

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

**April 3, 2013
7:00 p.m.**

**Comfort Inn
2930 Cabrillo Highway
Half Moon Bay, Ca. 94019**

All Harbor District Commission meetings are recorded and televised on PCT and replayed the following Friday at 6:00 a.m. and the following Saturday at 7:00 a.m. Copies can also be purchased from PCT and mailed for \$18.

Roll Call

Commissioners

James Tucker, President
x Leo Padreddii, Vice President
Robert Bernardo, Treasurer
Pietro Parravano, Secretary
Sabrina Brennan, Commissioner

Staff

Peter Grenell, General Manager
x Genevieve Frederick, Director of Finance
Marietta Harris, Human Resource Manager
x Scott A. Grindy, Harbor Master
Jean Savaree, District Counsel
Debbie Nixon, Deputy Secretary
Debra Galarza, Accountant

x-absent

Public Comments/Questions — None.

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calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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

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| 1 | TITLE: | Minutes of Meeting February 20, 2013 |
| | REPORT: | Draft minutes |
| | PROPOSED ACTION: | Approval |

- 2 TITLE: **Minutes of Meeting March 6, 2013**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval
- 3 TITLE: **U.S. Bank Master Signature Card**
 REPORT: Frederick, Memo
 PROPOSED ACTION: Authorize Execution of Updated Master Signature Card

Action: Motion by Tucker, second by Bernardo to approve the consent calendar. Brennan referred to page 2, second paragraph of the March 6, 2013 minutes and asked that they reflect what Bill Kehoe stated regarding a Brown Act. Tucker stated the minutes for March 6, 2013 would be removed from the agenda. The motion passed.

Ayes: 4
Nays: 0
Abstention: 1 (Parravano for February 20, 2013 minutes)
Absent: 1 (Padreddii)

Public Hearing –

- 4 TITLE: **Introduction of Draft Preliminary Operating and Capital Budget for Fiscal Year 2013/14**
- A. Declare Hearing Open: President Tucker
B. Report of Notice Given: Grenell
C. Staff Report and
 Recommendation: Frederick, Draft Preliminary Budget FY 2013/14
- D. Public Testimony:
E. Harbor Commission
 Questions:
F. Close Public Testimony: President Tucker
G. Commission Deliberation:
H. Recommended
 Commission Action: To be determined

Tucker stated at the beginning of the public hearing budget process, the hearing is open for the community to provide input regarding the budget.

Tucker declared the public hearing open. Grenell stated notice had been given. Grenell stated that common practice is to initially introduce the operating and capital draft budget for the upcoming year. He stated that on April 17, 2013 there will be a regular 7:00 pm Harbor Commission meeting where the public hearing for the budget will be continued. He stated that there will be a budget workshop held on the same day that will begin at 5:00 PM and stated that both meetings will be held at the Oyster Point Yacht Club. He stated that the budget will continually be placed on the agenda until the budget is adopted. Grenell stated

that on April 17, 2013 the public hearing for Rates and Fees for both Oyster Point Marina/Park and Pillar Point Harbor will begin. He stated that the first meeting in May will have an item to adopt the Preliminary budget which he explained is required by statute. He stated that once the preliminary budget is adopted, a public notice is issued for a statutory 20 day public review and comment period. He stated that the final budget typically is adopted the second meeting in June. Grenell stated that the budget looks similar to the past and includes a section for capital projects which reflects what was reviewed at the March 6, 2013 Strategic Planning, Finance and Priorities Workshop. Grenell clarified that the draft budget included rates and fees at their current level until deliberations begin for FY13/14 rates and fees and the Commission makes any decisions.

Merrill Bobele spoke on behalf of the Loma Prieta Chapter of the Sierra Club. He reminded the Commission that a promise was made that there would be a number of public hearings regarding the Pillar Point Harbor 1991 Master Plan and didn't see an item on tonight's agenda but hoped to see an item on upcoming agendas. He stated that a budget workshop doesn't speak to Strategic Planning. Grenell clarified that there is a schedule of budget hearings and rates and fees hearings on the website. Bobele said that doesn't relate to Strategic Planning.

