Deputy Secretary

The Board adjourned into Closed Session at 1:05 p.m.

D.) Closed Session

- 2 TITLE: **CONFERENCE WITH LEGAL COUNSEL –
ANTICIPATED LITIGATION
California Government Code Section 54956.9(d)(2) and
(d)(4) Two Cases**

C.) Open Session

The Board went back into Open Session at 2:48 p.m.

In Closed Session, the Board directed Counsel to engage an independent auditor to conduct a forensic audit in the provision of IT services and equipment.

- 1 TITLE: **Award Contract to the Industrial Employers and Distributors Association (IEDA) for Consultant Support Services Relative to Labor Negotiations**
- REPORT: Brennan, Oral Report
- PROPOSED ACTION: (a) Authorize the Acting General Manager to enter into a contract with IEDA in a not to exceed amount of \$20,000, in a form to be approve by Legal Counsel, and;
(b) identify Austris Rungis as labor negotiator

Public Comment: Gary Stern stated he was the Shop Steward, representing the members of the bargaining unit for the Harbor District, and was asked to voice their questions and concerns in regards to awarding a contract to IEDA. He stated it was their opinion that the process used to select IEDA had not been transparent as could be, especially considering the current financial status of the Harbor District. Stern stated in the 12 years he served for the District, he was a part of two MOU Negotiations, and both of them were led by the General Manager and an HR representative. Stern stated the \$20,000 could go towards members of the public the District serves, and until the HR representative is hired, it is an expense that can be avoided; moreover, if the funds are spent for selecting IEDA, then the process should be transparent. (5:29)

David Doyle stated he was the Shop Steward, representing the members of the bargaining unit for the Harbor District, and their questions and concerns about the IEDA contract. Doyle asked why the item was being presented by a Commissioner instead of the General Manger when the MOU states the General Manager or designee he/she designates has the authority to negotiate the contract. He stated there should be options as far as authorizing an IEDA member, and concerned for the transparency of the selection process. Doyle stated the negotiations could be delayed until a Human Resources representative is hired, and could save the District \$20,000; moreover, if there is an immediate need for an outside negotiator, it should consist of an RFP process. (9:02)

John Draper stated he has worked with the District for over thirty years, and twenty of those years he was the Shop Steward for Operating Engineers at Pillar Point Harbor. He stated spending the \$20,000 did not make sense. (18:17)

Action: Motion by Parravano, second by Bernardo to deny awarding a contract to the Industrial Employers and Distributors Association (IEDA) for consultant support services relative to labor negotiations.

Action: Motion by Brennan, second by Mattusch to deny the Board the consideration of the first motion. The motion failed.

Ayes: Brennan, Mattusch
Nays: Bernardo, David, Parravano

Action: Motion by Parravano, second by Bernardo to deny awarding contract to the Industrial Employers and Distributors Association (IEDA) for consultant support services relative to labor negotiations. The motion passed.

Ayes: Bernardo, David, Mattusch, Parravano
Nays: Brennan

The Board adjourned into Closed Session at 3:39 p.m.

D.) Closed Session

- 3 **TITLE:** **Conference with Real Property Negotiators. California Government Code Section 54956.8.**
- PROPERTIES:** **504 Avenue Alhambra, El Granada, CA 94018**
- DISTRICT NEGOTIATORS:** **Scott Grindy and Randy Kinghorn**
- NEGOTIATING PARTIES:** **Working Dirt LLC, Abraham Farag**
- UNDER NEGOTIATION:** **Price and terms of payment**

Open Session, Continued

In Closed Session, the Board authorized the President to sign a lease at 504 Avenue Alhambra commencing June 1st, 2015, occupancy for 3 years with a 1 year extension option for \$7,000 per month. The board voted unanimously.

C.) Adjournment

The Board adjourned the meeting at 4:11 p.m.

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

DRAFT

ITEM 5

San Mateo County Harbor District Board of Harbor Commissioners Special Meeting Minutes

April 15, 2015
4:00 p.m.

Oyster Point Marina Yacht Club
911 Marina Blvd.
South San Francisco, CA

All Harbor District Commission meetings are recorded and posted at www.PacificCoast.tv within 24-48 hours of the meeting. Pacifica residents can tune into Comcast Chanel 26 and residents from Montara through Pescadero can tune into Comcast Chanel 27. Copies of the meetings can also be purchased from PCT and mailed for \$18.

Persons requiring special accommodation with respect to physical disability are directed to make such requests per the Americans With Disabilities Act to the Deputy Secretary to the Board at 650-583-4400

A.) Roll Call

Commissioners

Sabrina Brennan, President
Tom Mattusch, Vice President
Nicole David, Secretary
Robert Bernardo, Commissioner
Pietro Parravano, Commissioner

Staff

Scott A. Grindy, Acting General Manager & Treasurer
x Debra Galarza, Director of Finance
Vacant, Human Resource Manager
Jim Merlo, Acting Harbor Master - OPM
John Draper, Acting Harbor Master - PPH
Debbie Nixon, Deputy Secretary
Steven Miller, District Counsel

x- absent

B.) Public Comments/Questions- Leonard Woren stated it was a horrible location for the meeting, the acoustics were terrible and it was not a good time for most people of the county to get to. (55:54)

C.) New Business

(56:47)

- 1 TITLE: **Proclamation for Gary Stern**
REPORT: Parravano, Proclamation
PROPOSED ACTION: Approve proclamation

Action: Motion by Brennan, second by Mattusch to approve the proclamation. The motion passed unanimously.

Ayes: Bernardo, Brennan, David, Mattusch, Parravano

(1:00:56)

- 4 TITLE: *Approval of IT Vendor for Harbor District Move Activities*
REPORT: *Grindy, Memo, Proposals*
PROPOSED ACTION: *Approve IT vendor for a not to exceed amount of \$10,000*

Public Comment: Brian Rogers was curious why a proposal came in before the spec went out by the Board. He asked why a Commissioner was dealing with a vendor directly, and how a vendor knew the Board needed a proposal before asking for one. (1:06:25)

Leonard Woren stated it was not a good idea to change more than one thing at a time, and stated to arrange to take care of only things that need to be done for the move. (1:09:10)

John Ullom asked where Caspian IT came from. Ullom was concerned that there is \$35,000 worth of equipment and none of it has been delivered. Ullom stated the Board should gather bids and let the public evaluate them. (1:10:51)

Debra Galarza stated that when she was the Acting General Manager, she had a meeting with Brennan and Mattusch and stated that she felt an RFP was need but no direction was given. (1:15:29)

Action: Motion by Mattusch, second by David to select Option 2: to accept the selection of Caspian IT Group of Campbell, California in a not to exceed amount of \$10,000 for performing IT related activities for efforts and actions related to the moving of the Harbor District administrative offices upon contract legal review. The motion failed.

Ayes: David, Mattusch
Nays: Bernardo, Parravano
Abstain: Brennan

Action: Motion by Parravano, second by Bernardo to direct the Acting General Manager to contact other agencies that can collaborate and provide IT services for the Harbor District, and for the Acting General Manager to select the contractor and initiate a contract in an amount not to exceed \$10,000. The motion passed.

Ayes: Bernardo, David, Mattusch, Parravano
Abstain: Brennan

(1:35:07)

- 2 TITLE: **Presentation: Facilities Condition Study for Oyster Point Marina/Park and Pillar Point Harbor**
REPORT: Grindy, Presentation
PROPOSED ACTION: Information Only

Grindy presented the item.

No action taken. Information only.

(2:20:03)

- 3 TITLE: **Budget Workshop for FY2015/16 Budget**
REPORT: Draft Preliminary Budget, Memo
PROPOSED ACTION: Information only

Galarza presented the item.

Public Comment: Brian Rogers was concerned with how the capital projects would get paid for. Rogers also stated he support getting all of the projects done.

Ullom stated the Harbor District doesn't have \$14 million in the bank to spend. He stated the Harbor District will not have money in the next two to three years because of the large deficit. (2:40:22)

D.) Adjournment

Action: Motion by Mattusch, second by Parravano to adjourn the meeting. The motion passed at 7:20 p.m. The motion passed unanimously.

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

DRAFT

Staff Report

CANCELLATION OF BOARD OF HARBOR COMMISSIONERS MEETINGS FOR MAY 20, 2015 & JUNE 3, 2015; REINSTATE THE JULY 1, 2015 MEETING

Recommendation

In support of San Mateo County Harbor District staff moving the Administration Offices from South San Francisco to El Granada, staff requests that the Board of Harbor Commissioners cancel the Board of Harbor Commissioner meetings for May 20, 2015 and June 3, 2015 to allow staff time for the move activities.

Further staff request the reinstatement of the July 1, 2015 Board of Harbor Commissioner Meeting.

Background

A new leased location for the district administrative offices has been selected and leased. Moving activities will begin May 15th, of which include movement of staff, furniture, phones, and IT equipment will begin.

Memorandum

TO: Harbor Commissioners

FROM:  Debra Galarza & Belen Cruz

RE: Bills & Claims for Period Ending 5/06/15

Total Disbursements being submitted for your review: \$ 215,431.38

These include:

Handchecks in the amount of: \$ 49,594.31

Payables in the amount of: \$ 165,837.07

<u>Dept. Code</u>	<u>Description</u>		<u>Page Reference</u>
101	Harbor Commission	\$ 27,355.74	2
103	Administration	\$ 43,915.51	2
201	Pillar Point Harbor	\$ 45,686.00	2
301	Oyster Point Marina	\$ 32,602.40	2
	Payroll Related	\$ 65,871.73	2
	Total for Review	\$ 215,431.38	2

Notes:

Handchecks Written for:

Payroll Related \$ 9,337.61

Office Rent & Deposit \$ 28,000.00

Invoices with Due Dates on or Before Board Meeting \$ 12,256.70

Total Handchecks Written \$ 49,594.31

BILLS CLAIMS FOR 5/6/15 BOARD MEETING

VENDOR	DESCRIPTION	AMOUNT	PAYROLL RELATED	HARBOR COMM 101	ADMIN 103	PILLAR POINT 201	OYSTER POINT 301
ADP, LLC	PAYROLL PROCESSING	1,288.87		126.22	243.73	528.09	390.83
ARAMARK UNIFORM SERVICES	UNIFORM SERVICES	440.77					440.77
AT & T LONG DISTANCE	TELEPHONE/COMMUNICATIONS	142.00				99.96	42.04
AT&T	TELEPHONE/COMMUNICATIONS	11.87				11.87	
AT&T	TELEPHONE/COMMUNICATIONS	99.52					99.52
BLUE RIBBON SUPPLY	OPERATING SUPPLIES	586.99				496.99	90.00
CALIFORNIA WATER SERVICE	UTILITIES	2,607.92					2,607.92
COMCAST	TELEPHONE/COMMUNICATIONS	397.53			397.53		
DMV RENEWAL	PERMITS/LICENSES & FEES	10.00				10.00	
DOODYCALLS, LLC	OPERATING SUPPLIES	1,322.15				1,322.15	
ANDREW EVANOW	REFUND DEPOSIT	494.00				494.00	
FEDEX	CONTRACTUAL SERVICES	141.74		96.51	45.23		
GHD, INC.	WEST TRAIL COLVERT ENGINEERING PROJ.	2,187.50				2,187.50	
GOPHER BUSTERS	CONTRACTUAL SERVICES	495.00				495.00	
GRAINGER	REPAIRS & MAINTENANCE	970.34				522.09	448.25
GREENLEAF COMPACTION INC.	GARBAGE DISPOSAL	1,001.46				1,001.46	
HANSON BRIDGETT LLP	LEGAL SERVICES	26,038.50		13,936.00	5,140.50	3,300.50	3,661.50
HOLMAN PROFESSIONAL COUNSELING CENTERS	EMPLOYEE ASSISTANCE PROGRAM SERVICES	289.00		45.16	54.18	103.86	85.80
IRVINE & JACHENS INC.	OFFICE SUPPLIES	132.81					132.81
KASHIWA FUDOSAN AMERICA INC.	OFFICE RENT	7,316.40			7,316.40		
PASI KIMPIMAKI	REFUND DEPOSIT	119.23				119.23	
JOHN KOEPPEN	REFUND DEPOSIT	491.58				491.58	
LIEBERT, CASSIDY & WHITMORE	LEGAL SERVICES	11,580.50		11,580.50			
DAVID MCMASTERS	VESSEL ABATEMENT	1,885.00					1,885.00
JAMES MERLO	REIMBURSE MILEAGE	20.37					20.37
MISSION UNIFORM SERVICE, INC.	UNIFORM SERVICES	601.92				601.92	
MOFFATT & NICHOL ENGINEERS INC.	JOHNSON PIER ENGINEERING SERVICES PROJ	230.00				230.00	
NAPA VALLEY COLLEGE	HO TRAINING	210.00					210.00
NATIONAL CHEMICAL SERVICE	CONTRACTUAL SERVICES	74.00				74.00	
OPERATING ENGINEERS TRUST	HEALTH INSURANCE	31,044.00	31,044.00				
PACIFIC COLOR GRAPHICS	OFFICE SUPPLIES	448.94				196.64	252.30
PENINSULA PUMP & EQUIPMENT INC.	REPAIRS & MAINTENANCE	1,185.83				1,185.83	
PG&E	UTILITIES	1,760.86				1,760.86	
SAN MATEO COUNTY RESOURCE CONSERVATION	CONTRACTUAL SERVICES	13,962.37				13,962.37	
STANDARD INSURANCE COMPANY	LIFE & LTD INSURANCE	3,130.12	3,130.12				
STAPLES ADVANTAGE	OFFICE SUPPLIES	114.44			114.44		
JOSEPH STOOPS	REFUND DEPOSIT	89.00				89.00	
SUPERIOR EQUIPMENT COMPANY	REPAIRS & MAINTENANCE	1,075.41				1,075.41	
TEAMSTERS LOCAL 856-HEALTH & WELFARE	HEALTH INSURANCE	22,360.00	22,360.00				
ROBERT TRANSANO	REFUND DEPOSIT	2,287.23				2,287.23	
TURBO DATA SYSTEMS, INC	CITATION PROCESSING	60.74				57.32	3.42
U.S. MOORING SYSTEMS, INC.	MOORING EXPENSE	7,500.00				7,500.00	
VERIZON WIRELESS	TELEPHONE/COMMUNICATIONS	293.71			76.42	179.08	38.21
SUZANNE WALKER	REIMBURSE SPECIAL EVENTS EXPENSES	55.45				55.45	
WEB MARKET CONSULTING	WEBSITE MAINTENANCE	2,132.00		1,039.35	917.15	101.40	74.10
WINDWARD CAY MARINE	VESSEL ABATEMENT	17,150.00					17,150.00
SUB-TOTAL OF PAYMENTS TO BE PROCESSED 5/6/15		165,837.07	56,534.12	26,823.74	14,305.58	40,540.79	27,632.84
AIRGAS, NCN	CONTRACTUAL SERVICES	112.80				112.80	
ARROWHEAD MOUNTAIN WATER	CONTRACTUAL SERVICES	57.33					57.33
CALIFORNIA STATE DISBURSEMENT	PAYROLL DEDUCTION PAYABLE	394.61	394.61				
CALIFORNIA WATER SERVICE COMPANY	UTILITIES	2,349.97					2,349.97
CALPERS SUPPLEMENTAL INCOME	PAYROLL DEDUCTION PAYABLE	6,743.00	6,743.00				
CINTAS CORPORATION	CPR TRAINING	1,356.40				1,356.40	
COMCAST	TELEPHONE/COMMUNICATIONS	659.27				245.76	413.51
CUMMINS PACIFIC LLC	REPAIRS & MAINTENANCE	193.77				193.77	
EATON CORPORATION	REPAIRS & MAINTENANCE	539.55				539.55	
FIRSTCHOICE	CONTRACTUAL SERVICES	54.25			54.25		
GARDA CL WEST, INC.	CONTRACTUAL SERVICES	40.48				14.48	26.00
HENDERSON MARINE SUPPLY, INC	REPAIRS & MAINTENANCE	1,465.94					1,465.94
NATIONAL CHEMICAL SERVICE	CONTRACTUAL SERVICES	74.00				74.00	
NEXTEL COMMUNICATIONS	TELEPHONE/COMMUNICATIONS	144.63					144.63
PACIFIC OCCUPATIONAL HEALTH CLINIC	RECRUITING EXPENSE	543.50			543.50		
PITNEY BOWES GLOBAL FINANCIAL SERVICES	POSTAGE METER LEASE	1,536.54			512.18	512.18	512.18
PURCHASE POWER	POSTAGE EXPENSE	500.00			500.00		
SAN MATEO COUNTY ENVIRONMENTAL	PERMITS, LICENSES & FEES	739.00				739.00	
TERMINIX INTERNATIONAL	CONTRACTUAL SERVICES	70.00				70.00	
UNITED SITE SERVICES, INC.	CONTRACTUAL SERVICES	1,287.27				1,287.27	
VANTAGEPOINT TRANSFER AGENTS	PAYROLL DEDUCTION PAYABLE	2,200.00	2,200.00				
TUTI WEBER	CONFERENCES & MEETINGS	532.00		532.00			
WORKING DIRT MANAGEMENT, INC.	OFFICE RENT + SECURITY DEPOSIT	28,000.00			28,000.00		
TOTAL HANDCHECKS		49,594.31	9,337.61	532.00	29,609.93	5,145.21	4,969.56
TOTAL BILLS & CLAIMS		215,431.38	65,871.73	27,355.74	43,915.51	45,686.00	32,602.40
			PAYROLL	COMM	ADMIN	PPH	OPM

Memo

TO: San Mateo County Harbor District Commissioners

FROM: Debra Galarza, Director of Finance

DATE: May 6, 2015

SUBJECT: AUTHORIZATION TO PAY BILLS & CLAIMS OCCURRING BETWEEN
MAY 7, 2015 AND JUNE 16, 2015 IN AN AMOUNT NOT TO EXCEED
\$550,000

Recommendation

Authorize payment of bills and claims occurring between May 7, 2015 and June 16, 2015 in an amount not to exceed \$550,000.

Background

The Board has cancelled two (2) Board meetings: May 20, 2015 and June 3, 2015. Absent the cancellation of this meeting, the Board would normally be asked to approve bills and claims for standard operating expenses.

The Finance Department requests authority to issue up to \$500,000 in payments for bills and claims that will arise due to normal District operations. The Finance Department anticipates that standard expenses will not exceed \$500,000 but has requested an additional \$50,000 in payment authority to address any legal, moving costs, or capital project expenses that may occur during that time frame. Providing \$550,000 in payment authority would allow the District to pay claims to earn rebates and avoid penalties, late charges and interruptions to District operations related to delayed payments.

Any urgent items above the estimated amount will be presented to the President of the Board for interim approval.

**SAN MATEO COUNTY HARBOR DISTRICT
QUARTERLY INVESTMENT BALANCES REPORT**

ITEM 9



As required by Section 12 (Reporting) of the Investment Policy of the San Mateo County Harbor District, I am submitting to each member of the Board of Harbor Commissioners a Quarterly Investment Report.

The following cash and investments were held by the San Mateo County Harbor District as of March 31, 2015:

<u>CASH</u>	<u>AMOUNT</u>	<u>AVERAGE FY RATE</u>
Petty Cash	\$ 2,300.00	-
US Bank - Operations	1,625,000.65	-
US Bank - Payroll	0.00	-
Total Cash	1,627,300.65	-
 <u>INVESTMENTS</u>		
Local Agency Investment Fund (LAIF)	6,897.70	0.25%
San Mateo County Investment Pool	12,889,474.01	0.84%
San Mateo County Investment Pool - Restricted	1,784,282.17	0.84%
Total Investments	14,680,653.88	
Total Cash and Investments	\$ 16,307,954.53	

The District typically invests in: The Local Agency Investment Fund (LAIF), the San Mateo County Investment Pool, Collateralized CDs and FDIC Insured accounts, which require current statements to satisfy the reporting requirement.

<u>Category</u>		
Restricted	Reserved for Debt Service - DBW Loan Collateral	\$ 1,701,349.00
Committed	Emergency Reserve	1,619,464.00
Committed	Reserve for District Office	1,526,217.72
Committed	Capital Improvements Reserves	586,500.00
Assigned	Payables Liability	161,046.86
Assigned	Unfunded Health Insurance Termination Benefit Liability	3,608,954.00
Assigned	Debt Service Liability-DBW Loan payment due 12/31/15	1,393,093.77
Assigned	Encumbrances for Capital Projects	548,835.46
Assigned	Customer Deposits Liability	287,925.93
Assigned	Customer's Prepayments Liability	270,542.11
Unassigned		4,603,124.17
Total All Categories		\$ 16,307,954.53

Category Descriptions:

Restricted:

Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or enabling legislation.

Committed:

Amounts that can be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Committed amounts can be changed by formal action of the decision making authority if necessary.

Assigned:


Amounts that are intended to be used by government for specific purposes but do not meet the criteria to be classified as restricted or committed.


Unassigned:

Residual classification and includes all spendable amounts not contained in other classifications.

