

Corrections to the 2001-2002 Response Report

In the Response Report to the 2001-2002 Santa Cruz County Grand Jury Final Report, several of the Santa Cruz Port District's responses were left out and some of the responses were inappropriately placed. Below are the corrections to these errors. The Grand Jury apologizes to the Santa Cruz Port District for these errors.

Review of the Santa Cruz Port District 2001-2002 Grand Jury Report – Page 7-11

Findings

1. The jury visited the harbor three times during the course of this review:
 - A. Santa Cruz Yacht Harbor is a popular tourist destination.
 - B. Members of the Jury observed during these visits that the harbor area appears to be well maintained.

Response: Santa Cruz Port District AGREES

- C. Public Port District meetings are held on the fourth Tuesday of every month starting at 7:30 p.m. Public meetings are usually held at the Harbor Public Meeting Room, 365-A Lake Avenue, Santa Cruz. Members of the Grand Jury attended one of these meetings and observed that the meetings appear to be run in an orderly and professional manner.

Response: Santa Cruz Port District AGREES

- Port Commission meetings have been changed to 7:00 PM on the fourth Tuesday of each month.*
- D. The District is responsible for many ongoing maintenance projects as well as long term improvements to the harbor.
 - E. Revenues are generated from almost every aspect of the harbor operation. Launch fees, parking fees, slip fees, guest docking, RV parking, rent on retail space, boat storage all generate the money needed for daily operations and long term improvements. The District is also very active in obtaining grant money whenever possible.

Response: Santa Cruz Port District AGREES

2. Businesses are located throughout the harbor area:
 - A. The Harbor Business Association Member Directory is located on the Internet through the Port District site: http://www.santacruzharbor.org/visitor/bus_dir.html.

- B. Retail shops must apply to the District for a lease. Upon approval, the District issues a lease for a determined amount of time. This is normally five years with the option to renew.

Response: Santa Cruz Port District AGREES

Lease terms range from month-to-month, to 40+ years. Access to all multi-year leases originates with a public bid process.

- C. The Harbor Patrol presence also adds to security and there is very little crime in the area. This fact also enhances the good business climate.
- D. There are many popular restaurants in the harbor attracting many locals as well as tourists to the harbor area.
- E. The closeness to the harbor and to the beach sometimes creates parking problems for visitors to the harbor and to the local restaurants. Parking within the harbor area is in high demand during the summer months.
- F. Other than minor complaints concerning restroom maintenance and dock repair, members of the Grand Jury found that the District has done an excellent job in making the harbor a favorable place for local merchants as well as their customers and other visitors.

Response: Santa Cruz Port District AGREES

- 3. Although there are about 1200 boat slips in the harbor, there are about the same number of boat owners waiting for slips. The District charges boat owners an annual fee to be placed on a waiting list. The waiting period for a slip in the South Harbor may be as much as 9-10 years. In the North Harbor the wait for a slip is much less, about 3-6 years. The District tries to ensure that existing boat owners are, in fact, actually using the harbor and not merely parking a boat in a slip. The District has established a rule that a slip renter must take his boat out at least ten times per year or risk losing his place in the harbor. Slips are not transferable with the sale of a boat. When a boat is sold the new owner is given time to look for a new place to berth his boat. In the past, slips were transferred with the boat. This practice led to abuse of the slip rental policy. There are currently about 87 people who live on their boats in the harbor. The harbor provides non-metered electricity to these people and to the all other boat owners at a set rate of \$35.00 per month. Some boat owners who use small amounts of electricity would prefer metered electricity for a more equitable charge.

Response: Santa Cruz Port District PARTIALLY AGREES

There are approximately 900 wet slips and approximately 300 dry storage spaces within the harbor. The waiting period for a south harbor slip ranges from 6-19 years.

- 4. Because the harbor is such a large area with many facilities, there are many ongoing capital improvements planned by the District. Recently a new lighthouse was constructed to mark the entrance to the harbor. This was done with private funds at no cost to taxpayers. Charles Walton donated the initial \$60,000 to get this project started. Walton, a Los Gatos resident who is a semi-retired electronics businessman and fisherman, made the donation in honor of his late brother, Derek Walton, who served in the Merchant

Marines. This new Lighthouse is known as the Walton Lighthouse and officially as the Santa Cruz Harbor Light.