Leonard Worren asked how many full-time employees the District had. Harris stated twenty-seven. Worren stated that he has been on a government agency board for sixteen years. He stated that the annual budget for five Harbor Commissioners is ten times the amount in his budget. He stated that the primary reason the budget is so high is because \$69,000 is spent on healthcare for five Commissioners and \$100,000 is spent for twenty-seven employees. He stated that he is going to push for a change in State law to completely ban part-time government elected officials from getting any benefits other than meeting fees. He stated that the item should be struck from the budget.

Brennan asked for clarification on health care coverage and how it works. She stated that she isn't receiving health care benefits or a reimbursement. Harris stated that she can calculate the numbers for her and get back to her with a breakdown. Brennan asked if the information could be added to the budget in more detail. Harris clarified if she was asking for a per person detail. Brennan stated yes. Grenell asked Brennan to clarify what she meant by "how does it work." Brennan asked what the line item budget amount was being spent on or what it goes towards. Harris stated that last spring or summer Brennan had made a Public Records Act request what was spent on Commissioners' health care. Brennan asked her to update the information and include the information in the budget.

Brennan stated that the budget process has begun, however no decisions have been made about the Strategic Planning process. She stated that there was no decision about what types of projects needed to be prioritized. She stated that there was input from the public that there needs to be a series of workshops. She didn't see how the Commission could move forward with a budget workshop when there isn't a plan in place. She asked if there were plans for a workshop. Grenell stated that the major output from the workshop was on the agenda tonight, the identification of priorities. He stated that at the Strategic Planning, Finance & Priorities workshop, only Pillar Point Harbor was referred to, nothing about Oyster Point Marina/Park. He stated that the budget was for the entire Harbor District and stated that the question of whether or not there should be a series of planning workshops for Pillar Point and

not Oyster Point Marina/Park is a serious question. He stated that the only comments made by members of the public were the few that were at the Strategic Planning, Finance & Priorities workshop. He stated that the question of to what extent the public has made itself heard is an open question. He stated that the budget process, which begins tonight, is keyed to a pretty tight schedule leading to statutory requirements for the adoption of preliminary and final budgets. Grenell stated that the budget and rates and fees will continually be on the agenda, which allows the public to comment on them, until the budget is adopted. He stated that forming a planning process has several questions to consider, such as would the District want to use an outside facilitator or consultant and what the process would consist of. He stated that Brennan's interest is limited to Pillar Point Harbor. Brennan stated that was not correct.

Bobeles stated that he made an error when filling out the public speaker form. He wanted to speak on item 5 not item 4.

Bernardo referred to Commission costs in general and asked if election costs were lumped into the budget item. Galarza stated it is under election liability. Bernardo referred to page 5 of 40 and asked for a definition of Liability for Termination Benefit. Galarza stated that employees hired prior to a certain date have a termination benefit after 12 years of service; they receive half a year's coverage for medical insurance for each year of service. Bernardo asked if it was the same as OPEB (other post-employment benefits). Galarza stated it is not. Harris stated that we don't define it as OPEB because it is not what the legal requirement of OPEB is, so the name was changed. Grenell stated that the standard OPEB approach that many other organizations respond to involved an actuarial calculation that assumes an ongoing relationship with an employee that goes on until the person expires. He stated that the District's system does not do that and therefore has dropped all reference to OPEB because the District is not providing that benefit.

Bernardo referred to page 6 of 40-Property and Casualty Insurance for the Commission and asked for an explanation on how the District can lower the insurance or find more competitive insurance. Grenell stated that currently the District uses MacCorkle Insurance Services who is an insurance broker. He stated that each year they put together a package to renew the insurance policy. He stated that they shop the market to get the best deal for the District. He stated that they will present their findings to the District and that process is coming up soon.