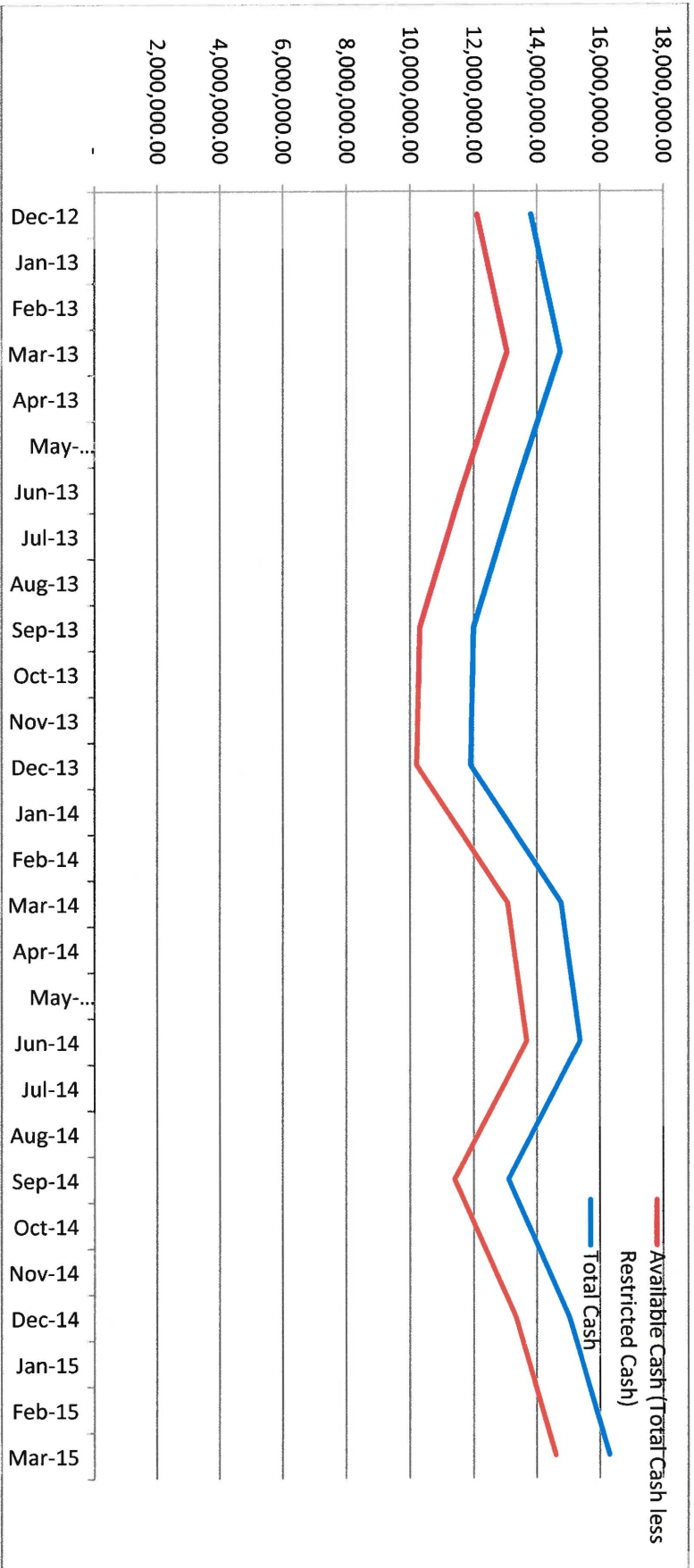
Certifications:

I certify that all investment actions executed since the Investment Policy was adopted on September 15, 2004, have been made in full compliance with the Investment Policy and the San Mateo County Harbor District will meet its expenditure obligations for the next six months.

Debra Galarza  Date 5/1/15
Director of Finance

Reviewed By:  Date 5/1/15
Scott Grindy
Treasurer - San Mateo County Harbor District

**SAN MATEO COUNTY HARBOR DISTRICT
QUARTERLY INVESTMENT BALANCES REPORT**





San Mateo County Harbor District

ITEM 10

Board of Harbor Commissioners

Sabrina Brennan, President
Tom Mattusch, Vice President
Nicole David, Secretary
Robert Bernardo, Commissioner
Pietro Parravano, Commissioner

Scott Grindy, Acting General Manager & Treasurer

TO FOLLOW

Staff Report

ACTING GENERAL MANAGER COMPENSATION

Recommendation

Clarify compensation for Scott Grindy in his role as Acting General Manager in the amount of \$150,575.88 per year, effective January 1, 2015.

Background

At its meeting on March 18, 2015, the Board voted to adjust the compensation for Scott Grindy in his role as Acting General Manager commencing upon January 1, 2015, and for so long as he is assigned the role of General Manager, in recognition of the District's Personnel Rule 4.04.

If he had not retired on December 31, 2014, the General Manager's salary on January 1, 2015 would have been \$150,575.88. In line with its March 18, 2015 action, there is now a need for the Board to clarify that Mr. Grindy's salary be adjusted pursuant to Personnel Rule 4.04 such that he be paid that amount, effective on January 1, 2015.

Fiscal Impact

Currently, Acting General Manager Grindy is paid the Harbor Master Salary of \$140,552.89 per year (this amount reflects a yearly step increase that took effect on March 23, 2012.).

The former General Manager retired on December 31, 2014. No salary differential has been paid for this position since that time. Increasing the Acting General Manager pay to the outgoing General Manager range will have no fiscal impact as the Administration salary budget was calculated at the outgoing General Manager compensation rate.

Resolution 10-15
of the
San Mateo County Harbor District
to
Authorize General Manager Compensation

Whereas, at its meeting on March 18, 2015, the Board voted to adjust the compensation for Scott Grindy in his role as the Acting General Manager, commencing January 1, 2015, and for so long as he is assigned the role of General Manager, in recognition of the District's Personnel Rule 4.04.

Whereas, in line with this earlier decision, there is now a need to clarify the amount of compensation to be paid the Acting General Manager.

Therefore, be it resolved, that the Board of Harbor Commissioners of the San Mateo County Harbor District does approve the application of Personnel Rule 4.04 to the appointment of Scott Grindy as Acting General Manager such that his salary as Acting General Manager, effective January 1, 2015 is hereby set in the amount of \$150,575.88.

Approved this 6th day of May 2015 at a regular meeting of the Board of Harbor Commissioners by a recorded vote as follows:

For:

Against:

Absent:

Abstaining:

Attested

BOARD OF HARBOR COMMISSIONERS

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

Resolution 11-15
of the
San Mateo County Harbor District

**Adopting and Affirming Factual Findings Made During the
Harbor District March 4, 2015 Public Meeting Regarding Three
Captains Sea Products' Request to Maintain a Second Hoist on
Johnson Pier**

Whereas, the San Mateo County Harbor District (the "District") held a public meeting on March 4, 2015; and

Whereas, as part of its regularly noticed agenda for the March 4 meeting, the District's Board of Harbor Commissioners considered a "Possible Change in Location of Three Captains' Hoist at Pillar Point Harbor," in light of information and documents provided by District Staff, Three Captains Sea Products, Inc. ("Three Captains") and its attorney, Mark Scheer; and

Whereas, all the documents included in the "Agenda Packet" prepared by District Staff for the March 4 meeting and made available to the public were considered by the District's Board of Harbor Commissioners; and

Whereas, the District's Board of Harbor Commissioners also accepted and considered a letter from Three Captains' attorney, Mark Scheer, received on March 4, 2015; and

Whereas, during the March 4 meeting, the District's Board of Harbor Commissioners considered and discussed in public whether to continue allowing Three Captains to operate a second hoist on Johnson Pier under a probationary agreement; and

Whereas, based on the documents and information provided and discussed, the District's Board of Harbor Commissioners voted—three Commissioners in favor, none opposed, and two Commissioners abstaining—to authorize and direct the District's General Manager to send a letter notifying Three Captains that the District is discontinuing the March 28, 2014 probationary agreement, effective April 2, 2015, and giving Three Captains until July 2, 2015 to remove its second hoist and apply to the Harbor Commission for a location change.

Therefore, be it resolved by the San Mateo County Harbor District as follows:

Section 1: The District adopts and affirms the factual statements contained in the March 4, 2015 report of District Staff and the factual statements made by the Commissioners during the March 4, 2015 public meeting, finding:

a. Three Captains' Lease Agreement permitted Three Captains to operate an existing winch and hoist and also permitted Three Captains to install a second winch and hoist at a location approved in advance by the Harbor Master;

b. Three Captains' Lease Agreement required Three Captains to obtain and pay for all licenses and permits required for construction and operation of a second winch and hoist and to comply with the requirements of any and all permits, licenses, and/or approvals, including from the California Coastal Commission (CCC);

c. On March 28, 2014, Three Captains signed an agreement with the District's Harbor Master authorizing Three Captains to install a second hoist on Johnson Pier,

RESOLUTION NUMBER 11-15

A RESOLUTION ADOPTING AND AFFIRMING FACTUAL FINDINGS MADE DURING THE HARBOR DISTRICT
MARCH 4, 2015 PUBLIC MEETING REGARDING THREE CAPTAINS SEA PRODUCTS' REQUEST TO MAINTAIN A
SECOND HOIST ON JOHNSON PIER

near the fuel dock, on a "probationary or tentative" basis, for one year ending April 1, 2015, and requiring Three Captains to provide the Harbor Master with copies of any and all required permits;

d. On April 15, 2014, Three Captains installed its second hoist on Johnson Pier near the fuel dock;

e. As of the March 4, 2015 meeting of the District's Board of Harbor Commissioners, Three Captains has not obtained a required Coastal Development Permit from the CCC;

f. Safety is paramount for operating any equipment on Johnson Pier, and added congestion has the potential of causing an unsafe condition on the Pier;

g. District staff, who are closely familiar with the operations on and around Johnson Pier, has determined that limiting the hoist location to less congested traffic areas than the area around the fuel dock would improve operational safety conditions on Johnson Pier and would better serve the District and the public;

Section 2: Three Captains is operating a hoist without requisite approvals and permissions, and the District therefore affirms the March 4, 2015 decision of the District Board of Harbor Commissioners directing the District's General Manager to send a letter notifying Three Captains that the District is discontinuing the March 28, 2014 probationary agreement, effective April 2, 2015, and giving Three Captains until July 2, 2015 to remove its second hoist and apply to the Harbor Commission for a location change.

Section 3: Consistent with the Lease Agreement, Three Captains may apply to install a second hoist in a different location.

Approved this 6th day of May, 2015 at a regularly noticed meeting of the San Mateo County Harbor District by a recorded vote as follows:

For:

Against:

Abstaining:

Attested

BOARD OF HARBOR COMMISSIONERS

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

**RESOLUTION NUMBER 11-15
A RESOLUTION ADOPTING AND AFFIRMING FACTUAL FINDINGS MADE DURING THE HARBOR DISTRICT
MARCH 4, 2015 PUBLIC MEETING REGARDING THREE CAPTAINS SEA PRODUCTS' REQUEST TO MAINTAIN A
SECOND HOIST ON JOHNSON PIER**

Staff Report

BHI MANAGEMENT CONSULTING AGREEMENT, APPROVE CONTRACT AUGMENTATION TO NOT TO EXCEED AN ADDITIONAL AMOUNT OF \$10,500.

Recommendation

Approve the Contract Augmentation in a Not To Exceed Amount of \$10,500 to BHI Consulting. (Proposal attached)

Background

In January 2015 BHI Consulting was selected to perform an Executive Search for a new General Manager in the amount of \$37,900. (Original proposal attached)

In February 2015 the additional task was added for recruitment of an interim General Manager. The augmentation amount of \$10,500 would be added for a total of \$48,400 to the firm of BHI Management Consulting.

Analysis

As many qualified candidates as possible were identified through various placement agencies and direct recruiting. Approximately 24 candidates were contacted in response to received resumes. Thirteen of them were scheduled for phone interviews with search committee and references were checked. Three candidates have so far been recommended for full Board interview but all three candidates withdrew before meeting with the Board. Time spent so far on interim GM search totals 28 hours for BHI Consulting.

Fiscal Impact

An intra-department transfer of funds from the Election account to the Contractual Services account will cover the cost of this augmentation. {The Election expenses were budgeted at \$650,000; actual costs were \$513,378; therefore leaving \$136,621 in the budget to cover unforeseen expenses}.

Conclusion

This process has been more difficult than anticipated and has been more time consuming than expected. With additional resumes received it is estimated that this interim GM hiring process can be completed within the month of May and an additional 12 hours of time for BHI Consulting.

Alternatives

Should the Commission decide to move in a different direction another executive search firm could be hired or the process for the interim GM search could be terminated.

BHI MANAGEMENT CONSULTING

"Organizational Efficiency for Public Agencies"

Board of Commissioners
San Mateo County Harbor District
400 Oyster Point Blvd., Suite 300
South San Francisco, CA 94080

March 30, 2015

Subject: Augmentation request to PO#281 (Professional Services for General Manager Search) for additional work for Interim GM search process

Dear Honorable Board of Commissioners,

As you are aware the District and your Board has retained my firm to recruit for your next General Manager. In early February it became necessary to add to that project the recruitment of an interim General Manager. That work has, to date, included a series of search functions and interviews with over 20 candidates to work toward eventual placement.

It has been requested of my firm to provide this contract augmentation outlining these additional services. To date, we have spent 42 hours in support of the search for an interim manager. The requested augmentation therefore is \$10,500 to PO#281.

Again, I appreciate your confidence in my working with the Board through this critical effort. Please be assured that I am working diligently to assist the Board through the committee in this effort and are making progress in parallel on the permanent GM replacement project.

Sincerely,

Brent H. Ives

Brent H. Ives, Principal
BHI Management Consulting

Resolution 12-15
of the
San Mateo County Harbor District
to

**APPROVE AMENDMENT TO BHI MANAGEMENT CONSULTING AGREEMENT TO
INCREASE NOT TO EXCEED AMOUNT BY AN ADDITIONAL \$10,500**

Whereas, at its meeting on January 7th, 2015, the Board of Harbor Commissioners ("Board") of the San Mateo County Harbor District (the "District") voted to approve a contract with BHI Management Consulting to perform an Executive Search for a new General Manager in the amount of \$37,900; and

Whereas, in February 2015, the Board authorized BHI Management Consulting to perform the additional task of assisting with the recruitment of an interim General Manager; and

Whereas, it is necessary to increase the not-to-exceed contract amount to allow for the additional task.

Therefore, be it resolved, that the Board of Harbor Commissioners of the San Mateo County Harbor District authorizes the General Manager to execute an amendment to the contract with BHI Management Consulting to increase the not-to-exceed contract amount by \$10,500, for the additional task of recruitment of an interim General Manager.

Approved this 6th day of May 2015 at a regular meeting of the Board of Harbor Commissioners by a recorded vote as follows:

For:

Against:

Absent:

Abstaining:

Attested

BOARD OF HARBOR COMMISSIONERS

Debbie Nixon, Deputy Secretary

Sabrina Brennan, President

Memo

Date: April 28, 2015

To: Board of Harbor Commissioners

Thru: Scott Grindy
Acting General Manager

From: Jim Merlo
Acting Harbor Master Oyster Point Marina

Re: Event Special Use Permit for the Coastside Fishing Club for the 2015 Oyster Point Marina (OPM) Classic on June 27, 2015

RECOMMENDATION

Waive fee and approve a Special Use Permit for the Coastside Fishing Club for the 2015 Oyster Point Marina (OPM) Classic on June 27, 2015.

BACKGROUND

The Coastside Fishing Club is a community of recreational fisherman. They are a group of individuals that share in the common goal of improving the fishery, sharing their knowledge with the younger generations, and helping to preserve resources for future generations to enjoy.

The OPM Classic has been held at the Oyster Point Marina for several years. This event started as an event coordinated by Oyster Point Marina staff. A few years ago the Coastside Fishing Club took over the event from OPM staff. The last event was held in 2014. The event is

held at Drake Marine (OPM Marine Center) adjacent to the marina. However, participants will be launching and/or slipping their boats at the marina.

This is a one-day fishing derby targeting halibut and striped bass. Prizes will be awarded for the largest fish. During and after the weigh-in, food will be served and a raffle held.

The derby brings in many users to the marina to launch and/or slip their boats. Facility users and their passengers will use the parking the marina already makes available for this purpose.

Coastside Fishing Club is seeking a waiver of the application fee of \$150 and the Permit Fee of \$100, berthing fees for approximately 20 boats of \$480.00 and launch ramp fees for the event for approximately 25 boats at \$11 per launch for about \$275.00. The total amount of the fee waiver is approximately \$1,000. Staff feels that the event specifically promotes Oyster Point Marina and participants will use the marina for its intended purpose, boating and recreation.

Staff supports approval of all fee waivers including the slip fee and launch ramp fees on the basis that this event is deemed to serve a significant District interest.

Debbie Nixon

From: Marc Gorelnik <gorelnik@gmail.com>
Sent: Friday, April 24, 2015 4:00 PM
To: Debbie Nixon
Cc: Scott Grindy; Jim Merlo; Sabrina Brennan; Tom Mattusch; Marie Turner
Subject: Coastside Fishing Clun Special Use Permit Application
Attachments: CSFC OPM 2015 -permit app-signed.pdf

Dear Debbie,

Attached please find the application of Coastside Fishing Club, a California non-profit, for a special use permit. Coastside will hold a fishing derby on June 27, 2015 and wishes to base the derby at Oyster Point Marina as it has several times in the past. Our activities are largely contained to property used by Drake Marine. However, the derby will bring many users to the marina to launch and/or slip their boats. These facility users and their passengers will use the parking the marina already makes available for such purposes.

We ask that the Harbor District, as it has in the past, allow registered participants to use the launch ramp without fee for this event and to slip their boats overnight. This will encourage boat owners, particularly those not familiar with Oyster Point Marina, to use and become familiar with this facility.

Unlike many other events that the harbor may permit, the 2015 OPM Classic specifically promotes Oyster Point Marina. Participants will use the marina for its intended purpose: boating and recreation. Coastside's award, raffle and lunch activities will take place on the lot at Drake Marine, not in the marina itself.

Coastside seeks a waiver of both the application and permit fees. Coastside is a non-profit and does not realize any income from this event. In fact, in 2014 Coastside was not able to cover its expenses. Nevertheless, we wish to continue the event because there is community interest and the benefits outweigh the risk of a small deficit. The economics would change, however, if the application and permit fees were not waived.

Coastside has worked closely with the Harbor District on many activities, primarily at Pillar Point Harbor. We look forward to working with you on this activity. Please feel free to contact me by email or at [415-409-9529](tel:415-409-9529).

Marc Gorelnik



San Mateo County Harbor District

400 Oyster Point Blvd., Suite 300,
 South San Francisco, CA 94080
 (650) 583-4400 T
 (650) 583-4611 F
 www.smharbor.com

Please supply the information requested below. Please remit this application at least 21 days prior to your event. Attach additional sheets if necessary, to provide required information. A non-refundable application fee of should accompany this application. You will be notified of the disposition of the application and the necessary steps to secure your final permit. A permit fee, signed permit agreeing to reimburse District for any costs incurred by damages and proof of liability insurance named the San Mateo County Harbor District as also insured will be required. See Event Policy, Permit Fee Schedule and Category Definitions.

APPLICATION FORM – Special Use Permit	
Applicant Name:	Marc Gorelnik
Organization Name:	Coastside Fishing Club
Address:	PO BOX 5928
City, State, Zip Code	Napa, CA 94581
Telephone	Day 415-409-9529 Cell Fax
Alternate Contact Person (s) and Phone Number	Marie Turner (510)299-5480
San Mateo County Resident:	Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>
Non- Profit:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Commercial:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Event:	9th Annual OPM Classic - Halibut and Striped Bass Derby
Description of Proposed Activity:	This event is scheduled for Saturday, June 27, 2015, at Oyster Point Marina/Park. The Coastside Fishing Club's OPM classic - Halibut and Fishing Derby will be held between the hours of 5:00am - 4:00pm on Saturday, with pre-derby set-up on Friday, June 26th from 3:00pm - 6:00pm. The primary site for the BBO
Event Date (s)	June 27, 2015 (set-up on 6-26-2015)
Number of Events per year:	1
Event Hour:	Start 5:00am End 4:00pm
Set up Time:	3:00pm 6-26-2015
Exit Time:	by 6:00pm 6-27-2015
Number of Participants/Guests:	150
Maximum number of vehicles/parking requirements for the event: (provide parking plan)	Participants who launch their boat on the day of the event will park in the OPM parking area. Participants and guests will utilize parking space provided by Drake's Marine, as well as OPM's overflow parking space. Overflow may range from 20-30 vehicles.



San Mateo County Harbor District

400 Oyster Point Blvd., Suite 300,
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Equipment to be used: (Chairs, tables, tents, microphones, speakers)	Coastside does not intend to use chairs, tables, tents or other equipment at the marina. Such equipment is intended to be placed at the facility of Drake Marine.
Individual in charge on event day (include name, address and contact number on the day of the event)	Marie Turner 336 Belae Drive Hayward, Ca 94544 (510)299-5480

Information will be used to determine whether a permit will be issued. Completed application must be accompanied by an application fee based on the Permit Fee Schedule. The District may require additional information.

Request for fee waiver:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
-------------------------	---	-----------------------------

Reason for request of fee waiver:	This event will encourage use of Oyster Point Marina by the boating and fishing public. This event will promote the facility and bring new users that are likely to return in the future. <i>Even with the Commission's fee waiver in 2014, entry fees</i>
-----------------------------------	---

Are you familiar with/have you visited the requested area?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Do you plan to advertise or issue a press release before the event?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Is there any reason to believe there will be attempts to disrupt, protect or prevent your event? (If yes, please explain on a separate page.)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Do you intent to solicit donations or offer items for sale?	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>

Applicant is required to comply with all Federal, State, Local and District laws and ordinances, and represents as part of this permit application that he/she reviewed the Ordinance Code of

Memo

Date: May 6, 2015

To: Board of Harbor Commissioners

From: Nicole David, Harbor Commissioner

Re: Discussion of draft letter to BCDC expressing concerns about increased sand mining in San Francisco Bay

Recommendation

Approve Letter to BCDC.