Response: Santa Cruz Port District AGREES

A total of \$416,000 was donated to the lighthouse – Mr. And Mr. Walton donated a total of \$94,000.

5. Another project recently completed is the Joseph G. Townsend Maritime Plaza. The plaza is located just outside of the Crow's Nest Restaurant. This project was made possible through grants from the Economic Development Administration and the Federal Transportation Enhancement Act. Additionally, many private donors also helped to fund this project. Joseph G. Townsend has been a Port District Commissioner for the last 25 years. His leadership of the District has been instrumental in making the harbor what it is today. State Senator Bruce McPherson, Supervisors Mardi Wormhoudt and Jan Beautz, and Mayor Tim Fitzmaurice of the City of Santa Cruz dedicated the plaza in his honor on September 7, 2001.

Response: Santa Cruz Port District AGREES

6. Apart from the above mentioned projects are long range plans for replacing the deteriorating seawall near Aldo's Restaurant, increasing the number of visitor slips and general improvements to the North Harbor.

Response: Santa Cruz Port District AGREES

7. The District has recently installed an oil reclamation facility to protect the quality of the harbor's water.

Response: Santa Cruz Port District AGREES

8. Much planning goes into all capital improvements and the District appears to be very diligent in finding funding before the projects are undertaken.

Response: Santa Cruz Port District AGREES

9. Santa Cruz Harbor is dredged generally between November and April annually. This dredging operation is the most expensive daily operation at the harbor. The harbor owns and maintains the dredging vessel. Geographically, the mouth of the harbor is located in an area where sand is constantly building up. In order to ensure that the harbor is navigable, the entrance must be constantly dredged. Dredging removes the sand from the mouth of the South Harbor. The sand is then deposited through a dredge discharge line, into the inter-tidal zone in the bay where it drifts down the coast, and helps to replenish the sand to all beaches east of the harbor. Dredging of the North Harbor is a much different operation. The North Harbor drains Arana Gulch and much of the surrounding area. The sediment deposited in the North Harbor is far different from the sand that is dredge from the channel entrance in South Harbor, and must be treated differently. The North Harbor's sediment consists of only 40% sand and 60% silt. Although this sediment does not contain chemical pollutants, it does contain much organic material and silt. Instead of dredging this material it is removed by a clamshell bucket, deposited in the parking lot and left to drain. The material is then removed by dump trucks and deposited in a landfill site in Seaside. This is a costly operation.

Response: Santa Cruz Port District AGREES

Removing sand from the entrance channel by hydraulic dredging costs approximately \$4/cubic yard. Removing material shoaling the north harbor by clamshell bucket and transported upland to a landfill costs approximately \$80/cubic yard.

10. The Port District would like to be able to take the sediment dredged from North Harbor and deposit it further out in the Monterey Bay. Because of environmental concerns and possible pollution of the Monterey Bay Wildlife Sanctuary, this method has not yet been approved. The District contracted with Moss Landing Marine Lab for a demonstration project to support its position that this sediment poses no threat to the Bay. The preliminary report of this project, issued in March of 2002, supports the Port District's position that the sediment is not a threat to the Bay. Approval for depositing the sediment in the bay would result in a substantial savings of at least \$325,000 per year to the Port District, based on 5000 cubic yards of sediment, which is the average annual amount of sediment dredged. Before proceeding with depositing this dredged material in the Monterey Bay, the District needs to receive approval from a number of agencies. The District must demonstrate to the Army Corp of Engineers that they are in compliance with section 404 of the Federal Clean Water Act and compliant with EPA standards. Next the District will need a permits from the Coastal Commission, the California State Water Quality Control Board in San Luis Obispo and the Monterey Bay National Marine Wildlife Sanctuary.