Bernardo referred to page 26 of 40, under Operating Expenses, under Advertising and asked what the allocated money would cover. Grenell stated that each harbor and the Commission have a line item for advertising. He stated that it is done because each harbor has different needs as far as advertising such as legal requirements, vacancy in staff, and special events such as the District's 80th anniversary this year.

Bernardo referred to page 31 of 40-Outside Contractual Service and asked for a definition. Grenell stated that it can vary but for FY13/14 it is for technical support and auditor. Tucker asked if it also included outside legal services. Grenell stated it did not and that outside legal services has its own line item.

Brennan asked where the cost is for what is spent on the District web site. Harris stated it is under contractual services. Brennan asked what page. Harris stated 31. Brennan asked if that line could be broken down and shown on the budget. Grenell stated that could be done. Galarza stated she would talk to Frederick. Galarza stated that there are a lot of consolidated items and one reason is to not have to frequently come back to the Board with budget adjustments. Brennan stated she would like to see the cost for the web site and for IT broken down.

Brennan referred to page 33 of 40-Pension Contributions for almost \$69,000 but there is also a line item for Insurance Costs-Retirees for \$19,656 and asked what that was for. Harris stated that a past Commissioner was entitled to that benefit. Brennan asked if the money goes to a past Commissioner. Harris stated yes. Tucker asked if it was Sally Campbell. Harris stated it was for her dependent. Tucker asked if it was a one-time benefit. Harris stated he is entitled to the benefit until he is 26. Tucker clarified that money was a result of previous rulings of the District. He stated that none of the sitting Commissioners are eligible for that benefit. He stated that Campbell was the last one who was entitled to that benefit.

Brennan asked where in the budget was the cost of rent for the administration office. Grenell stated it was on page 31 of 40 under Office Space. Brennan asked if rent was increased over the past few years. Grenell stated that when the lease on the space was executed it was significantly lower than anything else. He stated that the instruction from the Harbor Commission at that time was to look for temporary space and a space as close to either harbor facility, and as cheap as possible. He stated that the space rented now was \$1.35 per square foot and there was nothing less than \$2.00 per square foot on the Coastsides. He stated that the low cost and proximity to Oyster Point Marina is why the Commission decided to lease the space. Brennan confirmed that at the time the cost was \$1.35 per square foot. Grenell confirmed. Brennan asked about current charge. Grenell stated that he wasn't sure but stated there is a maintenance charge added every year. Brennan asked if the District has looked into renting cheaper space. Grenell stated that other than to look into our own rent-free space, nothing else has been looked at. Brennan asked what year the space was rented. Grenell stated he couldn't recall but would get her the information. Bernardo stated that the rent is currently \$7,534.76. Brennan asked if the administration office has been renting that location for close to 10 years. Galarza stated she thought it was close to 9 years. Brennan asked if during those 9 years a search for less expensive space had been looked for. Grenell stated that there had been and stated that space at Oyster Point Marina/Park was looked at first because the City of South San Francisco owns the location and we anticipated that they would give the District a long-term lease for \$1 per year. He stated that the problem with that was that the City's redevelopment plans were intertwined with Shoreline Bio Tech project. The City had planned to redesign the street pattern and the entire Oyster Point Marina/Park infrastructure. He stated that due to the dissolution of the redevelopment agencies, all those plans are null and void. He stated that the search turned to Pillar Point Harbor and within the vicinity of Pillar Point Harbor. He stated that 2 properties were looked at back then, one of which has now been sold, the other might be disposed of and the money from that sale would go to other harbor needs. He stated that multiple sites in Princeton were looked at but all were problematic either because of zoning restrictions or combination of high cost for land which would be added to building costs. He stated that a permanent location has been continually looked for since the Administration office re-located to South San Francisco. Brennan asked if the ongoing search included renting another space that would be cheaper.