Background

Sand has been removed from San Francisco Bay for over 100 years to maintain shipping channels and also later to obtain construction material. The assumption was made that the sand would be replenished from the Sacramento-San Joaquin River Delta and smaller tributaries. But scientific studies have shown that only a smaller amount of sand is being replenished. The decrease is caused by dams, flood control measures, and other hydrological modifications in rivers and the Sacramento-San Joaquin River Delta. Additionally, the ongoing drought is reducing sediment flows to the Bay because water is the main transport mechanisms for sediment.

This letter is in response to three different permit applications for sand mining in Central San Francisco Bay, Suisun Bay, and near Middle Ground Island in Contra Costa County that were approved by BCDC unanimously on April 16, 2015.

San Mateo County Harbor District
Board of Commissioners

Commission Members
San Francisco Bay Conservation and Development Commission
455 Golden Gate Avenue, Suite 10600
San Francisco, CA 94102-7019

May 6, 2015

Subject: Sand Mining in San Francisco Bay

Dear Commission Members,

The Board of Harbor Commissioners is concerned about the recent decision to permit further sand mining in San Francisco Bay. Sediment flows through the Delta and smaller tributaries into San Francisco Bay and continues from there to open ocean beaches along San Francisco and the northern part of San Mateo County. However, a sharp long-term decrease in sediment supply to San Francisco Bay has occurred due to modifications of the rivers and the Delta. The rate of sand mining has not decreased proportionately with the decreasing sand supply. Especially, during the ongoing drought we would expect the amount of sediment coming into San Francisco Bay to be less than in normal years.

Sand mining in San Francisco Bay should only be permitted at a rate that does not exceed replenishment. Good estimates for sediment loads coming into the Bay have been made previously but these sediment loads cannot support the mining demands in the Central Bay and Suisun Bay. Excessive mining will adversely affect shorelines and possibly shoreline restoration projects, especially since maintenance dredging also has to be considered. Aggregate mining is not the only way that sand is removed from the Bay.

Previous bathymetry studies have indicated that the reduction in sand mining by 71% after 2007 left the Bay floor with a slight net accretion and minor changes through 2014. Increasing the amount of sand to be removed again is concerning and we would recommend further studies to be conducted to enhance our understanding of sediment processes in the Bay before increased sand mining is allowed.

Sincerely,

Sabrina Brennan (President)

Memo

Date: May 6, 2015

To: Board of Harbor Commissioners

From: Nicole David
Harbor Commissioner

Re: Sustainable Seafood Saturday at CSM. Discussion of potential outreach event for San Mateo County residents. The focus will be on education about sustainably caught seafood from PPH. The event cost will not exceed \$1,000.

Recommendation

Approve Sustainable Seafood Saturday.

Sustainable Seafood Definition

Seafood that is harvested or produced in a manner that minimizes bycatch and impacts on surrounding ecosystems, while creating and maintaining economic viability for the industry. The purpose is to ensure and maintain healthy populations of species that are harvested.

Goal

This event will help to educate the public about the importance of supporting fishermen and seafood businesses that have developed sustainable solutions to environmental concerns, emphasizing that consumer choices can have lasting and beneficial impacts on the environment.

Additional goals:

- ❖ Bring attention to sustainable local seafood
- ❖ Provide information about benefits of sustainable local seafood
- ❖ Attract additional customers to PPH and possibly OPM

Fiscal Impact

CSM facility rental will be waived

Insurance for half day

IT set up for Saturday

Tents

Cost will not exceed \$1,000.

Sustainable Seafood Saturday

To Teach Consumers About Benefits From Locally Caught Sustainable Seafood
and
To Help Harbors Thrive

Event planning: Tom Mattusch and Nicole David

Educational event at College of San Mateo (9/19 or 9/26 Sat 10-2 pm)

Taste and Touch event at PPH (Oct Sat 3-8 pm) – Permission would be requested from SMCHD separately

Possible Event Chair or Keynote Speaker: Paul Greenberg

American author and essayist. Has written regularly for the New York Times, focusing on fish, aquaculture, and the future of the ocean.

Presentation and Interview Session with Possible Topics:

- Accomplishments regarding sustainability and the environment (possible speaker: Fisherman)
- Economic value for San Mateo County (possible speaker: County Supervisor)
- Overfished Species (OFS) and mitigation efforts (Nature Conservancy: Oceans Project Director or Fisheries Project Director)
- Benefits of seafood as part of diet (e.g., heart health) - Physician or representative from Department of Public Health
- Quality of local seafood (Office of Environmental Health Hazard Assessment - OEHHA)

Possible Educational Booth:

- Display different gear types to show diversity at PPH
- Fisheries management models
- Recreational and party boat information
- Information to increase interest and demand for fresh seafood at OPM and possibly have fresh fish sales there in the future that attract more visitors
- Seafood Watch Monterey
- Phondini Partners and Fishline

Educational booth and informational posters could be reused at PPH event.



STAFF REPORT

FROM: Debra Galarza, Director of Finance

DATE: May 6, 2015

SUBJECT: Preliminary Operating and Capital Budget: May 6th Edition

Summary

Several changes have been made to the budget first presented on March 18th, 2015. There have been no updates to that document until this May 6th Edition which is attached.

Unlike Financial Statements, Budgets do not have regulatory requirements to follow. However, best practices are recommended by agencies such as GFOA (Government Finance Officers Association); CSMFO (California Society of Municipal Finance Officers); and GASB (Government Accounting Standards Board).

Up until this year the District has included non-cash items in its budget, specifically, depreciation and termination benefit liability (these were included in the March 18th version of the budget). The District has always used and accrual based budget which includes non-cash items.

The District is now changing to a cash based budget. Depreciation and termination liability will now be adjusted out of the bottom line to show the actual cash the District intends to spend for Fiscal Year 2015-16.

Below is a summary of changes made:

Detail of Changes from March 18th budget to Preliminary Operating and Capital Budget, May 6th Edition

	<u>Located in March 18th</u>	<u>WAS</u>	<u>Located in May</u>	<u>NOW</u>	<u>CHANGE</u>
	<u>Budget</u>		<u>6th Edition</u>		
March 18th Increase (Decrease) Including Capital Changes to May 6, 2015 Budget	Page 8 of 39 last line	\$			\$
Defer OPM Capital Project Adjustments	(A) Page 35 of 39	\$	565,000	(A), pg 6 of 46, 42 of 46	\$ 115,000 \$ 450,000
Defer PPH Capital Project Adjustments	(B) Page 35 of 39	\$	3,064,190	(B), pg 6 of 46, 42 of 46	\$ 595,000 \$ 2,469,190
Remove Depreciation-Non-Cash Item	(C) Page 7 of 39	\$	1,624,254	(C), pg 6 of 46	\$ - \$ 1,624,254
Add Debt Service Principal-Cash Item	(D) not in March 18th copy	\$	-	(D), pg 5 of 46	\$ (979,573) \$ (979,573)
PPH Interest Expense-Adjust	(E) Page 7 of 39	\$	129,869	(E), pg 5 of 46	\$ 211,885 \$ (82,016)
OPM Interest Expense-Adjust	(F) Page 7 of 39	\$	160,470	(F), pg 5 of 46	\$ 201,635 \$ (41,165)
Remove Termination Liability	(G) not in March 18th copy	\$	202,725	(G), pg 6 of 46	\$ - \$ 202,725
Net Addition to (Reduction from) Reserves	(H)			(H), pg 6 of 46	\$ 14,225

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SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



PRELIMINARY OPERATING AND CAPITAL BUDGET FISCAL YEAR ENDING JUNE 30, 2016

May 6, 2015 Edition

Board of Harbor Commissioners

**Scott Grindy
Acting General Manager**

**Debra Galarza
Director of Finance**

**John Draper
Acting Harbor Master**

**James Merlo
Acting Harbor Master**



San Mateo County Harbor District
Board of Harbor Commissioners

<u>TITLE</u>	<u>NAME</u>	<u>TERM EXPIRES</u>
PRESIDENT	Sabrina Brennan	December 31, 2016
VICE PRESIDENT	Tom Mattusch	December 31, 2016
SECRETARY	Nicole David	December 31, 2018
COMMISSIONER	Pietro Parravano	December 31, 2016
COMMISSIONER	Robert Bernardo	December 31, 2018

**PRELIMINARY OPERATING AND CAPITAL BUDGET
FISCAL YEAR ENDING JUNE 30, 2016**

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SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



BUDGET SUMMARY

BUDGET SUMMARY

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/14	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET
Operating Revenues	4,272,223	3,788,250	2,064,792	3,768,419	3,780,883
Non-Operating Revenues	7,438,059	5,117,300	2,469,203	5,391,003	5,553,019
TOTAL REVENUES	11,710,282	8,905,550	4,533,994	9,159,422	9,333,902
Operating Expenses	6,545,252	8,244,724	4,480,141	7,573,229	7,419,308
Non-Operating Expense	1,271,877	1,733,908	11,563	0	3,017,348
SUB-TOTAL OPERATING AND NON-OPER EXPENSES	7,817,128	9,978,633	4,491,704	7,573,229	10,436,656
<i>Adjustments:</i>					
<i>Add Back Termination Liability-Non Cash Item</i>	175,844	80,972	(27,709)	(26,382)	202,725
<i>Add Back Depreciation-Non Cash Item</i>	1,054,626	558,065	11,563	-	1,624,254
Total Capital Projects Expense	1,421,008	777,686	156,749	-	710,000
SUB-TOTAL EXPENDITURES & CAPITAL	8,007,667	10,117,282	4,664,599	7,599,611	9,319,677
NET INCREASE(DECREASE)	3,702,616	(1,211,732)	(130,605)	1,559,811	14,225

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
OPERATING REVENUE:					
Berth Fees	1,588,500	1,102,083	0	0	2,690,583
Mooring Fees	41,000	0	0	0	41,000
Launch Ramp Fees	81,500	16,750	0	0	98,250
Dock Boxes	0	6,500	0	0	6,500
Misc. Fees	47,100	10,550	0	0	57,650
Rents & Concessions	430,000	205,000	0	0	635,000
RV Parking (Fishing)	50,450	0	0	0	50,450
Event Fees	22,750	500	0	0	23,250
Commercial Activity Permits	9,000	1,500	0	0	10,500
Sales	6,500	1,200	0	0	7,700
State- DBAW - Abandoned Vessel	75,000	85,000	0	0	160,000
Total Operating Revenues	2,351,800	1,429,083	0	0	3,780,883
NON-OPERATING REVENUE:					
Taxes	0	0	5,500,000	0	5,500,000
Interest Income	0	0	51,319	0	51,319
Miscellaneous Revenues	0	0	1,700	0	1,700
Total Non-Operating Revenues	0	0	5,553,019	0	5,553,019
TOTAL SOURCES OF FUNDS (REVENUE)	2,351,800	1,429,083	5,553,019	0	9,333,902

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
SALARIES AND BENEFITS:					
Salaries and Wages Expense:					
Base Salary and Wages	1,091,591	689,999	730,057	36,000	2,547,647
Overtime	16,000	16,000	8,000	0	40,000
Other Pay	25,000	25,000	0	0	50,000
Total Salaries and Wages	1,132,591	730,999	738,057	36,000	2,637,647
Benefits Expense:					
Pension Contributions	265,758	163,733	135,778	0	565,270
Health Insurance Costs - Current Employees	249,746	163,710	102,174	40,769	556,399
Worker's Compensation Insurance	79,300	67,000	5,444	400	152,144
Other Insurance - Current Employees	16,025	11,500	14,100	300	41,925
Insurance Costs - Retirees	38,750	46,700	0	21,315	106,765
Social Security and Taxes	16,496	10,375	20,507	2,832	50,209
Auto Allowance	8,400	8,400	8,400	0	25,200
Employment Assistance Program	1,300	1,100	670	600	3,670
Liability for Termination Benefit	175,844	80,972	(27,709)	(26,382)	202,725
Total Benefits	851,619	553,490	259,363	39,834	1,704,306
TOTAL SALARY AND PAYROLL BURDEN	1,984,211	1,284,489	997,420	75,834	4,341,953

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
OPERATING EXPENSES:					
Advertising	11,200	8,000	2,500	8,000	29,700
Bad Debt Expense	45,000	50,000	0	0	95,000
Communications	21,000	13,100	12,500	0	46,600
WiFi Services	4,440	6,500	0	0	10,940
Computer - Hardware and software	11,750	5,000	7,500	0	24,250
Postage	9,000	4,000	9,000	100	22,100
Meetings/Travel/ Training	6,600	5,300	6,500	9,800	28,200
Auto Mileage Reimbursement	500	400	1,500	200	2,600
Memberships/ Exams/ Subscriptions	400	250	17,500	0	18,150
Personnel Tests	1,100	1,150	2,500	0	4,750
Property & Casualty Insurance	135,000	139,200	0	14,935	289,135
Fuel	12,000	6,400	0	0	18,400
Operating Supplies	67,900	31,500	0	0	99,400
Office Supplies	7,500	5,400	13,600	1,800	28,300
Uniform Expenses	9,000	7,500	0	0	16,500
Legal Services	55,000	15,000	100,000	213,000	383,000
Contractual Services-IT	10,500	13,000	21,000	4,000	48,500
Contractual Services-Professional	50,000	79,800	75,000	0	204,800
Outside Contractual Services	105,900	127,080	33,150	21,500	287,630
Special Events Expense	6,500	6,500	0	0	13,000
Bank & Credit Card Fees	16,400	22,300	750	0	39,450
Office Space and Equipment Rentals	0	4,500	99,000	0	103,500
Repair and Maintenance	467,000	131,500	0	0	598,500
Garbage Collections	158,300	26,500	0	0	184,800
Harbor/ Marina Equipment	17,150	5,000	0	0	22,150
Vessel Destruction	65,000	75,000	0	0	140,000
Water and Electrical Utility Expenses	168,500	108,000	0	0	276,500
LAFCO Fees	0	0	7,500	0	7,500
Property Tax Admin. Fee	0	0	29,000	0	29,000
Employee Appreciation Dinner	0	0	0	5,000	5,000
Total Operating Expenses	1,462,640	897,880	438,500	278,335	3,077,355
Total All Operating, Salary and Benefit Expenses	3,446,851	2,182,369	1,435,920	354,169	7,419,308
NON-OPERATING EXPENSES:					
Depreciation	558,065	1,054,626	11,563	0	1,624,254
Debt Service-Principal	501,927	477,647	0	0	979,573 (D)
Interest Expense - DBAW Loan	211,885	201,635	0	0	413,520 (E,F)
Total Non-Operating Expenses	1,271,877	1,733,908	11,563	0	3,017,348
TOTAL OE&E EXPENSE	4,718,727	3,916,277	1,447,483	354,169	10,436,656

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
CAPITAL PROJECTS (2015-2016 BUDGET APPROPRIATION ONLY):					
Oyster Point Marina:					
Correct Flooding Issues	0	25,000	0	0	25,000
Trash Compactor	0	40,000	0	0	40,000
Dock 12 Referishment	0	50,000	0	0	50,000
Pillar Point Harbor:					
Mooring Replacements	25,000	0	0	0	25,000
Leasee Sidewalk	35,000	0	0	0	35,000
Rip Rap Fishing Pier Repair	100,000	0	0	0	100,000
Radon Boat Replacement or Repair	120,000	0	0	0	120,000
Harbor Office Remodel	50,000	0	0	0	50,000
Romeo Pier	50,000	0	0	0	50,000
Trench Drains at Boat Launch Ramp	10,000	0	0	0	10,000
Launch Ramp Restroom Design	35,000	0	0	0	35,000
Inner Harbor Dredging	70,000	0	0	0	70,000
Total Capital Projects (2015-16 Appropriations)	495,000	115,000	0	0	610,000
CAPITAL PROJECTS (CARRYOVER):					
Pillar Point Harbor:					
West Trail - Fix Erosion	100,000	0	0	0	100,000
Total Capital Projects (Carryover Appropriations)	100,000	0	0	0	100,000
Total All Capital Projects	595,000	115,000	0	0	710,000 (A,B)
TOTAL ALL COSTS	5,313,727	4,031,277	1,447,483	354,169	11,146,656
Less Non-Cash Items:					
Remove Depreciation	558,065	1,054,626	11,563	0	1,624,254 (C)
Add Back Termination Liability-Non Cash Item	175,844	80,972	(27,709)	(26,382)	202,725 (G)
TOTAL USES OF FUNDS (EXPENDITURES)	4,579,818	2,895,679	1,463,629	380,551	9,319,677
NET ADDITION TO (REDUCTION FROM) RESERVES	(2,228,018)	(1,466,596)	4,089,390	(380,551)	14,225 (H)

Budget Summary

Fiscal Year Ending June 30, 2016

1. This year's budget Operating and Non-Operating Revenue are ~~balanced to greater than~~ the Operating and Non-Operating Expenses ~~by \$14,225~~. This was attainable because several repairs and maintenance projects had been completed in previous years, attrition of senior staff at higher salaries and benefits are being replaced with new staff who have lower salaries and benefits, and it is estimated that new lease negotiations on three lease renewals will enhance revenues. ~~In addition, capital projects have been evaluated by staff and several are budgeted for design and permitting for FY2015-6.~~
- ~~2. Capital costs will need to be funded by reserves. Other financing should be researched but is limited to the restrictions put in place by DBW.~~
- ~~3. Capital projects in the amount of \$3,629,290 are made up of \$2,638,257 in new projects and \$355,933 in carryovers from FY2014-15. Review of the Facilities study, meetings with Harbor Masters and Acting General manager enabled the discussion of necessary capital projects. Capital projects are evaluated by necessity due to health and safety issues (i.e. Johnson Pier electrical repairs), items that may create legal issues (i.e. Romeo Pier), and projects that would generate revenue (i.e. Sidewalk project via higher percentage rents).~~
3. In order to project the cash outlay for the budget depreciation expense has been adjusted as a non-cash item and excluded from the expenditure totals.

SAN MATEO COUNTY HARBOR DISTRICT

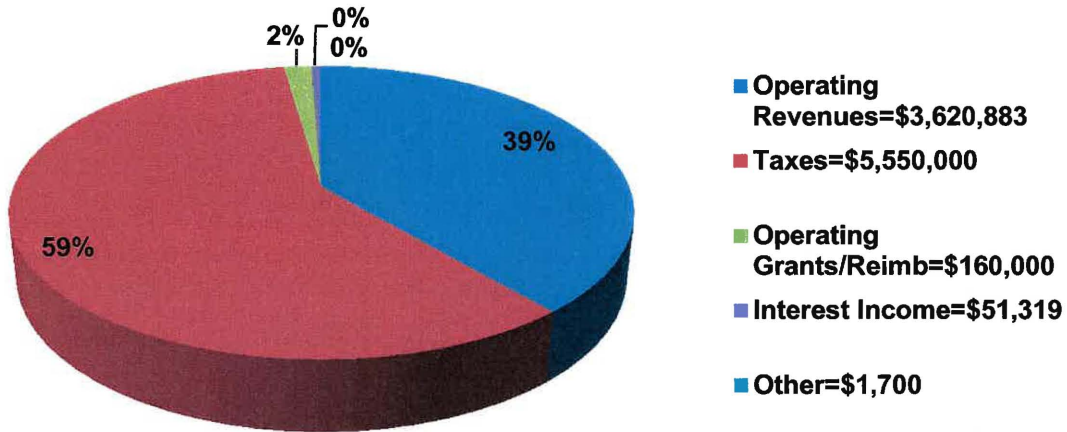
400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



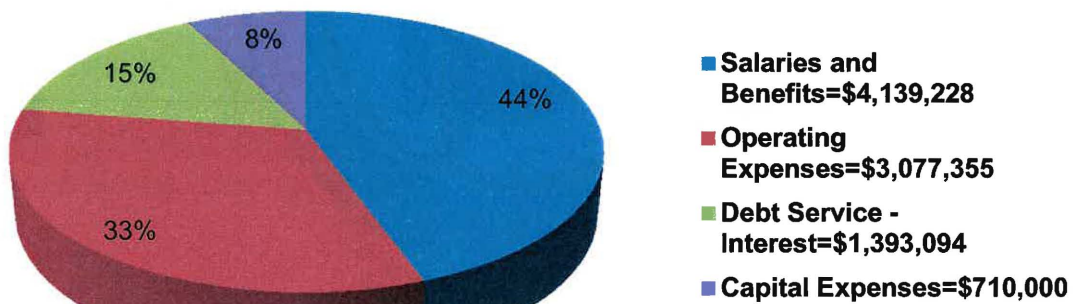
BUDGET GRAPHS

Where the District Gets its Money and Where the Money is Spent

2015-16 Budgeted Sources of Funds



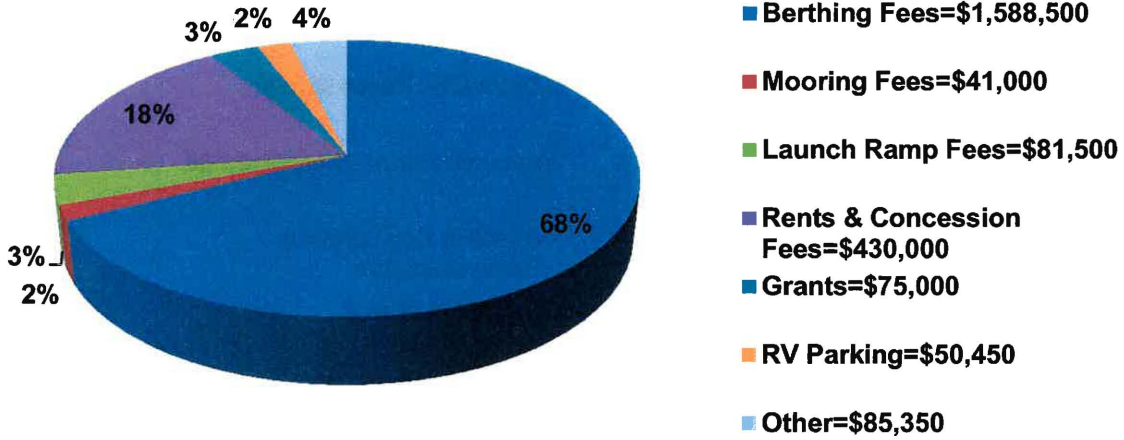
2015-16 Budgeted Use of Funds



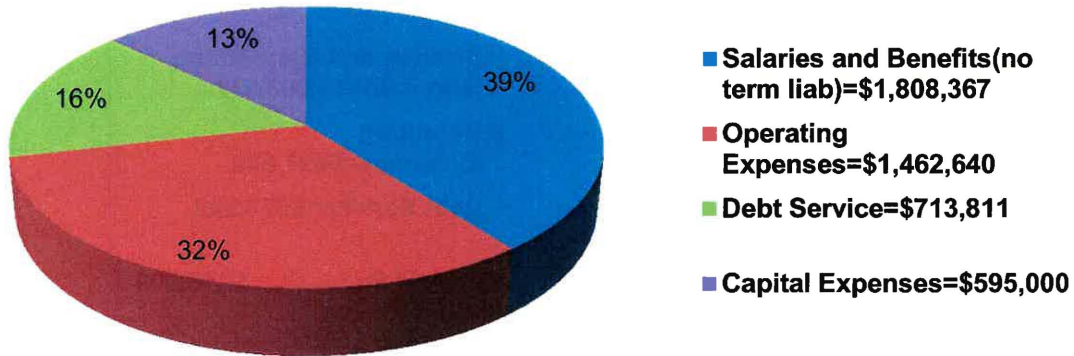
TOTAL SOURCES: \$9,333,902 -TOTAL USES: 9,319,677 = \$14,225 Surplus