Response: Santa Cruz Port District AGREES

11. Santa Cruz Harbor is home to a commercial fishing fleet. Santa Cruz Harbor is primarily a salmon fishery. There is also a small crabbing operation along with albacore, halibut, and rockfish fisheries. Foreign imports of fish from South America and domestic farming compete directly with local fisheries. There are, however, enough local markets such as restaurants and fresh fish retail markets in the area to minimally sustain local fishing. The last several years have been abundant for salmon. Salmon season runs May through September, albacore usually from September through December.

Response: Santa Cruz Port District AGREES

12. There is a local fish buyer located in the harbor at the "S" and "T" docks. Having a local buyer in the harbor ensures that the fisherman have an available market for their catch. The Port District has recently upgraded the District-owned facility leased by the resident fish buyer. The facility has been upgraded to include a new ice-making machine that is capable of providing all the ice that is needed to run the facility.

Response: Santa Cruz Port District AGREES

13. It is essential to the fishing fleet that the mouth of the harbor remains open all year. The commercial fishermen welcome the dredging program. The Santa Cruz Local Fisherman's Association maintains a very good relationship with the Port District. Both the Santa Cruz Harbor and the Fisherman's Association are members of Alliance of Communities for Sustainable Fisheries. This Alliance is an organization that seeks to preserve currently threatened fisheries and fishing communities. They work closely with the Monterey Bay Wildlife Preserve in order to achieve this end. The Alliance can be found on the Internet at: <http://www.nfcc-fisheries.org/monterey/index.shtml>.

Response: Santa Cruz Port District AGREES

Recommendations

3. The Port District should continue to pursue investigating the less expensive alternative disposal of the North Harbor sediment, while addressing environmental concerns.

Response: Santa Cruz Port District AGREES

We completely agree with the Grand Jury's statement. The north harbor sedimentation problem is the largest financial threat to the Port District. 5,000 to 20,000 cubic yards of material come into the harbor each year from Arana Gulch. We are addressing this problem in three major ways:

A. Arana Gulch Watershed Alliance: The Port District was a founding member of the Arana Gulch Watershed Alliance (AGWA), which has been in existence for 6 years. It has made tremendous progress. Its members include watershed stakeholders, including the County and City of Santa Cruz, the Port District and various landowners. AGWA's executive director, Roberta Haver, in coordination with consultant engineers and hydrologists, has just completed the Arana Gulch Watershed Enhancement Plan. This document sets forth a 20-year plan for fixing specific problems; general restoration; erosion control and steelhead habitat enhancement.

In addition to the AGWA program, the Arana Gulch watershed is also the subject of a recently completed Corps of Engineers' reconnaissance study. The Section 905B report was favorable in going forward to the feasibility stage of a watershed restoration and management plan in coordination with the harbor and AGWA (Corps' project #PWI-014755.Arana Gulch).

B. Sediment Basins: Establishment of sediment basins above the harbor to catch silt, sand and clay before it enters the harbor. AGWA is very involved in this and the sediment basins are part of the comprehensive restoration plan.

C. Dredging: The Port District has put tremendous effort into identifying the most cost effective method of dredging the harbor. The Port District is working with all regulatory agencies to ensure it has an affordable way to dispose of this clean material.

4. The Port District should consider offering an optional plan for metered electricity.

Response: Santa Cruz Port District AGREES

The Port District has considered, and will continue to review in the future, the cost benefits associated with metering the harbor's slips. Up to this point, the District has been reluctant to add the high cost of installing meters to the cost of the electricity. There has not been much disagreement with the current electricity assessment from most users. The current approach is to monitor and charge for electricity use. These fall into several categories:

A. Electricity is provided for slip licensees as part of their basic slip rent if electricity is used only intermittently (they are not plugged in when they are not on their boat).

B. A second category is for slip licensees who are also liveaboards. Liveaboard fees include a flat rate charge for electricity.

C. The third category is for slip licensees who, although not liveaboards, leave their boats plugged in when they are not aboard. These slip licensees are charged a flat rate for electricity use each month. Additionally, a higher flat rate is charged for those who use a higher wattage of electricity.