He stated it did not make sense and the direction was to find rent-free space because you get no equity when paying rent. Grenell stated that the Harbor Commission adopted the idea to have its own building not only for the administration office but to include enough space for rental purposes for other tenants that would help defray the cost. Brennan asked if there was a decision made by the Commission to not move into a cheaper place to rent while all the other details are being worked out and stated that it just seemed like a lot of money was being paid to rent space. Grenell reiterated that Board direction was that the rented facility was to be as close to if not on one of the harbor facilities, so space is limited. Brennan asked what Board gave that direction and in what year. Grenell stated it was the same year that staff was directed to find rental space. Brennan asked if he recalled what year that was. Grenell stated he couldn't recall and would find out. Grenell stated that even if another space was found, a significant amount of money would need to be spent on the move and stated that if the District is looking to save money that is penny-wise and pound-foolish. Brennan stated that she would like to see a report investigating moving to rent instead of assuming it was going to be expensive. Grenell stated that she needed to point that out to her colleagues.

Action: Motion by Parravano, second by Bernardo to continue the item to the next meeting. The motion passed. Tucker reminded everyone that this is the beginning of the process of developing a budget and there will be plenty of opportunity for talks and change.

Ayes: 4
Nays: 0
Absent: 1 (Padreddii)

Continued Business

- 5 **TITLE:** **Updated Priorities from 2013 Strategic Planning, Finance, and Priorities Workshop, March 6, 2013**
 REPORT: Grenell, Attachment
 PROPOSED ACTION: To be determined

Grenell stated that past practice has been that the Commission holds an annual Strategic Planning, Finance and Priorities Workshop where priorities are identified and updated. He stated that the process began on March 6, 2013 and there was no meeting March 20, 2013 so priorities update is now on the agenda for consideration. He stated that he listed the priorities as clearly as possible.

Bernardo stated that he has been through a few of these processes and understands that bills need to be paid and projects have to continue, especially capital projects, but asked what it would entail if the District was to do a 3-5 year strategic plan. He stated that he would like to know how much it would cost and how much staff time it would take. Tucker questioned if priorities should be set first and then a plan be built around those or if they should come first and then build in the priorities. Grenell stated that both are possible but it is going to take a lot of time, unless the Board wanted to suspend setting priorities for the upcoming year. Bernardo clarified that he didn't want an extensive report just the basic information and suggested calling other harbors to find out if they have done one recently and how much it cost just to give an idea of the cost. Tucker stated that a similar process was done one time

when the District changed insurance agents and at the time wasn't aware of its assets so someone was hired to put that package together which helped tremendously. Grenell stated that he has a clear idea of what is being asked and stated that he started looking into the information that afternoon. He stated that he would like to contact Newport, Oregon's port and a small handful of other similar marinas and ask the cost incurred and how long the process took. Bernardo clarified that he wasn't suggesting that the District do a 5 year strategic plan, but would like to know the feasibility of doing a plan. Tucker stated that he felt that Grindy was geared to a strategic plan as well.

Merrill Bobele stated the questions that he asked during item 4 pertained to item 5. He stated that the list of priorities has been revised since the March 6 Strategic Planning, Finance and Priorities Workshop. He stated that the priorities listed on the staff report are not ones that came from public workshops or discussion but are Commission and District priorities from the prior year. He stated that from the comments made by the Commission tonight, there seems to be an interest in pursuing a higher level of strategic planning.

Brennan asked that when looking into costs, she would like organizations that work with special districts to be contacted such as the California Special Districts Association (CSDA) and maybe someone has a reference to an organizational facilitator who has worked with ports or harbors similar to the size of Pillar Point Harbor and Oyster Point Marina.

Grenell stated that last week he spoke to a principal in a firm that has done business plans and strategic plans for harbors and had been working with Morro Bay and Monterey and had some discussion regarding strategic planning. He stated that he should have the information they are requesting in the next three weeks or so.