Where does Pillar Point Harbor Gets its Money and Where the Money is Spent

2015-16 PPH Budgeted Sources of Funds



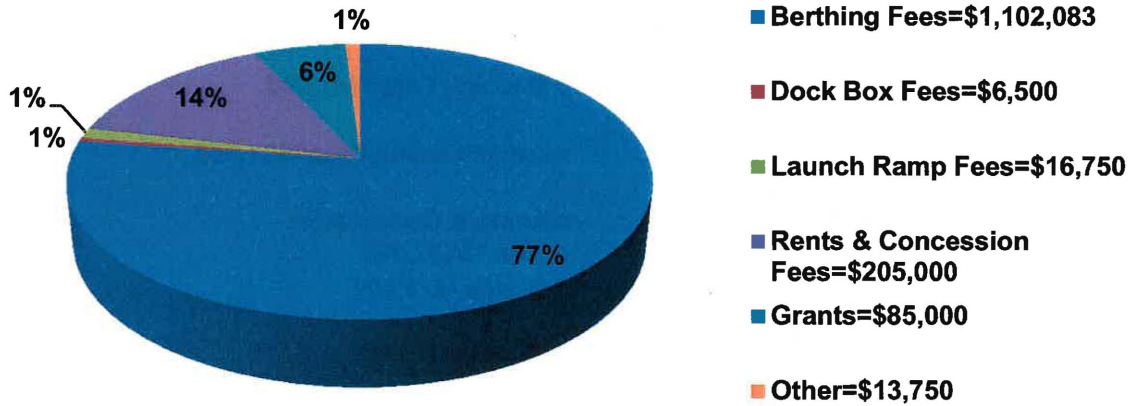
2015-16 PPH Budgeted Uses of Funds



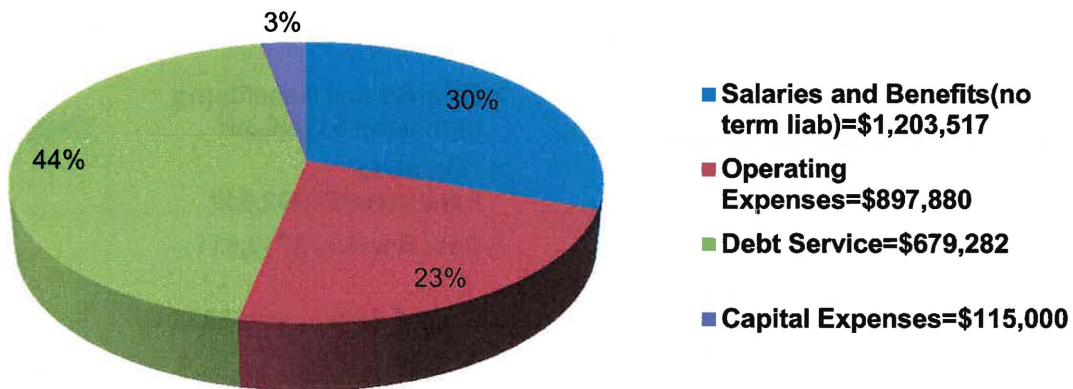
TOTAL SOURCES: \$2,351,800 - TOTAL USES: \$4,579,818 = \$2,228,018 Deficit

Where Oyster Point Marina Gets its Money and Where the Money is Spent

2015-16 Budgeted Sources of Funds



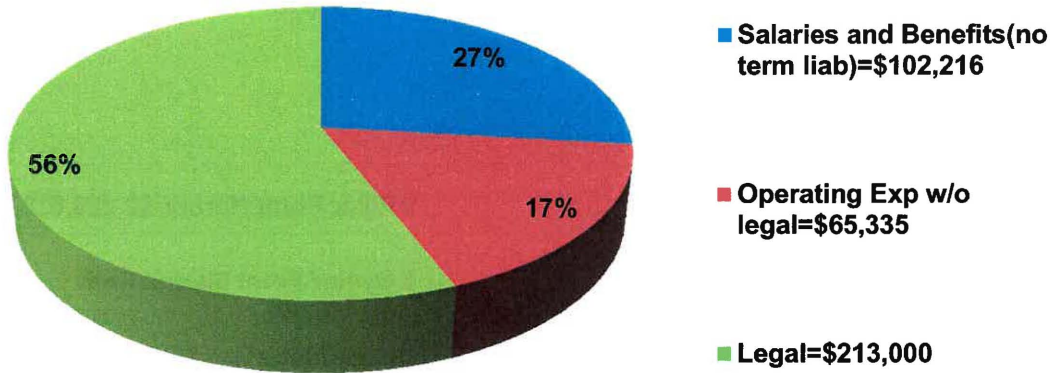
2015-16 OPM Budgeted Uses of Funds



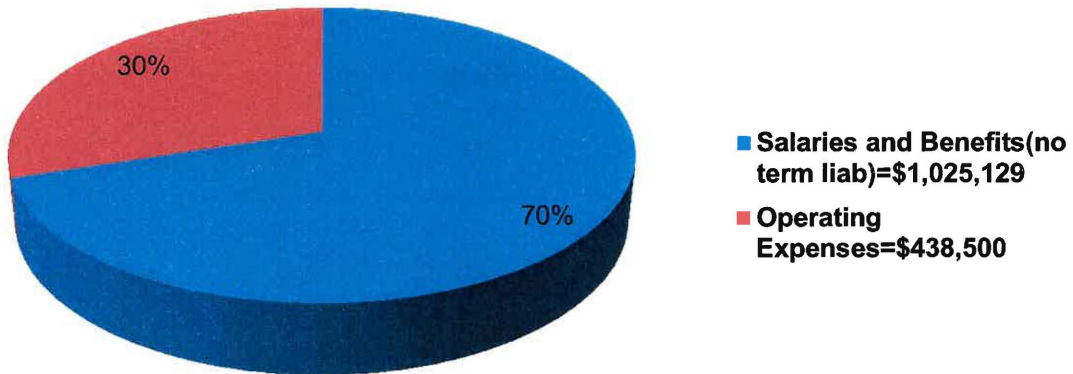
TOTAL SOURCES: \$1,429,083 - TOTAL USES: \$2,895,679 = \$1,466,596 Deficit

Where does Administration & Commission Spend Money

2015-2016 Commission Uses of Funds

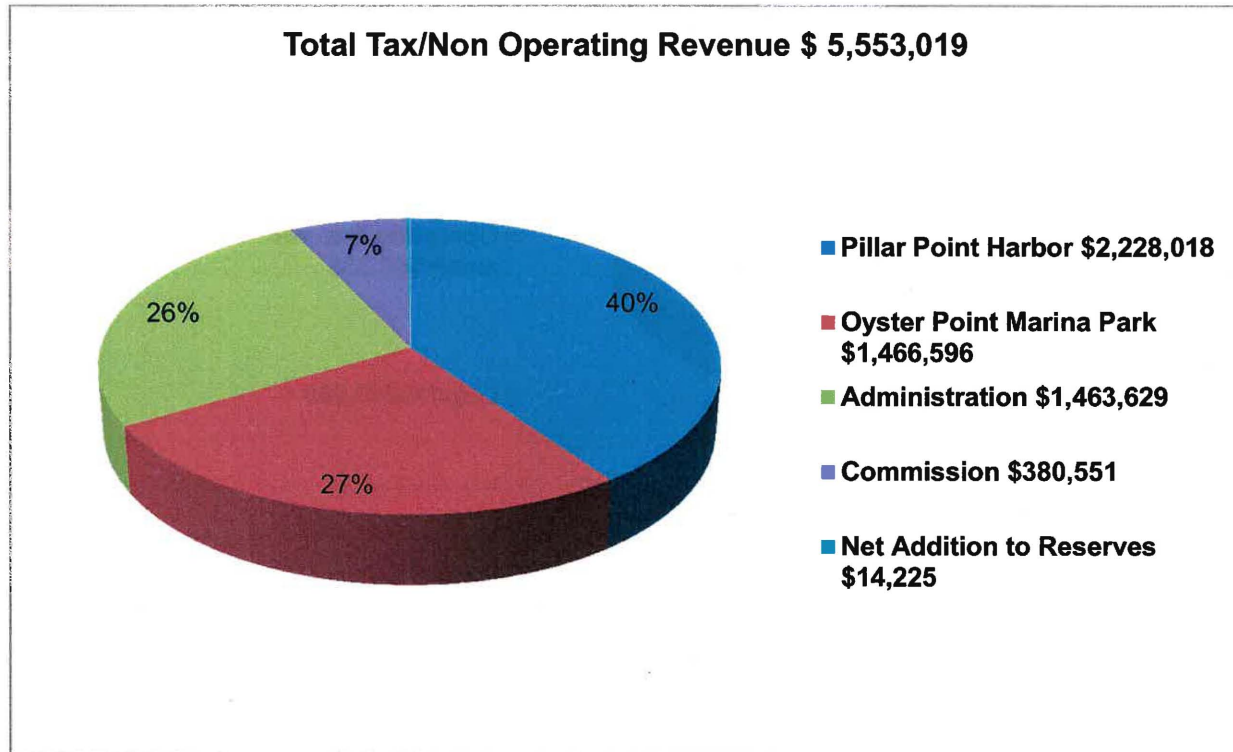


2015-16 Administration Uses of Funds



TOTAL USES COMMISSION = \$380,551
TOTAL USES ADMINISTRATION=\$1,463,629

**What Percentage of Tax/Non Operating Revenues does
Each Department Use to cover Expenditures, including capital**



SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



RESERVES

New Section: Estimated Reserves

Estimate of Cash Reserves:

Estimated Beginning Balance 6/30/2015	16,355,000
Estimated Increase to Cash FYE 6/30/2016	14,225
Estimated Ending Balance 6/30/2016	16,369,225
Restricted for Debt Service-DBW Loan Collateral	1,701,349
Committed for Emergency Reserve	1,619,464
Committed for Reserve for District Office	1,526,217
Committed for Capital Improvements Reserves	586,500
Assigned for Payable Liability	150,000
Assigned for Encumbrances	500,000
Assigned for Payable Liability	150,000
Assigned for Customer Deposits and Prepayments	500,000
Assigned for Unfunded Termination Benefit Liability	3,691,978
Unassigned	5,943,717
<hr/> Total Estimated Ending Cash for 6/30/2016 <hr/>	<hr/> 16,369,225 <hr/>

**A deposit of \$794,008.05 on 3/6/15 for PO Lot Sales remains unassigned*

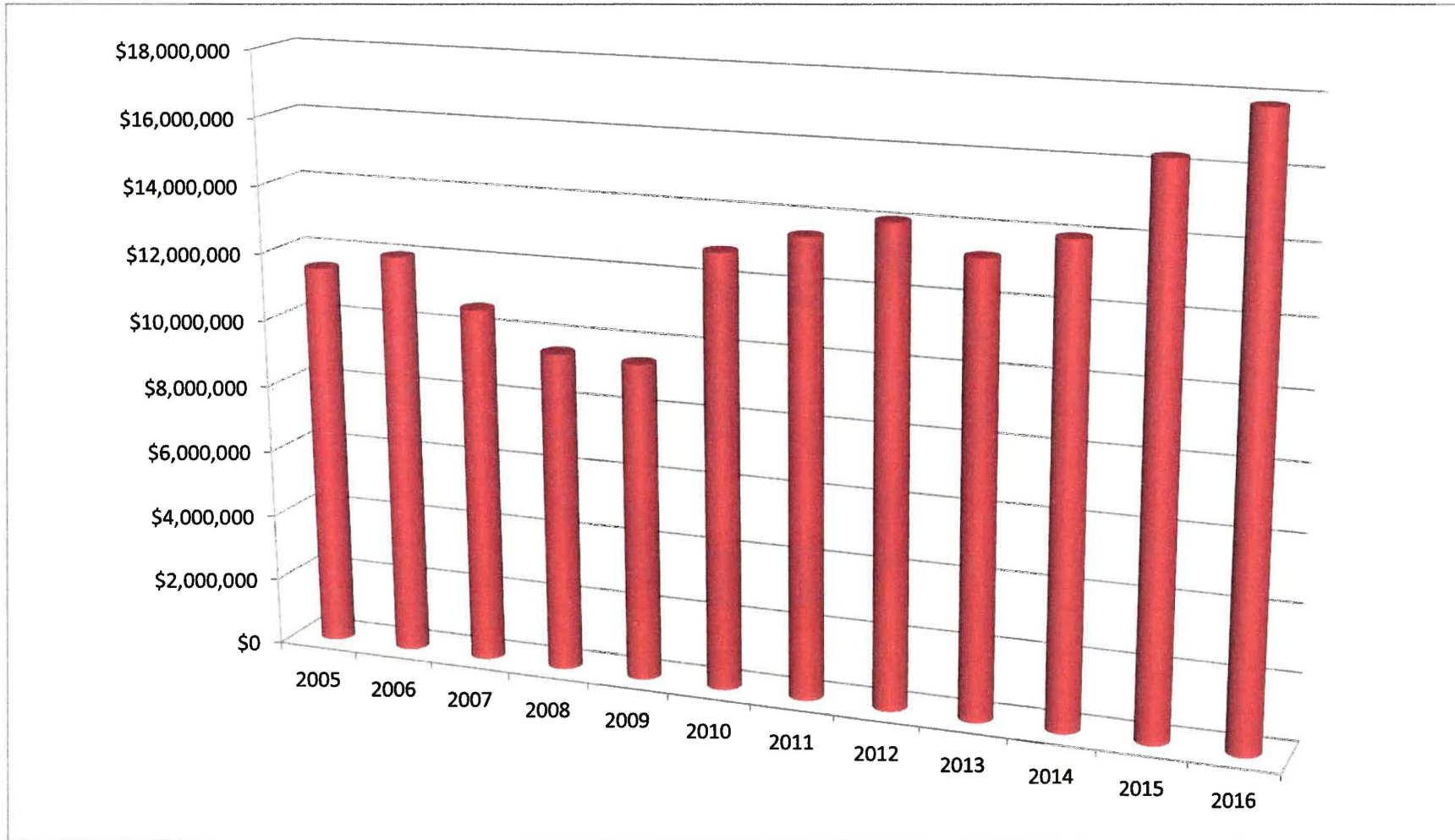
Restricted: *Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or enabling legislation.*

Committed: *Amounts that can be used for the specific purposes determined by a formal action of the government's highest level of decision making authority. Committed amounts can be changed by formal action of the decision making authority if necessary.*

Assigned: *Amounts that are intended to be used by government for specific purposes but do not meet the criteria to be classified as restricted or committed.*

Unassigned: *Residual classification and includes all spendable amounts not contained in other classifications.*

TOTAL CASH RESERVES



SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



REVENUES

COMBINED REVENUES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/14	FY 14-15 PROJECTED ANNUAL	FY 15-16 FINAL BUDGET
Operating Revenues	4,272,223	3,788,250	2,064,792	3,768,419	3,780,883
Non-Operating Revenues	7,438,059	5,117,300	2,469,203	5,391,003	5,553,019
TOTAL REVENUES	11,710,282	8,905,550	4,533,994	9,159,422	9,333,902

PILLAR POINT HARBOR

DESCRIPTION	PRIOR	FY 14-15	FY 14-15	FY 14-15	FY 15-16	Change	% Change
	YEAR ACTUAL	AMENDED BUDGET	YEAR TO DATE THRU 12/31/2014	PROJECTED ANNUAL	PRELIMINARY BUDGET	from Ammended FY 14-15	
OPERATING REVENUE:							
Berth Fees	1,644,761	1,674,000	883,620	1,594,392	1,588,500	(85,500)	-5%
Mooring Fees	42,346	41,000	18,475	40,075	41,000	-	0%
Launch Ramp Fees	88,325	81,500	69,495	81,306	81,500	-	0%
Misc. Fees	77,447	37,900	28,377	33,739	45,600	7,700	20%
Crab Pot Storage Fee	5,050	5,800	1,200	1,500	1,500	(4,300)	-74%
Rents & Concessions	457,280	433,000	298,776	429,108	430,000	(3,000)	-1%
RV Parking (Fishing)	37,311	35,000	35,430	50,430	50,450	15,450	44%
Event Fees	0	22,100	9,130	11,230	22,750	650	3%
Commercial Activity Permits	18,685	9,000	3,600	9,000	9,000	-	0%
Sales	13,359	6,500	3,328	6,500	6,500	-	0%
Operational Grants						-	0%
State- DBAW - Abandoned Vessel	0	30,000	0	75,000	75,000	45,000	150%
Total Operating Revenues	2,384,566	2,375,800	1,351,431	2,332,280	2,351,800	(24,000)	-1%

Pillar Point Harbor

Fiscal Year Ending June 30, 2016

1. The fishing season was again robust in FY2014-15 and Pillar Point was 100% occupied for most of the commercial crab fishing season. It was approximately 96% occupied during salmon season. The Department of Fish and Wildlife have forecasted that the Salmon season this coming year will surpass last year despite the drought conditions. This will have a positive effect on revenues.
2. Budgeted revenue from lease rents and concessions is expected to increase as a result of CPI lease rent adjustments, percentage rents, and offloading fees. As the economy improves, it is hoped that foot traffic to the harbor and related patronage of the harbor and lessee facilities will increase.
3. Grant monies received from Division of Boating and Waterways Grant for Abandoned Vessel Abatement are expected to continue to be received and Pillar Point will continue to remove and salvage abandoned vessels as necessary even though grant funding from the State will not completely cover the costs of abatement. The District will consider alternative methods of cost recovery if/when grants are not available.

OYSTER POINT MARINA PARK REVENUES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	% Change
						from Ammended FY 14-15	
OPERATING REVENUE:							
Berth Fees	1,189,745	1,098,400	570,551	1,099,839	1,102,083	3,683	0%
Dock Boxes	6,380	6,400	3,150	6,300	6,500	100	2%
Launch Ramp Fees	21,748	17,850	8,085	16,500	16,750	(1,100)	-6%
Misc. Fees	18,077	19,200	5,457	10,450	10,550	(8,650)	-45%
Rents & Concessions	371,029	235,000	120,708	225,000	205,000	(30,000)	-13%
Event Fees	0	500	85	1,500	500	-	0%
Commercial Activity Permits	7,037	3,200	400	350	1,500	(1,700)	-53%
Sales	2,222	1,900	591	1,200	1,200	(700)	-37%
Operational Grants							
State- DBAW - Abandoned Vessel	21,420	30,000	4,334	75,000	85,000	55,000	183%
Reimbursements on Projects(Dock 8)	2,000,000	0	0	0	0	-	n/a
Federal - DBAW - Guest Dock	250,000	0	0	0	0	-	n/a
Total Operating Revenues	3,887,658	1,412,450	713,361	1,436,139	1,429,083	16,633	31%

Oyster Point Marina/Park

Fiscal Year Ending June 30, 2016

1. Operating revenues for FY2015-16 are projected to decrease from FY2013-14. This projection is the net result of flat berth rentals and decreases in grant reimbursements. However, new developments in the Oyster Point area are beginning due to increase demands from Biotech companies which may bring more foot traffic to the Marina/Park in the future.
2. Grant monies received from Division of Boating and Waterways Grant for Abandoned Vessel Abatement are not expected to fully cover the costs of abatement. Oyster Point will continue to remove and salvage abandoned vessels as necessary despite the lack of grant funding from the State. The District will consider alternative methods of cost recovery if/when grants are not available.

ADMINISTRATION REVENUES

DESCRIPTION	PRIOR	FY 14-15	FY 14-15	FY 14-15	FY 15-16	Change	
	YEAR	AMENDED	YEAR TO DATE	PROJECTED	PRELIMINARY	from	%
	ACTUAL	BUDGET	THRU 12/31/2014	ANNUAL	BUDGET	Ammended	Change
						FY 14-15	
NON-OPERATING REVENUE:							
Taxes	5,265,173	5,050,000	2,412,700	5,303,964	5,500,000	450,000	9%
Interest Income	76,179	66,200	21,156	51,200	51,319	(14,881)	-22%
State Mandated Cost Grant	0	0	34,739	34,739	0	-	n/a
Miscellaneous Revenues	96,708	1,100	608	1,100	1,700	600	55%
Total Non-Operating Revenues	5,438,059	5,117,300	2,469,203	5,391,003	5,553,019	435,719	41%

Administration

Fiscal Year Ending June 30, 2016

1. For FY2015-16, interest income is projected to be \$50 thousand. Interest income is expected to increase slightly as the Federal Reserve is expected to raise the Fed Funds Rate mid-2015.
2. Property tax revenues are projected to be \$4.6 million. The FY2015-16 property tax revenue estimate is an increase from current year projections. This estimate is based upon current trends in property values plus information received from the San Mateo County Assessor's Office.
3. Excess "ERAF" (Educational Revenue Augmentation Fund) was included in last year's budget for the first time. ERAF distributions received have been consistent revenue source and this budget includes the expected ERAF revenue of \$850K. "RDA" (Redevelopment Agency) monies are not included in the property tax estimate as they are uncertain and dependent on State Budget policy decisions.

SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



EXPENSES

COMBINED EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/14	FY 14-15 PROJECTED ANNUAL	FY 14-15 PRELIMINARY BUDGET
SALARIES AND BENEFITS:					
Salaries and Wages Expense	2,306,175	2,432,350	1,234,446	2,365,639	2,637,647
Benefits Expense	1,546,185	1,750,548	1,255,446	1,804,130	1,704,306
Total Salary and Payroll Burden	3,852,360	4,182,898	2,489,892	4,169,769	4,341,953
OPERATING EXPENSES	2,692,892	4,061,826	1,990,250	3,403,460	3,077,355
NON-OPERATING EXPENSES	1,271,877	1,733,908	11,563	0	3,017,348
Total Expenses without Capital Outlay	7,817,128	9,978,633	4,491,704	7,573,229	10,436,656
CAPITAL PROJECTS	1,421,008	777,686	156,749	0	710,000
Remove Depreciation-non cash item	558,065	1,054,626	11,563	0	1,624,254
Remove Termination Liability-non-cash item	175,844	80,972	-27,709	-26,382	202,725
TOTAL OPERATING EXPENSES & CAPITAL	8,504,228	9,620,721	4,664,599	7,599,611	9,319,677

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 3/31/14	FY 14-15 PROJECTED ANNUAL	FY 15-16 FINAL BUDGET	Change	
						from Ammended FY 14-15	% Change
SALARIES AND BENEFITS:							
Salaries and Wages Expense:							
Base Salary and Wages	928,556	999,850	498,940	952,400	1,091,591	91,741	9%
Overtime	14,238	16,500	2,344	5,500	16,000	(500)	-3%
Other Pay	0	15,000	15,943	25,000	25,000	10,000	67%
Total Salaries and Wages	942,795	1,031,350	517,227	982,900	1,132,591	101,241	73%
Benefits Expense:							
Pension Contributions	225,332	252,100	118,600	264,028	265,758	13,658	5%
Health Insurance Costs - Current Employ	211,766	211,500	119,944	239,888	249,746	38,246	18%
Worker's Compensation Insurance	72,787	79,300	54,522	79,300	79,300	-	0%
Other Insurance - Current Employees	15,820	16,025	10,221	17,562	16,025	0	0%
Insurance Costs - Retirees	36,861	24,150	18,690	37,432	38,750	14,600	60%
Social Security and Taxes	14,374	15,969	7,869	16,229	16,496	527	3%
Auto Allowance	4,400	8,400	2,100	4,400	8,400	-	0%
Employment Assistance Program	1,246	1,300	623	1,300	1,300	-	0%
Liability for Termination Benefit	218,844	185,125	317,446	175,884	175,844	(9,281)	-5%
Total Benefits	801,429	793,869	650,015	836,023	851,619	57,750	82%

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	% Change
						from Ammended FY 14-15	
OPERATING EXPENSES:							
Advertising	10,076	11,204	5,344	10,688	11,200	(4)	0%
Bad Debt Expense	20,944	65,000	0	65,000	45,000	(20,000)	-31%
Communications	25,140	22,600	12,876	22,600	21,000	(1,600)	-7%
Wifi Services	0	9,600	1,116	4,800	4,440	(5,160)	-54%
Computer Hardware and Software	3,969	11,750	436	11,750	11,750	-	0%
Postage	6,919	30,100	4,030	8,800	9,000	(21,100)	-70%
Meetings/Travel/ Training	1,219	6,300	2,830	4,575	6,600	300	5%
Auto Mileage Reimbursement	256	500	162	500	500	-	0%
Memberships/ Dues/ Subscriptions	138	200	262	400	400	200	100%
Recruitment and Personnel Tests	80	2,000	108	450	1,100	(900)	-45%
Property & Casualty Insurance	112,167	137,830	123,652	125,000	135,000	(2,830)	-2%
Fuel	11,708	12,500	5,220	10,600	12,000	(500)	-4%
Operating Supplies	67,400	85,288	25,908	59,600	67,900	(17,388)	-20%
Office Supplies	12,191	12,000	2,618	6,500	7,500	(4,500)	-38%
Uniform Expenses	9,721	12,500	3,693	8,000	9,000	(3,500)	-28%
Special Events Expense	5,887	6,500	3,250	6,500	6,500	-	0%
Legal Services	7,735	20,000	17,992	38,000	55,000	35,000	175%
Contractual Services-IT	0	18,500	2,261	6,500	10,500	(8,000)	-43%
Contractual Services-Professional	43,162	181,982	42,087	90,000	50,000	(131,982)	-73%
Outside Contractual Services	133,167	157,008	70,617	148,300	105,900	(51,108)	-33%
Bank & Credit Card Fees	17,520	16,400	9,022	16,040	16,400	-	0%
Repair and Maintenance	356,987	486,010	98,235	409,000	467,000	(19,010)	-4%
Garbage Collections	146,579	154,300	75,857	153,750	158,300	4,000	3%
Trash Compactor	54,678	0	0	0	0	-	0%
Harbor/ Marina Equipment	56,259	25,300	0	5,000	17,150	(8,150)	-32%
Vessel Destruction	6,573	83,427	6,293	75,000	65,000	(18,427)	-22%
Water and Electrical Utility Expenses	174,316	168,000	106,883	68,203	168,500	500	0%
Total Operating Expenses	1,284,789	1,736,799	620,752	1,355,556	1,462,640	-274,159	-16%
NON-OPERATING EXPENSES:							
Depreciation	821,391	603,178	0	558,065	558,065	(45,113)	-7%
Debt Service-Principal	0	0	0	0	501,927	501,927	n/a
Interest Expense - DBAW Loan	170,412	168,627	0	123,587	211,885	43,258	26%
Total Non-Operating Expenses	991,803	771,805	0	681,652	1,271,877	500,072	18%

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	% Change
						from Ammended FY 14-15	
CAPITAL PROJECTS:							
Rip Rap Repair - Fishing Pier							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	100,000	100,000	n/a
Johnson Pier Repairs							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	121,484	1,370	0	0	0	(1,370)	n/a
West Trail - Fix Erosion							
Carry Over Money	0	0	0	0	100,000	100,000	n/a
2015-16 Budget Appropriation	15,402	408,309	46,669	0	0	(408,309)	n/a
PPH Leasee Sidewalk							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	35,000	35,000	n/a
Trench Drains at Boat Launch Ramp							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	10,000	10,000	n/a
Add'l 71 Berths, Bulkhead							
Carry Over Money	15,994	3,316	0	0	0	(3,316)	n/a
2015-16 Budget Appropriation	0	0	0	0	0	-	n/a
North HMB Shoreline (Surfers Beach)							
Carry Over Money	91,159	89,316	89,316	0	0	(89,316)	n/a
2015-16 Budget Appropriation	0	0	0	0	0	-	n/a
Pay Station Parking PPH							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	50,000	0	0	0	(50,000)	n/a
Dredge Launch Ramp							
Carry Over Money	322,917	1,830	0	0	0	(1,830)	n/a
2015-16 Budget Appropriation	0	0	0	0	0	-	n/a
Patrol Boat-Repairs							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	120,000	120,000	n/a

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	
						Ammended FY 14-15	% Change
CAPITAL PROJECTS:							
Harbor Office Remodel						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	9,279	8,299	0	50,000	40,721	n/a
Restroom-West Basin						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	116,240	0	0	0	0	-	n/a
Tenant Sewer Project						-	n/a
Carry Over Money	241,968	12,441	193	0	0	(12,441)	n/a
2015-16 Budget Appropriation	0	0	0	0	0	-	n/a
Mooring Replacements						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	9,950	0	0	0	25,000	25,000	n/a
Restrooms - Launch Ramp Pre Cast						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	25,000	0	0	35,000	10,000	n/a
Post Office Lot						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	6,660	0	0	-	n/a
Removal of Romeo Pier						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	61,200	5,404	0	50,000	(11,200)	n/a
Inner Harbor Dredging						-	n/a
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	70,000	0	0	70,000	-	n/a
Total Capital Projects	935,114	752,061	156,541	0	595,000	710,000	n/a
TOTAL EXPENSES	4,955,931	5,085,884	1,944,534	3,856,131	5,313,727	1,094,905	22%

Pillar Point Harbor

Fiscal Year Ending June 30, 2016

1. For FY2015-16, the Pillar Point Harbor budget for salaries and payroll related burden is expected to increase by approximately \$120 thousand over FY2014-15 projections not including Termination Benefit expense (see #2). This is due to an expected cost of living adjustment for all employees. The cost of living adjustment, based on the December 31, 2014 Labor CPI for San Francisco-Oakland-San Jose, is 2.1%.
2. The budget includes annual Termination Benefit expense of \$175,844 based on the estimated accrued liability for employees who have worked 12 years or more for the District and have been hired prior to July 1, 2009. The reason for the increase is due to cost increase for health care and the fact the two employees will vest for this benefit this fiscal year. This benefit expires as follows (example: Employee works 15 years and leaves District. The employee is entitled to 7.5 years of health benefits only.)
In order to project the cash outlay for the budget, termination benefits are adjusted as a non-cash item and excluded from the expenditure totals.
3. The FY2015-16 budget for other operating expenses is \$107,084 greater than FY2014-15 projected expenses. FY2015-16 has several deferred repairs and maintenance projects that needed to be addressed and those repairs and maintenance projects focus on safety and immediately needed repairs. The largest repair is a \$100,000 cost for asphalt repairs in and around the facility.
4. Interest payments to the Division of Boating and Waterways (DBAW) have been included in this budget at ~~\$169-211,885~~ thousand as set in the Loan Agreement with the DBAW.
5. Capital expenditures in the FY2015-16 budget total \$ ~~2.7 million-595 thousand~~ of which ~~\$355,933-100,000~~ are carryover funds. Current projects include design for the Launch Ramp restrooms, Mooring replacements, Rip Rap Fishing Pier Repair, ~~Johnson Pier Electrical Power Feed Repair, Flow Meters for sewer lift station,~~ Radon Boat repair, design for Harbor Office remodel, ~~Deck Finger repair,~~ Romeo Pier engineering engagement, **design and permit** fortrench drains at boat launch ramp, inner harbor dredging and an **design and permitting** emergency repair for the erosion at the West Trail.

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	
						Ammended FY 14-15	% Change
SALARIES AND BENEFITS:							
Salaries and Wages Expense:							
Base Salary and Wages	679,097	668,300	352,577	670,739	689,999	21,699	3%
Overtime	10,669	17,000	7,334	16,000	16,000	(1,000)	-6%
Other Pay	0	20,000	0	25,000	25,000	5,000	25%
Total Salaries and Wages	689,766	705,300	359,911	711,739	730,999	25,699	4%
Benefits Expense:							
Pension Contributions	154,377	189,000	74,856	162,999	163,733	(25,267)	-13%
Health Insurance Costs - Current Employ	140,507	145,354	71,874	139,910	163,710	18,356	13%
Worker's Compensation Insurance	54,479	55,000	37,563	67,000	67,000	12,000	22%
Other Insurance - Current Employees	12,630	11,400	17,150	11,250	11,500	100	1%
Insurance Costs - Retirees	33,293	35,700	21,405	42,887	46,700	11,000	31%
Social Security and Taxes	10,015	23,200	5,247	10,241	10,375	(12,825)	-55%
Auto Allowance	4,400	8,400	2,100	6,150	8,400	-	0%
Employment Assistance Program	1,030	1,100	515	1,030	1,100	-	0%
Liability for Termination Benefit	29,891	136,168	108,486	80,972	80,972	(55,196)	-41%
Total Benefits	440,621	605,322	339,196	522,439	553,490	(51,832)	-9%

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change from Ammended FY 14-15	% Change
OPERATING EXPENSES:							
Advertising	5,116	8,000	5,383	8,000	8,000	-	0%
Bad Debt Expense	49,259	65,000	0	65,000	50,000	(15,000)	-23%
Communications	14,452	12,800	8,635	12,800	13,100	300	2%
Wifi Expense	0	8,000	2,564	6,500	6,500	(1,500)	-19%
Computer Hardware and Software	5,813	5,000	528	4,750	5,000	-	0%
Postage	3,053	4,000	1,792	3,800	4,000	-	0%
Meetings/Travel/ Training	2,286	6,300	1,052	2,550	5,300	(1,000)	-16%
Auto Mileage Reimbursement	117	400	136	250	400	-	0%
Memberships/ Dues/ Subscriptions	138	200	183	250	250	50	25%
Personnel Tests	80	1,100	101	550	1,150	50	5%
Property & Casualty Insurance	112,167	137,800	123,652	137,500	139,200	1,400	1%
Fuel	5,327	6,800	2,383	5,400	6,400	(400)	-6%
Operating Supplies	40,299	32,188	9,820	29,550	31,500	(688)	-2%
Office Supplies	8,903	7,000	2,172	4,500	5,400	(1,600)	-23%
Uniform Expenses	6,748	8,000	3,339	7,000	7,500	(500)	-6%
Special Events Expense	2,946	6,500	4,083	6,500	6,500	-	0%
Legal Services	22,332	10,000	3,724	10,000	15,000	5,000	50%
Contractual Services-IT	0	13,000	5,515	12,500	13,000	-	0%
Contractual Services-Professional	23,903	185,822	41,579	114,400	79,800	(106,022)	-57%
Outside Contractual Services	133,652	136,689	67,406	121,700	127,080	(9,609)	-7%
Bank & Credit Card Fees	17,869	22,250	9,655	19,400	22,300	50	0%
Office Space and Equipment Rentals	3,828	4,200	1,718	3,500	4,500	300	7%
Repair and Maintenance	46,061	131,825	36,706	111,500	131,500	(325)	0%
Garbage Collections	21,655	26,500	12,033	25,500	26,500	-	0%
Harbor/ Marina Equipment	37,509	5,000	0	5,000	5,000	-	0%
Vessel Destruction	24,120	65,880	66,495	75,000	75,000	9,120	14%
Water and Electrical Utility Expenses	87,487	128,300	45,045	113,000	108,000	(20,300)	-16%
Total Operating Expenses	675,118	1,038,554	455,702	906,400	897,880	-140,674	-71%
NON-OPERATING EXPENSES:							
Depreciation	1,449,319	988,195	0	1,054,626	1,054,626	66,431	7%
Debt Service-Principal	0	0	0	0	477,647	477,647	n/a
Interest Expense - DBAW Loan	180,204	160,470	0	123,587	201,635	41,165	26%
Total Non-Operating Expenses	1,629,523	1,148,665	0	1,178,213	1,733,908	585,243	26%

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	% Change
						from Ammended FY 14-15	
CAPITAL PROJECTS:							
West Restroom Remodel							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	3,507	0	0	0	0	-	n/a
Refurbishment Dock 12							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	50,000	50,000	n/a
Replacement of Guest Dock							
Carry Over Money	48,424	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	0	-	n/a
East Basin Restroom Renovation							
Carry Over Money	251,123	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	0	-	n/a
Trash Compactor							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	0	0	0	40,000	40,000	n/a
Correct Flooding Issues							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	0	25,000	0	0	25,000	-	n/a
Dock 11							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	170,966	0	0	0	0	-	n/a
Electrical Pad for Kayak							
Carry Over Money	0	0	0	0	0	-	n/a
2015-16 Budget Appropriation	11,875	625	207	0	0	(625)	n/a
Total Capital Projects	485,894	25,625	207	0	115,000	89,375	n/a
TOTAL EXPENSES	3,920,922	3,523,466	1,155,017	3,318,791	4,031,277	507,811	14%

Oyster Point Marina/Park

Fiscal Year Ending June 30, 2016

1. For FY2015-16, the Oyster Point Marina budget for salaries and payroll related burden is expected to increase by approximately \$27 thousand over FY2014-15 projections not including ~~OPEB-Termination Benefit~~ expense (see #2). This is due to an expected cost of living adjustment for all employees. The cost of living adjustment, based on the December 31, 2014 Labor CPI for San Francisco-Oakland-San Jose is 2.1%.
- 2.— The budget includes annual Termination Benefit expense of \$80,972 based on the estimated accrued liability for employees who have worked 12 years or more for the District and have been hired prior to July 1, 2009. This benefit expires as follows (example: Employee works 15 years and leaves District. The employee is entitled to 7.5 years of health benefits only.) ~~In order to project the cash outlay for the budget termination benefits are adjusted as a non-cash item and excluded from the expenditure totals.~~
- 3.2.
- 4.3. Interest payments to the Division of Boating and Waterways (DBAW) have been included in this budget at ~~\$123,587-201,635~~ thousand as set in the Loan Agreement with the DBAW.
- 5.4. Capital projects budgeted at ~~\$565,000-115,000~~ include ~~repair-design and permitting for of~~ Dock 12 ~~repair~~, a new trash compactor, and engineering to correct flooding at the Harbor Master's office during high tide.

ADMINISTRATION EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	
						Ammended FY 14-15	% Change
SALARIES AND BENEFITS:							
Salaries and Wages Expense:							
Base Salary and Wages	631,951	654,200	353,266	630,000	730,057	75,857	12%
Overtime	5,664	5,500	2,242	5,000	8,000	2,500	45%
Total Salaries and Wages	637,615	659,700	355,508	635,000	738,057	78,357	12%
Benefits Expense:							
Pension Contributions	133,037	154,200	71,397	147,000	135,778	(18,422)	-12%
Health Insurance Costs - Current Employ	91,398	94,000	46,299	100,974	102,174	8,174	9%
Worker's Compensation Insurance	4,031	4,800	3,087	4,650	5,444	644	13%
Other Insurance - Current Employees	10,177	10,100	7,415	13,281	14,100	4,000	40%
Social Security and Taxes	12,542	11,595	6,681	11,608	20,507	8,912	77%
Auto Allowance	8,400	8,400	4,200	4,200	8,400	-	0%
Employment Assistance Program	570	670	325	650	670	(0)	0%
Liability for Termination Benefit	1,061	10,300	68,402	73,000	-27,709	(38,009)	-369%
Total Benefits	261,216	294,065	207,806	355,363	259,363	-34,702	-12%

ADMINISTRATION EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 14-15 AMENDED BUDGET	FY 14-15 YEAR TO DATE THRU 12/31/2014	FY 14-15 PROJECTED ANNUAL	FY 15-16 PRELIMINARY BUDGET	Change	
						from Ammended FY 14-15	% Change
OPERATING EXPENSES:							
Advertising	1,899	2,500	127	127	2,500	-	0%
Communications	10,321	12,500	5,460	5,460	12,500	-	0%
Computer Hardware and Software	1,691	9,000	2,749	7,000	7,500	(1,500)	-17%
Postage	5,896	32,474	3,619	8,000	9,000	(23,474)	-72%
Meetings/Travel/ Training	3,285	6,500	1,027	6,500	6,500	-	0%
Auto Mileage Reimbursement	1,048	1,500	1,084	1,084	1,500	-	0%
Memberships/ Dues/ Subscriptions	12,976	15,000	16,454	17,500	17,500	2,500	17%
Recruitment and Personnel Tests	1,520	2,500	841	1,500	2,500	-	0%
Office Supplies	17,325	20,126	5,851	13,100	13,600	(6,526)	-32%
Office Equipment	0	-15,000	0	0	0	15,000	-100%
Legal Services	53,447	50,000	36,128	75,000	100,000	50,000	100%
Contractual Services-IT	0	21,000	7,912	28,000	21,000	-	0%
Contractual Services-Professional	45,075	110,158	25,108	110,000	75,000	(35,158)	-32%
Outside Contractual Services	42,976	33,150	10,112	32,150	33,150	-	0%
Bank & Credit Card Fees	560	750	252	750	750	-	0%
Office Space and Equipment Rentals	95,063	101,970	45,148	97,500	99,000	(2,970)	-3%
LAFCO Fees	5,516	7,500	6,182	6,182	7,500	-	0%
Building Procurement Fees			102,116			-	n/a
Property Tax Admin. Fee	45,131	29,000	23,218	28,322	29,000	-	0%
Total Operating Expenses	343,730	440,628	293,390	438,175	438,500	-2,128	-1%
Depreciation	14,571	13,956	0	13,956	11,563	(2,393)	-17%
TOTAL EXPENSES	1,257,131	1,408,349	856,704	1,442,494	1,447,483	39,134	3%

Administration

Fiscal Year Ending June 30, 2016

1. For FY2015-16, the Administration budget for salaries and payroll burden is \$70 thousand higher than FY2014-15 projections. This partly is due to an expected cost of living adjustment for all employees. The cost of living adjustment, based on the December 31, 2014 Labor CPI for San Francisco-Oakland-San Jose is 2.1%. In addition General Manager salary has been estimated at half a year at \$125/hour for an interim position. This estimated temporary position would not include any District benefits. The remaining half a year is estimated at the normal salary and benefit schedule for the permanent replacement.
2. The budget includes annual Termination Benefit expense of negative \$27,709 because a vested employee is now drawing the benefit and reducing the cost and liability. This benefit is based on the estimated accrued liability for employees who have worked 12 years or more for the District and have been hired prior to July 1, 2009. This benefit expires as follows (example: Employee works 15 years and leaves District. The employee is entitled to 7.5 years of health benefits only.) **In order to project the cash outlay for the budget termination benefits are adjusted as a non-cash item and excluded from the expenditure totals.**
- 2.3. Other operating expenses are budgeted to remain flat over the FY2014-15 projections. However, the District may move their Administration office to a facility with a rent cost savings which has not been included in these estimates.