Tucker stated he would like to change some of the priorities listed on Grenell's memo but asked if the Top Priorities 1-9 were in ascending order. Grenell stated that was correct. Tucker stated that he was concerned with the order. Grenell stated he misspoke and stated that Community and Public Education is a top priority that runs through everything all the time. Tucker felt that Community and Public Education is on on-going process and should be removed from the list. He stated that Grenell's number 4-multi-purpose building should be number 1 or 2. He stated that Grenell's number 5-West Trail Erosion Control, Parking Lot and Restroom Improvements, and Recreational Fishing Pier Jetty Rip Rap Stabilization should be second level priorities. Tucker stated that he is not comfortable establishing priorities and then create a plan around them.

Grenell explained why he listed the top priorities the way he did. He stated his assumption that any item that has a legal requirement or health and safety factors should be at the top of the list. Tucker asked if he could label those priorities as mandated priorities instead of top priorities. Grenell stated he could. He gave the example of the west trail and stated that is a health and safety requirement and if the trail doesn't get fixed, it will have to be closed. Tucker stated that things like adding Rip Rap need higher approval, which is a long process. Grenell stated that all of the top priorities with the exception of 9 and possibly part of 8 will involve a permit process. Brennan stated that Pillar Point Harbor is in the coastal zone and for projects like the Multi-Use Building, there will be a really lengthy process.

Brennan agreed with Tucker and that his priorities are not what her priorities are and could be different from all the Commissioner's. She stated that some of her initiatives are not even on the list such as WiFi, website, improving the District's advertising program, and the Pillar Point Harbor sidewalk expansion project, which are all important to her. She felt that more discussions and workshops were needed regarding establishing priorities.

Bernardo stated that he felt the Commission could all come up with a different list of priorities but the items that are important to him are environmental, revenue-generating, and mandates.

Parravano felt that some of the top priorities are ongoing and can be removed from the top priorities. He also felt that determining the top priorities would take a little more work.

Tucker suggested that the Board has some concerns and suggested that item 5 be continued until Grenell is ready to bring back a report regarding general guidelines and an outline for strategic planning and then prioritize the list and move forward. Brennan stated she wasn't clear on what he was suggesting. Tucker suggested not taking any action on item 5 and to continue the item until Grenell has the general overview of what it would take in general to put a strategic plan together and put both items back on the agenda together and see if a decision can be made. Grenell mentioned that the origin of the annual Strategic Planning, Finance and Priorities Workshop was to direct staff's energy in a particular direction for the coming year. He stated that a longer term multi-year strategic plan doesn't respond to the needs for the coming year. He stated that some of the Commission comments have given him some guidance by stating that some projects listed under Top Priorities are more ongoing items. Tucker stated that he was on the Board the first year the Commission started doing top priorities and stated it was to give Grenell more direction. Tucker stated that some items could fit well onto a priorities list and some will fit into a strategic plan.

Brennan stated that all items in Grenell's staff report with a brief explanation of each project doesn't clarify if some are a priority or not. She stated that Grenell's list of priorities doesn't have the items that she felt were priorities. She suggested that each Commissioner make a list of their top priorities and then they can decide the order of priorities.

Action: Motion by Tucker, second by Brennan to take no action and continue the item to a future agenda when staff is ready to bring the Commission a report on an overview of what a strategic plan would entail. The motion passed unanimously.