HARBOR COMMISSION EXPENSES

DESCRIPTION	PRIOR	FY 14-15	FY 14-15	FY 14-15	FY 15-16	Change	
	YEAR	AMENDED	YEAR TO DATE	PROJECTED	PRELIMINARY	from	%
	ACTUAL	BUDGET	THRU 12/31/2014	ANNUAL	BUDGET	Ammended	Change
SALARIES AND BENEFITS:							
Salaries and Wages Expense:							
Base Salary and Wages	36,000	36,000	1,800	36,000	36,000	-	0%
Total Salaries and Wages	36,000	36,000	1,800	36,000	36,000	0	0%
Benefits Expense:							
Pension Contributions	0	0	0	0	0	-	n/a
Health Insurance Costs - Current Employ	44,112	52,900	24,456	40,656	40,769	(12,131)	-23%
Worker's Compensation Insurance	228	400	150	350	400	-	0%
Other Insurance - Current Employees	310	320	107	250	300	(20)	-6%
Insurance Costs - Retirees	19,656	20,300	9,828	20,300	21,315	1,015	5%
Social Security and Taxes	3,121	3,122	1,744	3,200	2,832	(290)	-9%
Employment Assistance Program	542	550	271	550	600	50	9%
Liability for Termination Benefit	(25,050)	(20,300)	21,872	25,000	(26,382)	(6,082)	30%
Total Benefits	42,919	57,292	58,429	90,306	39,834	-17,458	-30%
OPERATING EXPENSES:							
Advertising	19,546	26,500	2,451	7,500	8,000	(18,500)	-70%
Election Expense	188,487	650,000	513,378	513,378	0	(650,000)	-100%
Postage	17	250	21	100	100	(150)	-60%
Meetings/Travel/ Training	5,498	9,500	4,772	9,300	9,800	300	3%
Auto Mileage Reimbursement	0	200	0	200	200	-	0%
Memberships/ Dues/ Subscriptions	433	0	0	0	0	-	n/a
Property & Casualty Insurance	14,456	17,545	14,398	14,500	14,935	(2,610)	-15%
Office Supplies	1,328	1,700	1,365	1,600	1,800	100	6%
Legal Services	137,951	110,000	64,599	130,000	213,000	103,000	94%
Contractual Services-IT	0	4,000	64	500	4,000	-	0%
Contractual Services-Professional	0	0	0	0	0	-	n/a
Outside Contractual Services	17,605	21,351	19,094	21,451	21,500	149	1%
Employee Appreciation Dinner	3,934	4,800	265	4,800	5,000	200	4%
Total Operating Expenses	389,255	845,846	620,406	703,329	278,335	-567,511	-67%
TOTAL EXPENSES	468,174	939,138	680,635	829,635	354,169	-584,969	-62%

Harbor Commission

Fiscal Year Ending June 30, 2016

1. For FY2015-16, the Commission budget for salaries and payroll burden is \$76 thousand versus \$126 thousand projected for FY2014-15, due to a decrease in termination benefits. Only one Commissioner became eligible for the termination benefit during her term. No other Commissioners are eligible for this benefit. In order to project the cash outlay for the budget termination benefits are adjusted as a non-cash item and excluded from the expenditure totals.
2. Total Commission budget for FY2015-16 is \$ 829,635 thousand compared with \$~~276,169~~703,329 thousand projected for FY2014-15 mostly due to a non-election year. However, legal fees are estimated at \$~~150K~~ 213,000 or +594% higher than FY2014-15 projected due to anticipated increased in legal costs.

SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



CAPITAL IMPROVEMENT PROJECTS

	<u>Budgeted Projects</u> <u>March 18th Draft</u>	<u>Postponements to</u> <u>Capital Expenditures</u>	<u>Budgeted Projects</u> <u>May 6th Draft</u>	
Oyster Point Marina:				
Correct Flooding Issues	25,000	-	25,000	
Compactor	40,000	-	40,000	
Dock 12 Referbishment	500,000	(450,000)	50,000	Design & Permitting Only
Total Oyster Point Marina	565,000	(450,000)	115,000 (A)	
Pillar Point Harbor:				
Mooring Replacements	25,000	-	25,000	
Leasee Sidewalk	300,000	(265,000)	35,000	Design & Permitting Only
Rip Rap Fishing Pier Repair	300,000	(200,000)	100,000	Design & Permitting Only
Johnson Pier Electrical Feed Power	173,000	(173,000)	-	Postpone till 16/17
Dock Fingers	580,257	(580,257)	-	Postpone till 16/17
Radon Boat Replacement or Repair	120,000	-	120,000	
Harbor Office Remodel	200,000	(150,000)	50,000	Design & Permitting Only
Romeo Pier	650,000	(600,000)	50,000	Design & Permitting Only
Trench Drains at Boat Launch Ramp	40,000	(30,000)	10,000	Design & Permitting Only
Launch Ramp Restroom Design	250,000	(215,000)	35,000	Design & Permitting Only
Inner Harbor Dredging	70,000	-	70,000	
West Trail-Fix Erosion-Carryover	355,933	(255,933)	100,000	Design & Permitting Only
Total Oyster Point Marina/Park:	3,064,190	(2,469,190)	595,000 (B)	
TOTAL DISTRICT	3,629,190	(2,919,190)	710,000	

SAN MATEO COUNTY HARBOR DISTRICT

400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080



GLOSSARY

Accrued Liabilities – Unpaid liabilities

Administrative Budget Adjustment –

The Board of Harbor Commissioners has authorized the General Manager to transfer appropriation authority between budget items after the budget is adopted provided that the transfer is within a single department's budget. Any such approved transfer is an Administrative Budget Adjustment.

Adopted Budget – The adopted budget is the District's annual fiscal plan, which is approved by the Board of Harbor Commissioners. The adopted budget establishes the legal authority for the expenditure of funds.

ADA - Americans with Disability Act. Federal law which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, state and local government services, public access, commercial facilities and transportation.

Appropriation - A legal authorization granted by the Board of Harbor Commissioners to make expenditures and to incur obligations for specific purposes. An appropriation usual is limited in amount, and in the time in which it may be expended.

Balanced Budget – A budget in which resources, including estimated revenue and other sources such as bond proceeds, and approved fund balances/net assets, meet or exceed uses.

Budget - A plan for financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Adjustment – A transfer of appropriation authority that has formal approval of the Board of Harbor Commissioners and is enacted after the budget is adopted.

Capital Budget - A plan for proposed capital outlays and the means of financing them.

Capitalized Expenditures - Expenditures resulting in the acquisition and/or construction of fixed assets.

Capital Improvement Program - A multi-year plan for capital expenditures, with details on anticipated annual expenditures, with information about the resources estimated to be available to finance the projected expenditures.

Capital Improvement Projects – Listing of intended capitalized expenditures.

Carryover – Appropriation authority granted by the Board in a prior fiscal year.

DBAW – California Department Boating and Waterways.

Debt Service – Annual principal and interest payments on borrowed money.

Depreciation – A non-cash expense that reduces the value of the District's assets to reflect that the asset has aged and has been used during the period in which the expense is recorded.

Designation of Fund Balance – Unreserved fund balance may be designated by the District to be set aside for a specific purpose. The designation indicates that a portion of fund equity is not available for current appropriation, as it has been set aside to comply with the District's plan for future uses.

Encumbrances – Commitments for unperformed contracts for goods and services.

EMS – Environmental Management Systems

ERAF – Educational Revenue Augmentation Fund. A fund into which County auditors deposit a share of property taxes revenues that would otherwise be allocated to cities, counties and special districts. The purpose of the fund is to ensure local schools receive specified Proposition 98 funding.

Fiscal Year - A 12-month period to which the annual operating budget applies and at the end of which the District determines its financial position and the results of its operations. The District's fiscal year is from July 1 through June 30.

Fixed Assets – Land and other long-lived assets, such as buildings, improvements, vehicles/equipment, with a value greater than the capitalization threshold of \$10,000 stated in the District's Fixed Asset Procedure.

Fund Accounting – Refers to accounting for an entity using multiple funds. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

Fund Balance – Fund balance is the difference between governmental fund assets and fund liabilities.

GAAP – Generally Accepted Accounting Principles.

GASB – Governmental Accounting Standards Board

General Fund – The fund used by the District to capture all accounting activities.

Generally Accepted Accounting Principles – Uniform standards and guidelines for financial accounting and reporting.

Grants - Contributions of gifts of cash or other assets to/from another government agency, foundations or private entities, to be used for a specific purpose.

HMB – Half Moon Bay

Infrastructure – The physical system, including the fixed assets, necessary for the District to function.

JPA – Joint Powers Agreement.

LAFCO – Local Agency Formation Commission

LED – Light- Emitting Diode

Liability – An obligation or debt resulting from a past transaction or event.

Net Assets - The difference between a proprietary fund assets and liabilities.

Operating Budget – plan for current operating expenditures (as opposed to capital or debt service expenditures) and the proposed means of financing them.

Operating Expenditures - Expenses related directly to the District's primary activities.

Operating Revenues - Revenues directly related to the District's primary activities.

PTO – Paid Time Off.

Reimbursements – Repayments of amounts remitted on behalf of another agency.

Reserve - (1) An account used to earmark a portion of fund balance to indicate that it is not appropriate for expenditure; and (2) an account used to earmark a portion of fund equity as legally segregated for a specific future use.

Reserved Fund Balance - The portion of fund balance that is not available to finance expenditures of the subsequent accounting period, including items such as encumbrances, inventory, prepaid items, and notes receivable.

Resources – Total revenue, interdepartmental charges and bond proceeds budgeted for the fiscal year.

RDA – Redevelopment Agencies

SSF – South San Francisco

Termination Benefit – District paid insurance premiums for qualified individuals that have left District employment.

Unfunded Liabilities – Liabilities for which no funding has been set aside to address.

Uses – Total planned expenditures and changes to fund balance for the budget year.

Resolution 14-15
of the
San Mateo County Harbor District
to
Adopt the Preliminary Fiscal Year 2015-16
Operating and Capital Budget

Whereas, §6093, §6093.1, §6093.2, and §6093.3 of the California Harbors and Navigation Code provides procedures for adoption of the preliminary and final annual operating and capital budget by the San Mateo County Harbor District, and;

Whereas, the Board of Harbor Commissioners desires to adopt the Preliminary FY 2015-16 Integrated Operating and Capital Budget in accordance with the Harbors and Navigation Code, and;

Whereas, the Board of Harbor Commissioners of the San Mateo County Harbor District must set a time and place for the public hearing on the adoption and fixing of a Final Integrated FY 2015-16 Operating and Capital Budget.

Therefore, be it resolved, that the Board of Harbor Commissioners of the San Mateo County Harbor District does hereby adopt the Preliminary Integrated Operating and Capital Budget FY 2015-16 as contained in the budget document attached hereto and incorporated by reference as part of this Resolution; and

Therefore, be it further resolved, that after publication of notice, the Board of Harbor Commissioners will meet at 6:30 p.m., June 17, 2015, at the Municipal Services Building, 33 Arroyo Drive, South San Francisco, California, for the purpose of hearing from any taxpayer wishing to appear and be heard regarding budget items, after which the Board of Harbor Commissioners may fix the final budget.

Approved this 6th day of May 2015 at a regular meeting of the Board of Harbor Commissioners by a recorded vote as follows:

For:

Against:

Absent:

Abstaining:

Attested

BOARD OF HARBOR COMMISSIONERS

Debbie Nixon
Deputy Secretary

Sabrina Brennan
President

Staff Report

CONTRACT FOR SABRINA MUSCOT TO PAINT A MURAL ON THE PG&E POWER STATION IN FRONT OF HARBORMASTER OFFICE

Recommendation

Approve the contract in an amount not to exceed \$1,700 for Sabrina Muscot to paint a mural on the PG&E power station in front of the Harbormasters office.

Background

PG&E had us remove the trees and shrubs next to their power station as the roots of the tree were lifting the cement pad and the shrubs were too close to the power station per code. This left the power station in clear view and sits in the middle of the island. We asked PG&E about painting the power station and they have no problem with this.

Analysis

The power station sits in the middle of the island in front of the harbormasters office. The power station is an eye sore and needs to be repainted. We would like to add art work to the power station by a local artist to add some character to this box.

Fiscal Impact

We have this item budgeted for this fiscal year in the Facility Fixtures/Landscape expenditures. The cost will not exceed \$1,700.

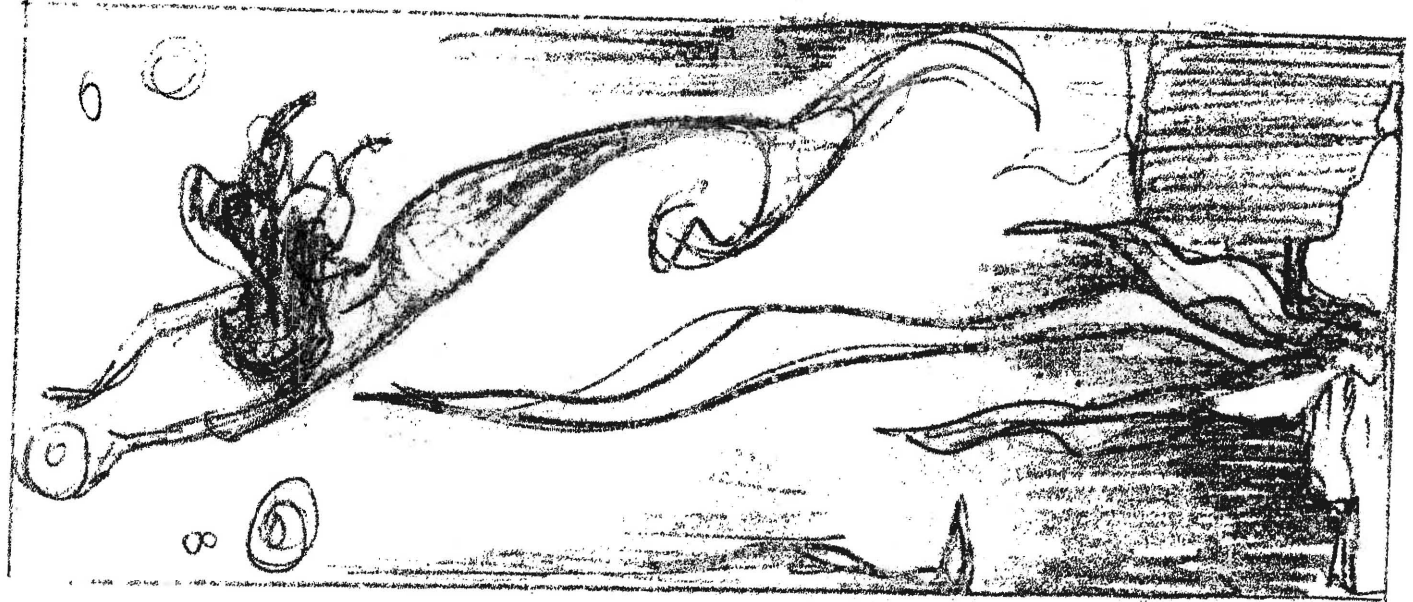
Conclusion

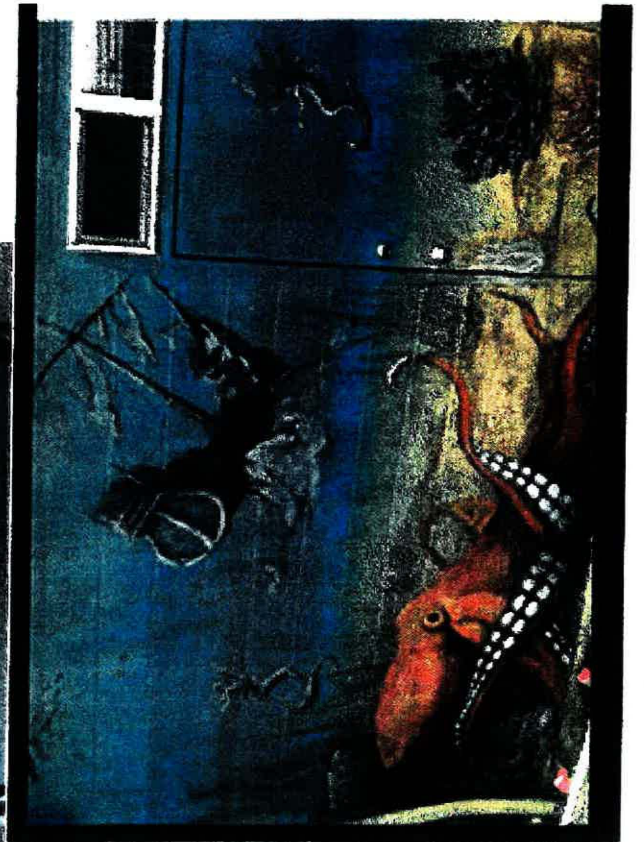
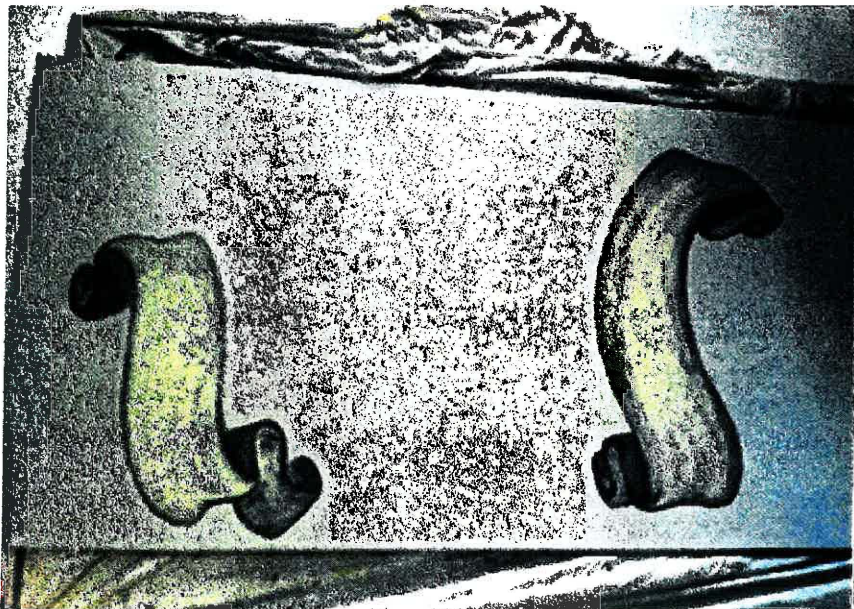
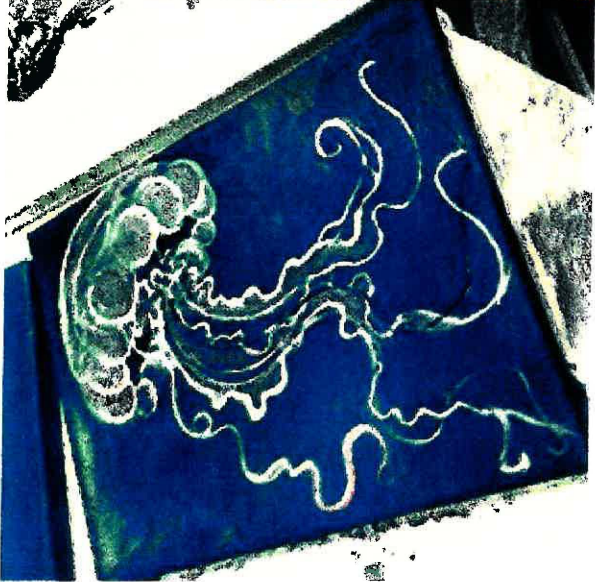
This project would add character and will be used as a point of interest in the harbor for all the visitors/users.

Alternatives

- 1) Reject the contract with Sabrina Muscot.
- 2) Direct staff to explore other alternatives.







Memo

To: Board of Harbor Commissioners
From: Scott Grindy, Acting General Manager
Date: April 29, 2015
Re: May 6, 2015 Meeting Report

Oyster Point Marina/Park

- Continuing efforts and discussions for design and placement of grant funded restroom via the City of South San Francisco.
- Discussions with OPM staff on coming operational priorities for site activities and improvements including some signage way finding needs.
- Efforts towards OPM Bait Shop lease going to bid.
- Bay area opening day of Boating Season activities

Pillar Point Harbor

- Meeting with San Mateo County Environmental Health, Pollution Prevention Specialist
- Review and discussions with competitive surfing groups

Administration

- Move related activities, IT, Mover, Coordination
- Treasurer activities and actions
- Board related activities including meeting with Finance Comm. Board members
- Board Meeting related activities including special meetings
- Agenda updates and preparation for
- Human Resources actions

Miscellaneous Items

- District Lease reviews and related activities
- Property related activities for potential purchase and or rental on the coast for the district.
- Commissioner calls, requests and responses

EMS-Clean Marina Activities-District Wide

- Working with Acting Harbor Masters on future water restriction items, while working to preserve trees and plant life of both sites. This includes posting at gates and bulletin boards reminders for boaters of the shortage and the goals of 25% reductions of use.
- Staff working to obtain low to zero cost spill prevention supplies.

GM Tracking of Priorities Report and Commissioner Time Use

Period March 30 through April 8, 2015

Active Priorities

- Move Actions and Related
- IT Vendor replacement activities, related PRA items
- IT Administration Move & quote items, related PRA items
- Board Meeting Agenda and Meeting Activities
- Misc. including meeting with staff, and other agencies etc.

Backlog Priorities

Administration

- Responding to Commissioner Emails, Voicemails, and Calls
- LAFCo Activities, Responses & Preparation/CGJ items
- Move of Administration office May 2015
- RFP Bait Shop OPM
- Labor Negotiations Spring, 2 union contracts
- Restart of Strategic Plan activity
- Complete Community Sustainability Plan Spring
- BCDC activities in Live Aboard limits for OPM

Capital Projects

- West Trail Phase 1-Repairs
- West Trail Phase 2-Full Restoration
- West Trail Restroom Phase 3
- Design and permitting for a restroom at the parking lot of the trail 2015/16
- PPH Fingers-Replacement of 11
- PPH Sidewalk Project-expansion for increased retail revenue
- Electrical Pier Project PPH
- Maintenance Dredging planning for both harbor locations for a 2016/17 permit
- PPH Fishing Pier Rip Rap rebuilding
- Support to Surfers Beach with dredge materials from inside breakwater from maintenance dredging, and for materials the county may wish for the repair project of the beach bulkheads
- PPH Boat Ramp Restroom replacement for 2015/16
- Asphalt repairs and seal coating at both OPM and PPH 2015/16
- OPM Restroom via SSF Grant Funds, design with SSF and SMCHD in process
- Romeo Pier Demolition at PPH

Operations

- Rate Study for OPM (internal) possible rate reduction due to 2 neighboring marinas being less by 10-20%+ to be competitive we need to modify our OPM rates to stay in line with our two competitors who are both at 95% occupied compared to our 60% occupancy.
- Services at both marina's needs to improve for our liveaboard communities from having a laundry and exercise room at OPM like the neighboring marina's, and at PPH 24 hour vending or equal services for tenants, with a farmers market to help the fisherman sell more fish from the boats by having more foot traffic that is consistent, and more dedicated.

Environmental

Modifications to Ordinance Codes to improve environmental items

- To be more inclusive of all vessels at each harbor to meet inspection requirements
- Possible Gray Water containment grant for boats for 2015/16 or 2016/17
- Anchor Out Changes to charge minimal stay per night after 5 days, this will reduce the junk non-compliant boats out of our outer harbor (pollution)
- Fines for polluters and non-compliance in ordinance code changes

Commissioner Time Log-GM & Staff

Period April 8 to April 28, 2015

Commissioner Bernardo

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
4/24/15	Update on schedule meetings	Phone	.10
4/2/15	Email response to question	email	.10
Totals			.20 h/m

Commissioner Brennan

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
4/8/15	Emails misc. and RFI's (4)	Email	1.20
4/10/15	IT calls	Phone	.30
4/13/15	2 emails IT	Email	.40
4/14/15	Emails 2, phone 1	Email and Phone	.20
4/16/15	Phone call workshop	Phone	.40
4/17/15	Emails 2	Email	.20
4/19/15	Email budget finance	Email	.40
4/20/15	Email signatures	Email	.20
4/20/15	Emails workshop items	Email	.30
4/21/15	Phone call media, IT , data...misc & email	Phone/email	.30
4/22/15	Email gm interim	Email	.10
4/23/15	3 emails, finance	Email	.50
4/24/15	2 emails	Emails	.30
4/24/15	Phone call	Phone	.70
4/27/15	1 call 9 emails	Phone / Email	1.10
4/28/15	1 call regarding special finance mtg, and special mtg and CGJ response letter,actions	Phone	1.20
4/28/15	Email on special meetings	Email	.20
Totals			7.80h/m

Commissioner David

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
4/13/15	Phone misc	Phone	.10
4/13/15	email	Email misc	.10
4/17/15	Phone call brief update	Phone	.20
4/22/15	Call special mtg	Phone	.10
4/22/15	Call future agenda item	Phone	.10
4/24/15	Email	Email	.10
4/28/15	Discussion on upcoming special meeting	Phone	.10
Total			1.20 h/m

Commissioner Mattusch

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
4/13/15	updates	Phone	.40
4/21/15	Commercial rate discussion	Phone	.30
4/27/15	Discussion on labor negotiator memo	Phone	.20
4/27/15	Discussion on re memo points	Phone	.20
Totals			1.50 h/m

Commissioner Parravano

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
4/10/15	Updates	Phone	.10
4/13/15	Culinary item	Phone	.10
4/14/15	Budget question	Phone	.10
4/15/15	Schedule question	Phone	.10
4/17/15	Not available fyi	Phone	.10
4/22/15	OPM questions	Phone	.10
4/27/15	Culinary unable to attend	Phone	.10
4/28/15	Confirming meeting upcoming	Phone	.10
Totals			1.20 h/m

Staff Time Totals

Period March 30 through April 8, 2015

Commissioner Bernardo

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
Administration			.0
Finance			.0
Operations OPM			.0
Operations PPH			.0
Totals			.0 min

Commissioner Brennan

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
Administration	Misc Calls/Emails/Agendas	Phone/Email	
Finance	Prep for finance committee via email requests	Email	20.00
Operations OPM			
Operations PPH			
Totals			20.00 h/m

Commissioner David

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
Administration	Misc Calls/Emails Special Mtg	Phone/Email	.30
Finance			.0
Operations OPM			.0
Operations PPH			.0
Totals			.30 min

Commissioner Mattusch

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
Administration			.0
Finance			.0
Operations OPM			.0
Operations PPH			.0
Totals			.0 min

Commissioner Parravano

Date	Item-topic	Phone/Email/Mtg	Time hrs/min
Administration			.0
Finance			.0
Operations OPM			.0
Operations PPH			.0
Totals			.10 min

*(note staff time collected is not a full response due to available staff time)

Debbie Nixon

From: Scott Grindy
Sent: Wednesday, April 22, 2015 9:00 AM
To: Debbie Nixon
Subject: FW: Notice- Cassandra & Jeff Clark

Please include this below email with the GM report for May 6

From: Half Moon Bay Yacht Club [<mailto:halfmoonbayyachtclub@cloverpad.org>]
Sent: Saturday, April 04, 2015 3:26 PM
To: Scott Grindy
Subject: Notice- Cassandra & Jeff Clark

Dear Scott Grindy,

We wanted to inform you that as of May 1st, 2015, HMBYC will have a new Member Tenant. Cassandra & Jeff Clark have planned to create a shop, with a professional storefront under the name of Mavericks Surf Company. It will be dedicated wholly to Stand Up Paddleboard, the fastest growing sport in the world. Their goal is to create a destination for SUP in Half Moon Bay for sales, rentals, training & races, building on the Mavericks brand, they have had since 1975.

The Clarks' have an instant inventory of boards, paddles, gear and clothing, as well as rentals, which can work in conjunction with the Club's Ship's Store. The Clarks' have the support of SUP innovators, Riviera Paddlesurf, Kialoa & SUPreme.

Their intention is to cooperate & collaborate with HMBYC on many levels, particularly in the realm of offering SUP races for beginners through professionals, sharing proceeds with the Club. The Clarks' plan to offer social SUP events for the public, with specialized classes for HMBYC Members; as well as provide support for our fleet of SUPs to ensure they remain safe & usable for Members.

Additionally, parking will be a blessing! During the term of their lease with us, Clark's guests & invitees for large events & gatherings shall use an existing lot adjacent to 151 Harvard Avenue. And, will institute a parking policy for staff during Yacht Club hours, ensuring minimal encroachment on the Yacht Club Member's spaces.

As a side note, Jeff (as a lad) lived in the Binsfield house we currently call HMBYC, & he is happy to be back home. Jeff works with America's Cup champion Team Oracle, & Artemis Racing Team on the development of the inflatable life vest & safety technology. This will be a nice tie-in with the Club, especially with the Youth Sailing program.

We are very pleased they are a part of HMBYC; both as long time Members & new Tenant. Welcome, Cassandra & Jeff!!

HMBYC Board of Directors.

GM Staff Report

ROMEO PIER DEMOLITION-STATUS (AS OF APRIL 2015)

Background

The California Coastal Commission received the subject Emergency Coastal Development Permit (ECDP) application from the Harbor District on April 16, 2014 and subsequently requested additional project information of which was provided.

Due to the delay with Harbor District funding approval for the project Coastal Commission Staff concur that an ECDP is no longer appropriate. The proposal to remove Romeo Pier does not meet the criteria for issuance of an ECDP, as defined by Section 13009 of Coastal Commission Regulations.

The proposed project is not required for a "sudden unexpected occurrence demanding immediate action to prevent or mitigate loss or damage to life, health, property or essential public services. The district has been asked "Please prepare and submit a regular CDP application for the removal of Romeo Pier".

Analysis

If capital budget is approved for the removal of Romeo Pier, it is anticipated that the Coastal Development Permit (CDP) process could take up to a year. It is recommended that if funding does occur, it be broken into two parts. Part 1 being efforts towards the CDP, including requesting piling credits for any future pier or piling work done in the Pillar Point Harbor by the district. Part 1 would also include putting the project to bid near the end of the 2015/16 budget year for acting during the 2016/17 budget period.

Part 2 would be the project period of demolition activities during the 2016/17 budget period.

Fiscal Impact

The District should also prepare the site for possible storm action and building/structure failure during the CDP period. This could include a surrounding log boom or equal floating barrier to prevent floating debris escaping the Romeo Pier zone and becoming a navigational impact.

Emergency funds may be required for clean-up of a structural failure during the time period as well.

Conclusion

Removal of the Romeo Pier and structures will have a positive environmental impact on the harbor area. Obtaining piling credits for future pile installations in the harbor area will support future harbor growth and improvements for years to come.

GM Staff Report

PILLAR POINT HARBOR WEST TRAIL REPAIRS PROJECT – UPDATE APRIL 23, 2015

Recommendation

Move forward with California Coastal Commission design requirement changes to begin the trail repairs. *(GHD, CCC, timelines and email attached)*

Background

The West Trail Repair project was initially broken into a smaller repair section due to the permitting nature of doing a full trail repair and upgrade.

The full upgrade concept included making the full trail ADA accessible, improving trail surfaces, plantings to help retain the hillside areas, a restroom at the parking lot and improvements to the parking lot.

Key locations of the repair were washed out by old culverts coming from the hillside of the Air Force site, as well as wind waves striking the beach side area causing further erosion of the trail in these key locations.

The design process has had many revisions and changes to meet the permitting agencies requirements. The most recent concerns with design as changes to permitting staff have occurred is disagreements with the culvert area, use of sand bags versus bagged gravel to soften the design. Concerns by our design team have been the level of softening of the design will reduce the length of life of the repair in areas including slope repairs.

On April 23, 2015 I discussed over the phone with a senior staff person from the California Coastal Commission the issues and ways to resolve design concerns so that the project could move forward. This included capping off a hillside drain culvert that appears not to be functioning and related surface corrections for the culvert under the trail.

CCC staff acknowledges if the presently dry hillside culvert has flow in the future, CCC will agree to trail repair modifications to resolve the water flow concern.

Fiscal Impact

Design budget is almost exhausted due to continued changes as noted and listed in the GHD attached report.

Conclusion

The West Trail area is a highly used public access area. Repairs to the trail should be the highest priority of the multi-phase work effort so as to serve the public well in the coming years.

Alternatives

1. Continue funding design activities for completing the repair project and immediately move forward with bid specifications, bidding and project construction activities.
2. Stop funding of design activities, and put the repair project into a holding pattern.

CALIFORNIA COASTAL COMMISSION

NORTH CENTRAL COAST DISTRICT OFFICE
45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105
PHONE: (415) 904-5260
FAX: (415) 904-5400
WEB: WWW.COASTAL.CA.GOV



Background on Pillar Point West Trail Culvert (as of April 21, 2015)

Series of emails (prior to the first site visit) between Kevin Kahn, CCC staff and Peter Grenell, and among other CCC staff refer to the Pillar Point trail projects, both the “quick fix” project (this culvert repair) and the long-term, full-trail project. Kevin notes that they told Peter Grenell that soft alternatives and/or relocating the trail would be preferred to hard structure alternatives.

January 20, 2014: Site Visit

- Initial site visit discussed the need for the trail repair and culvert fix due to shoreline erosion at the project site. Commission staff asked about fixing the problem by addressing storm water flows above the pipe. Harbor District and consulting staff told Commission staff that the land above the pipe belong to the Air Force and therefore, the District and consultants did not think addressing flows above the project site was possible.

July 31, 2014: Submittal of project plans by Harbor District

- Included removal and replacement of existing pipe under trail, construction of new manhole/conveyance on non-harbor side of trail, construction of 19 ft. long/4 ft. high soldier pile wall along harbor side of trail, placement of 750 CY of RSP at the outfall in front of the soldier pile wall, and backfill of eroded trail
- Proposed 3 alternatives: #1 = a “closed system” conveyance from the hillside pipes to the pipe under the trail; #2 = chosen alternative (open system conveyance b/w hill pipes and trail pipe); #3 = removal of pipe under trail, and installation of a curtain to convey stormwater across trail (ADA concerns)

August 28, 2014: Incomplete status letter sent by Commission staff

- Asked for additional information including:
 - Erosion analysis including description of past and current erosion trends plus future scenarios including sea level rise
 - More detailed description of proposed project, particularly the need for both a soldier pile wall and RSP
 - Description of project alternatives, including soft solutions such as nourishment or a living shoreline
 - Description of potential resource impacts from a seawall/other project alternatives, particularly edge effects from a seawall
 - More minor items, including revised construction timeline, agency approvals etc.

October 7, 2014: Received response from GHD (consultants)

- Did not include a detailed erosion analysis of past/current trends; noted that breaks in the pipe under the trail likely meant that water was leaking and undermining trail sediments
- Some analysis of SLR: by 2050, high water line would still be below top of pipe; by 2100, high water would submerge both pipe and trail. Pipe would be outfitted with a check valve to prevent inflow of water
- Explains that RSP is needed to prevent scour and undermining of wall. Does not explain need for soldier pile wall
- Minimal description of other alternatives. States that project is urgent and cannot wait for dredged materials to become available and that soft solutions like nourishment or a living shoreline are more likely to fail.

October 12, 2014: Received email from Lisa Ketchum (Midcoast Community Council)

- Stated concerns regarding the Harbor District's claims that the project was "urgent" and therefore unable to wait for dredged materials as a softer solutions

October 29, 2014: Phone call with Kelsey, GHD Consultants for clarifications

- Consultants stated that there is no information on past/current erosion trends, but anecdotally they have seen erosion along trail in brief time they have been working on project
- Stated that it seems as though the main (or an important?) part of the problem is that the broken pipe is leaking water and undermining the trail
- Stated that the wall is needed to protect the trail and the culvert and that the RSP apron is needed to protect the wall

November 7, 2014: Incomplete status letter sent by Commission

- Asked for additional information including:
 - Detailed erosion analysis with description of past and current trends and future scenarios including SLR
 - Description of existing erosion hazard that clearly explains what impacts are caused by ongoing wave/tidally caused erosion and what impacts are caused by the leaking pipe
 - Description of alternatives, including possibility of re-routing the conveyance away from the harbor or removing it altogether so that it would eliminate the need for hard structures on the shoreline

November 18, 2014: Phone call with Nancy and Kelsey, Scott Grindy and Peter Grenell (Harbor District), and Dave Davis et al. from GHD

- Folks from Harbor District found Nancy at the HMB Commission Hearing Reception and asked for a phone call
- Discussed the idea of going in for an Emergency Permit for the culvert/trail repair as a temporary solution while completing the necessary analyses (namely an erosion analysis) and developing a long-term plan for the entire trail
- Noted that this plan was contingent on using *soft alternatives as a temporary solution*

November 19, 2014: KD email to Dave, Scott, Peter, rest of GHD team

- Bulleted list of items needed to process as an emergency permit including:
 - Description of problem and proposed solutions
 - Revised engineering plans including “Temporary protective measures (fabric, sandbags etc”)
 - General description of future work, including how it relates to proposed temporary measures

November 21, 2014: Chelsea Phlegar submitted revised plans

- Stated in the email that they submitted plans that include RSP rather than sandbags because they believe sandbags won’t work

November 21, 2014: KD email to Chelsea, GHD team, Scott, and Peter

- Re-iterated our desire to see a proposal that included soft alternatives rather than RSP, as consistent with ongoing work at Ocean Beach

November 24-25: Emails between same parties

- Provided clarification that RSP around the manhole/conveyance on the non-harbor side of the trail was okay, but re-iterated that want to see soft solutions along shoreline

December 22, 2014: Update email from Chelsea Phlegar including message from Dave Davis, suggested reconvening after holidays

- Dave Davis’s email notes CCC request for sandbags in lieu of rip rap, but shares concerns about their feasibility (likely to break down etc)
- Chelsea notes that Marcia Medina (GHD engineer) visited the site and noticed further erosion

January 15, 2015: Phone call between Kelsey and Dave; follow-up email from Kelsey to Dave et al. at GHD and Scott Grindy

- Explained that at this time, for the emergency permit, we wanted to see only soft, temporary protective measures but for the long-term project, depending on the particulars of the analyses, hard structures and/or a mix of hard and soft options might be feasible

February 24, 2015: Dave Davis submitted revised plans

- Includes sand bags to protect culvert, but backfills trail with gravel

February 25, 2015: Federal Consistency staff invites North Central staff to join them in a site visit on Air Force property above the trail as opportunity to look at drainage from hillside to area of concern on trail (Jeannine, Kelsey, Renee)

- After site visit: need for culvert at all is not apparent: drainage conveyance from hillside to under trail pipes is completely blocked; conveyance uphill is grown over with vegetation; appears to be a working conveyance under the portion of the trail located closer to the parking

lot that leads into wetland; established that all of culvert, start to finish, is on Harbor District property NOT Air Force property

March 6 – 10, 2015: emails between Kelsey, Dave and GHD, Scott

- We asked about setting up a meeting to discuss our concerns;
- We expressed thoughts about possibly just removing the culvert under the trail and backfilling
- GHD followed up with concerns, noting that they were just trying to replace the existing drainage system and to restore safe access along the trail; noted the alternative #3 that was provided in initial materials (removing the culvert under the trail and replacing with a concrete apron over trail) and that they chose not to pursue the alternative due to ADA concerns
- Shared more detail about our concerns based on our visit. We reiterated that we also weren't considering their Alternative #3, but rather a removal of the pipe under the trail and backfilling with sediment as it appears that no stormwater conveyance is really necessary at this location

GM Staff Report

PILLAR POINT HARBOR WEST TRAIL REPAIRS PROJECT – UPDATE APRIL 23, 2015

Recommendation

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Fiscal Impact

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Conclusion

The West Trail area is a highly used public access area. Repairs to the trail should be the highest priority of the multi-phase work effort so as to serve the public well in the coming years.

Alternatives

1. Continue funding design activities for completing the repair project and immediately move forward with bid specifications, bidding and project construction activities.
2. Stop funding of design activities, and put the repair project into a holding pattern.



April 20, 2015

Mr. Scott Grindy
San Mateo County Harbor District
400 Oyster Point Blvd., Suite 300
South San Francisco, CA 94080
Email: sgrindy@smharbor.com

RE: Pillar Point Harbor – West
Trail Culvert Repairs,
Half Moon Bay, CA
Summary of Resource Agency
Interactions

Dear Mr. Grindy:

As we have shared with you over the past six months, we have completed an initial design for the replacement of deteriorated culvert under West Trail near Station 6+00 and repair of the severe wash-out created as a result. This design was submitted with resource permit application packages to the U.S. Army Corps of Engineers, San Francisco Bay Regional Water Quality Control Board, and the California Coastal Commission (Coastal Commission) on July 30, 2014. These activities were described in detail in our scope-of-work dated March 12, 2014.

Due to circumstances outside the control of the Harbor District or GHD, this resource agency review process has developed into a prolonged experience which has caused overruns in schedule and budget. To date, only the U.S. Army Corps of Engineers has issued a permit on this project, although it is contingent on the issuance of the other two permits. Following you will find a summary of these circumstances and our suggestions for next steps to complete this important coastal access project.

Summary of Coastal Commission Review

During review of this project's application, Coastal Commission staff requested a number of revisions to the project's design. These revisions were requested in spite of the Harbor District and GHD hosting a site visit with Coastal Commission staff in January 30, 2014, to provide a thorough explanation of the need for the project relative to public safety and maintaining public access to the coast at Pillar Point, which was clearly stated in the application package.

During the January site visit, Coastal Commission staff advised the project team that the repair project, as proposed, would not qualify for an "emergency approval", but instead would be subject to a Coastal Development Permit (CDP). However, during the application review process, Coastal Commission staff advised our team in October that the project would, in fact, qualify for an "emergency approval" if the initial design [including a short section of soldier pile wall] could be revised to consider "softer solutions".

Since October, 2014, there have been two iterations of project plan revision and submittal as a result of Coastal Commission comments. In the first set of revisions, the soldier pile wall was removed, with compacted gravel and rock slope protection remaining to armor the culvert outfall location. Submitted on November 24, this solution was proposed as GHD's engineering professionals believed this to be a durable, yet softer, solution pursuant to the Coastal Commission's request.

This revised design was met with further resistance from Coastal Commission staff, which then requested a solution consisting of sand bags instead of aggregate stone bags. A second solution was provided with compacted gravel backfilling the wash-out under the trail and stacked sand bags at the face of the slope, instead of rock slope protection. On behalf of the Harbor District, GHD staff considered this second request and expressed concern to the Harbor District and Coastal Commission as to the durability of this softer solution. To progress the project, these revisions were made and re-submitted to the Coastal Commission



February 24, 2015, in spite of the concerns of GHD's registered engineering professionals. This was formally communicated to the Harbor District on February 23.

Each iteration of revisions requested by the Coastal Commission not only involved additional effort to revise the plans, but also additional effort in meetings, conference calls, research, and project management. While the Coastal Commission acknowledged the receipt of each revised plan set with "incomplete" letters outlining perceived deficiency's and requests for additional information, much of the Commission's comments and requests were communicated through numerous e-mail and telephone communications. At no point did the Coastal Commission offer one comprehensive set of comments communicating its expectations for this project.

GHD's original scope of services provided only for one round of agency comments and did not include redesign of the project. Due to the iterative manner of Coastal Commission review, as well as inconsistency of Coastal Commission comments, GHD's budgets for project design and environmental permitting have been exceeded.

Unfortunately, in the past month, the Coastal Commission has suggested still further revisions to the project design. These revisions pose the risk of actually expanding the project to include drainages which feed into the deteriorated culvert, such as the storm drainage system originating on the adjacent U.S. Air Force property. This would drastically increase the project footprint, number of stakeholders, and effort.

This requested revision simply does not reflect GHD's original scope of services and fee estimate. Our original scope proposed a one-for-one replacement of the deteriorated and non-functioning culvert, inlet, and outfall, followed up with restoration of the trail at the outfall location. The project, as scoped, does not include any elements that would increase storm flow through the culvert, nor was the purpose of the project to increase this capacity. The purpose of the project was to repair the deteriorated culvert and the resulting severe undercutting of the trail so the Harbor District could fulfill its responsibility of providing safe and reliable public access to California's coast at Pillar Point.

Next Steps

At this juncture, GHD's project budget is nearly expended. The project management, design, and environmental phases have been completely expended, with funds in the bid and construction support services phase being used to cover the additional unanticipated effort summarized above. Additionally, the design currently under review by Coastal Commission staff is not one that GHD's registered engineering professionals support because it does not provide the Harbor District with a durable solution that would provide long-lasting protection to this locally-important public trail.

In our capacity as consultant to the Harbor District, we feel we are at an impasse with the Coastal Commission. The most current project changes proposed by Commission staff are of a magnitude that we cannot move forward without the Harbor District's concurrence and without an augmentation to our scope of services and budget. In this situation, the Harbor District's next steps could include any of the following:

1. Withdraw the project and leave the trail in its current condition;
2. Withdraw the project, leave the trail in its current condition, and close the trail indefinitely;
3. Conduct a meeting with senior Harbor District and Coastal Commission management to review all project issues and develop an agreed-upon and documented approach to secure the appropriate approval for the project (i.e., elevate the issue); or,
4. Engage Harbor District legal counsel to act as representative for all project-related communication with the Coastal Commission and execute Item 3.



Until we receive word from the Harbor District that a mutually-amenable way forward has been agreed to with the Coastal Commission, GHD will cease work on this project and refer any communication from the Commission to the District. With successful resolution of the current impasse, GHD would greatly appreciate the opportunity to reassess the project and provide an updated scope of services and budget augmentation to complete the project.

We truly share the Harbor District's disappointment and frustration stemming from the permit approval issues encountered on this important project to restore safe and reliable public access to a popular section of California's coastline. The San Mateo County Harbor District is a very important and good client to GHD. We value this relationship and strive to act in the best interest of the Harbor District. As always, please do not hesitate in reaching out for further support.

Yours sincerely
GHD Inc.

A handwritten signature in blue ink, appearing to read "David D. Davis".

David D. Davis, AICP
Project Manager

c: Mr. Craig Lewis, S.E. – Project Director, GHD

Photo 1



Photo 2



Photo 3



Photo 4



Photo 5



Photo 6



Photo 7





STAFF REPORT

FROM:  Debra Galarza, Director of Finance

DATE: May 6, 2015

SUBJECT: Finance Department Report to the Commission

Accounting and operations

- Ongoing expense management through detailed review of invoices and review of bills and claims. Bi-weekly payroll processing and review.
- LAFCO Municipal Review: Respond to additional requested information.
- Preliminary Budget changes per staff.
- Finance Committee meeting on Budget.
- Work on completion of draft of Strategic Plan-Finance piece.
- Collections meeting.
- Worked with tenants on payment plans.
- Site visits at Oyster Point Marina/Park and Pillar Point Harbor.
- District office move meeting.
- Worked with vendors on leased equipment move requirements.
- Audit for review of Treasurer and Deputy Treasurer procedures.

Human Resources

- Work with Staff on payroll and benefit questions and concerns.
- CalCard administration.

Memo

To: Board of Harbor Commissioners
From: Jim Merlo, Acting Harbor Master
CC: Scott Grindy, Acting G.M.
Date: April 28th, 2015
Re: May 6th, 2015 Meeting Report

Oyster Point Marina/Park

Construction Update & General Status Updates

- *Misc. Maintenance Work in Progress Throughout the Marina*

OPM Miscellaneous

- Working with the army corps of engineers with the removal of logs and other Navigational hazards from OPM waters
- Start construction of the laundry room
- Start construction of the Dragon boat float
- Abandoned vessel removal complete
- Cigarette program with S.M. County

Occupancy Overview (March/April, month of occupancy 2015)

OPM

- Total occupancy: 62% (264 slips/End Ties out of 428 are occupied).

Search and Rescue Activity Highlights & Urgent Need Activities

OPM: Two vessel assistance towing events

EMS-Clean Marina Activities-District Wide

- Vessel inspections are ongoing

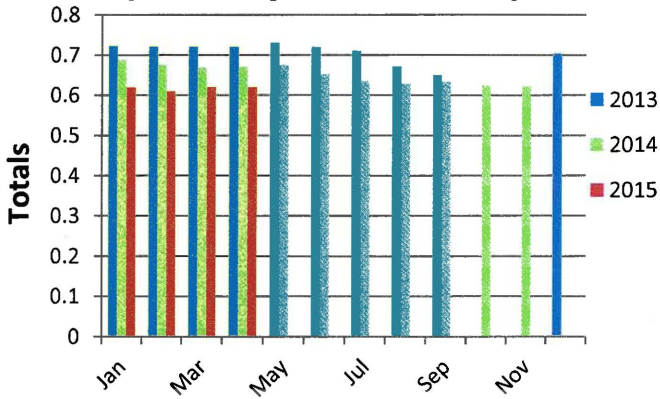
Calendar Reminder Items of Events and Activity

Crew AED, CPR, First Aid & Hazmat training complete. No Events scheduled for May.

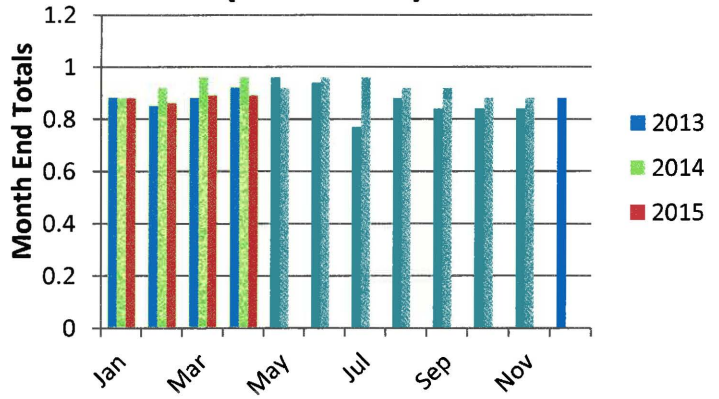
Oyster Point Marina

Monthly Marina Activity Report - April 2015

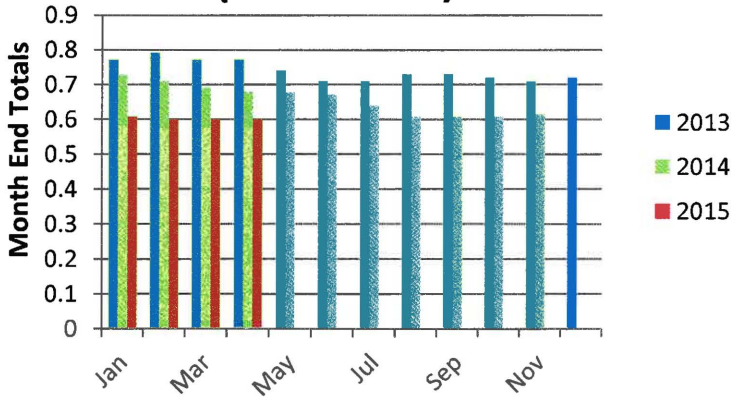
Overall Occupancy (428 Slips Available)



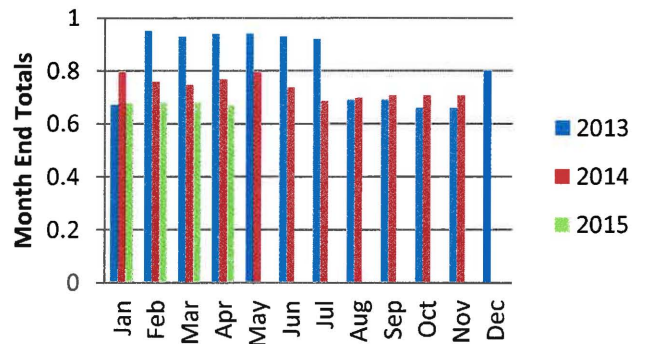
26 ft Slips (Total: 25)



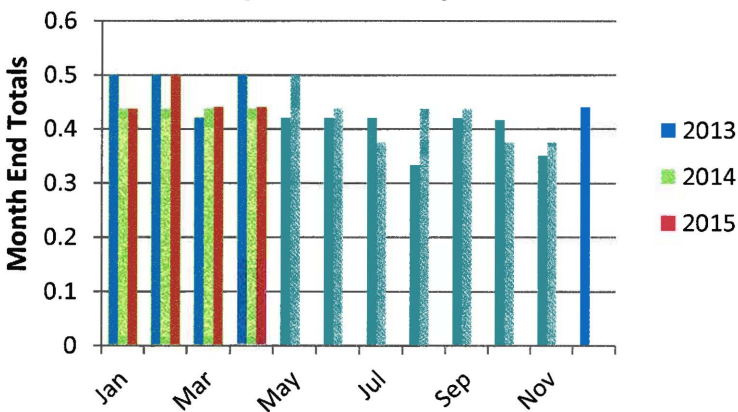
30 ft Slips (Total: 158)



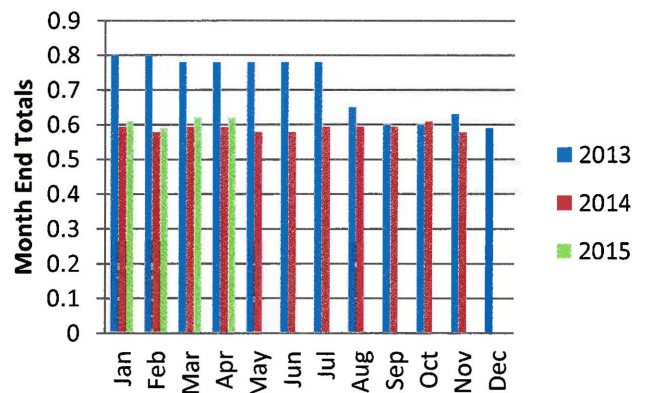
36 ft Slips (Total: 99)



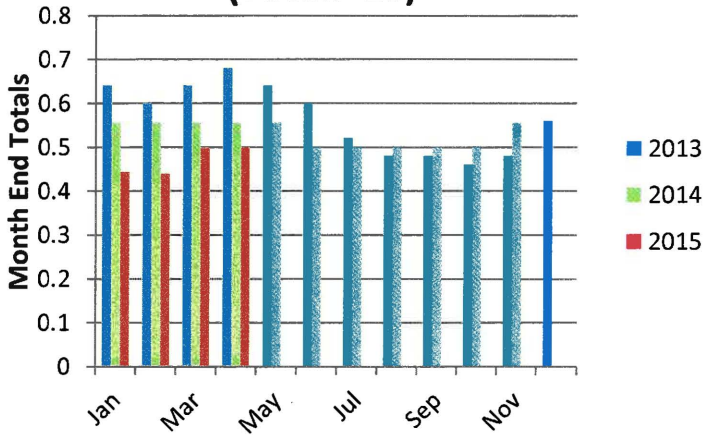
40 ft Slips (Total: 16)



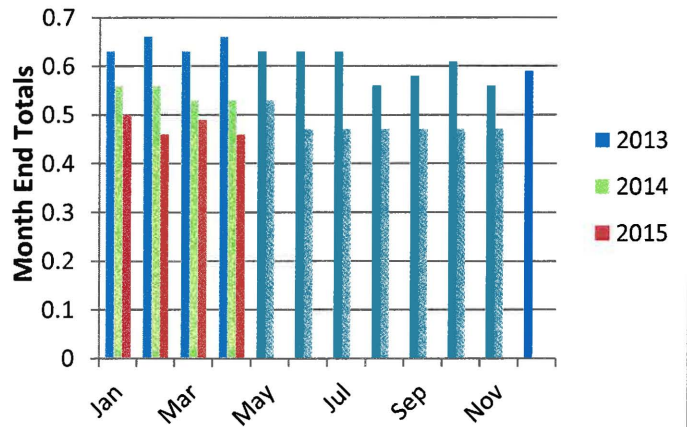
45 ft slips (Total: 64)



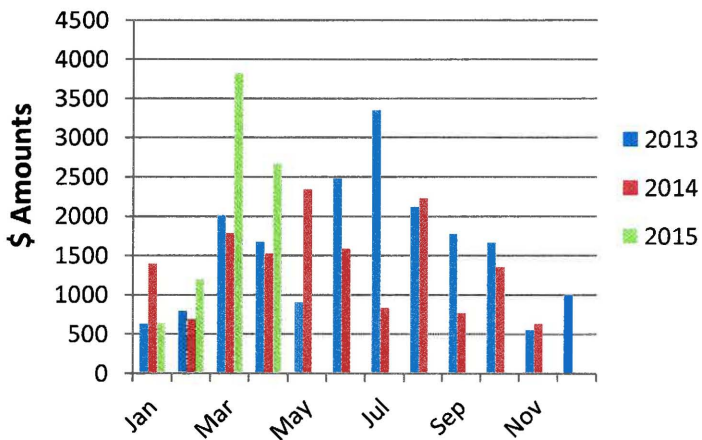
50 ft Slips (Total: 18)



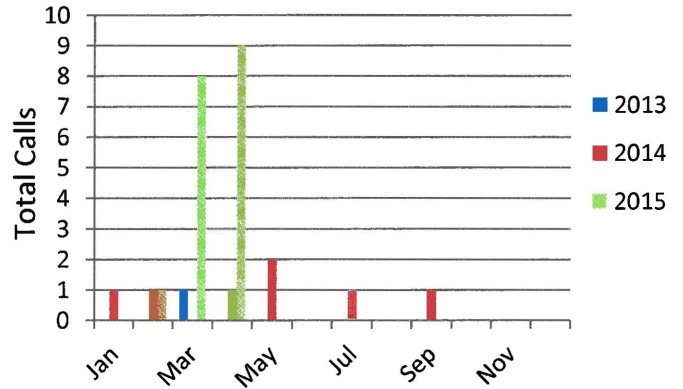
60 ft Slips (Total: 34)



Launch Ramp Totals



Call Outs (OPM Harbor Patrol - 2012-2015)



OPERATIONS

Memo

To: Board of Harbor Commissioners
From: John Draper, Acting Harbor Master
CC: Scott Grindy, Acting General Manger
Date: April 28, 2015
Re: May 6, 2015 Meeting Report

Pillar Point Harbor

Construction Update & General Status Updates

- Misc. maintenance work in progress through-out the Marina.
- Replacement electrical work to ABC main feeder panel on going, power outages will be very limited and noticed prior shutdowns.

PPH Miscellaneous

- None at this time.

Occupancy Overview (April Month of Occupancy 2014)

PPH

Total occupancy (inner harbor) – 92% (this includes slips, end ties and walk way)

Berth occupancy (inner Harbor) - 92% (340 slips out of 369 are occupied)

Moorings (Outer Harbor) – 24% (9 out of 38 moorings occupied)

Search and Rescue Activity Highlights & Urgent Need Activities

PPH: 5 SAR cases 8 medical cases

EMS-Clean Marina Activities-District Wide

Continue working with San Mateo County Resource Conservation District with monthly water sampling in harbor.

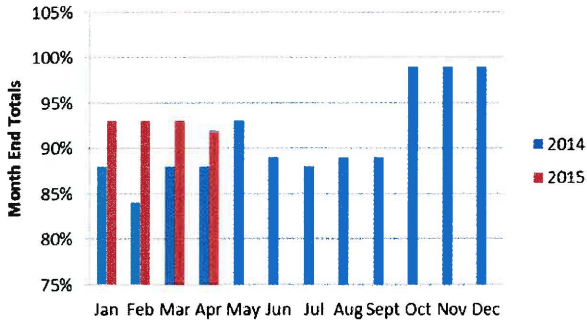
Calendar Reminder Items of Events and Activities

- Commercial salmon season starts May 1, 2015
- Lien Sale May 6, 2015

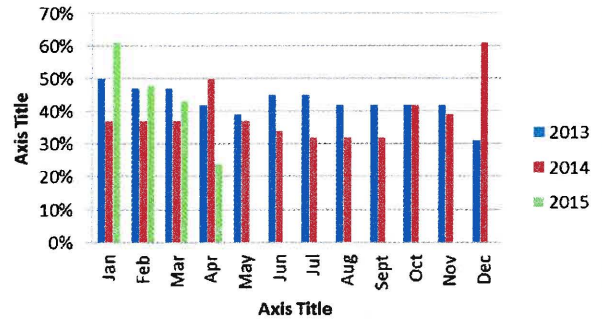
Pillar Point Harbor Dashboard

Monthly Marina Activity Report - April 2015

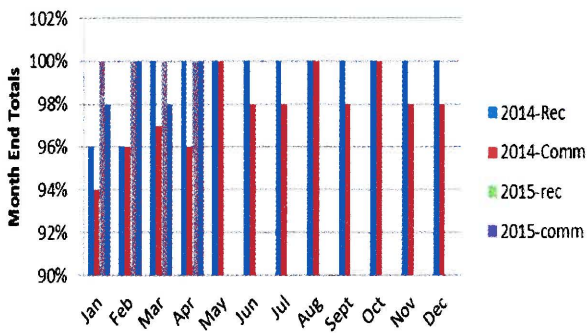
Overall Occupancy 369 slips available (Apr 15 - 92% occupied)



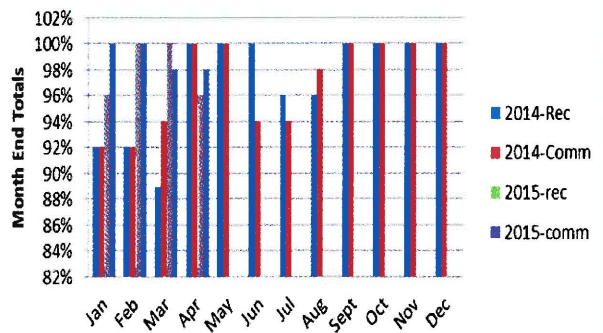
Mooring Occupancy 38 Moorings Available (Apr 15 - 24% occupied)



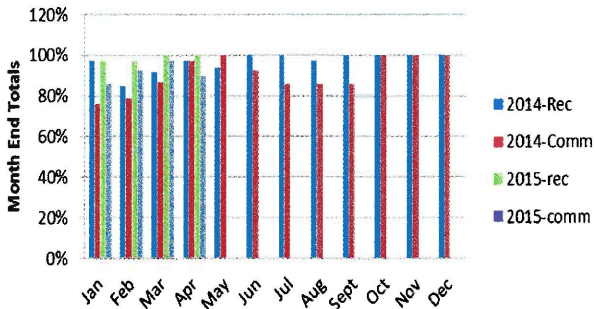
30 ft Slips (Total: 28 rec, 54 comm)



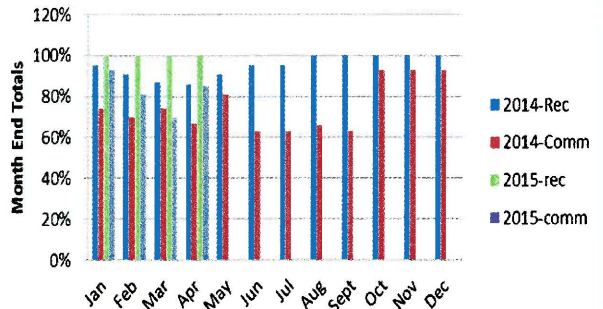
35 ft Slips (Total: 26 rec, 48 comm)



40 ft Slips (Total: 34 rec, 29 comm)



45 ft Slips (Total: 22 rec, 27 comm)



Pillar Point Harbor Dashboard

Monthly Marina Activity Report - April 2015