Ayes: 4
Nays: 0
Absent: 1 (Padreddi)

REPORT: Tucker, Attachments
PROPOSED ACTION: To be determined

Brennan stated that under Liaison Committees there are two committees listed and one needs to remain for legal purposes, which is the Oyster Point Liaison Committee and asked if that was correct. Grenell stated it was and that it is in the Joint Powers Agreement with the City of South San Francisco. She asked when the last meeting the Oyster Point Liaison committee was. Grenell stated that couldn't recall but could find out and thought it was quite a while ago and had to do with the ferry terminal before the terminal was completed. He guessed it was about 2 years ago. Brennan stated that there have been a lot of meetings lately with the Water Emergency Transportation Authority (WETA) and the City of South San Francisco and wanted to be involved in the process and stated that she can only be involved in so many meetings. She asked if the Oyster Point Liaison committee could attend those meetings instead of having a separate committee. Grenell stated that it was not possible because there is a legal contract that specifies the Liaison committee and its duties and membership. He stated that it is a totally different matter and has nothing to do with the ferry terminal. He stated that the Commissioners have a Ferry Committee which he stated she could be active on if the Commission decided, but that would be the committee to attend the ferry meetings. He stated that the two meetings that he and Grindy have attended have been sub-committees of Water Transit Advocates which is an informal non-profit group of business and government that was originally formed to lobby for Water Transit funds. Brennan stated that she understood that it is legally required to have the Oyster Point Liaison Committee but asked if the committee was required to meet. Grenell stated it meets as it sees fit. Tucker added that the committee meets as it is needed. He stated that it is important the WETA meetings and the Commission show proper representation and stated it also shows respect to Redwood City. He stated that South San Francisco garnered the money necessary that Redwood City competed for but did not get and they feel that it is very important that the ferry service is a success in hopes that one day one will be built in Redwood City.

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Brennan asked if there was going to be a discussion regarding committee assignments. Tucker stated he wasn't prepared to talk about them. Brennan stated that there wasn't an opportunity to have a discussion at the last meeting and wanted to talk about the committees. Tucker stated it is always open to be talked about but he made the list of committee appointments three times and asked if anyone had any comments or changes to share and it was left at that. Tucker asked if she was dissatisfied with the committee assignments. Brennan stated she was fine with them however she wanted to get the Marketing and Web Site Committee going and suggested changing the name of from Promotion and Marketing to Marketing and Web Site. Tucker asked her to suggest the name change after the first meeting of that committee when she reports back to the Board. She agreed to do that.

Bernardo stated that the Commission is a small body and stated he is for fewer meetings unless there is a real need for it, not just to meet for the sake of meeting.

7	TITLE:	Oyster Point Marina/Park: San Francisco Bay Water Trail Grant Application
	REPORT:	Grindy, Memo, Resolution, Attachments
	PROPOSED ACTION:	Adopt Resolution 03-13 as required for application to the State Coastal Conservancy for grant funds for installation of kayak storage facilities and signage at Oyster Point Marina/Park as part of the San Francisco Bay Water Trail program

Brennan stated she is a huge supporter of the water trail and this is a great opportunity.

Ayes: 4
Nays: 0
Absent: 1 (Padreddii)

- Grenell stated that the west restroom at Pillar Point needs to be remodeled. He asked for authorization to seek bids. Brennan asked if the west restroom was out by the recreational docks. Grenell confirmed it was. She asked if the refurbishment was going to be an improvement and asked what the plan was. Grenell stated that under background on his report is the listing of what will be done. Brennan asked him to describe it. Grenell stated tile work, lighting energy modifications, painting, fixture replacement, and window replacement with exterior door replacement. He stated it is a complete renovation. Brennan asked if any public input has been asked for or have the people who use that facility been asked what they would like. She stated that she had received a lot of comments from the public specifically about this facility and was hoping that the District can provide instruction to better serve the public. Grenell stated that the Harbor Patrol has been in contact with the public and a lot of the concerns raised have been taken into consideration. He stated that a formal survey has not been done. Brennan asked if a survey could be done. Grenell stated that it is more important to get the restroom fixed. Tucker stated that Grindy's time is mostly spent at Pillar Point Harbor and he knows what his tenants want.

Ayes: 3
Nays: 1 (Brennan)
Absent: 1 (Padreddii)

- Tucker asked if there have been any requests for nomination. Grenell stated there had not been any and he has no recommendations. Tucker asked if the Commission had until June.

Nixon stated the cut off was May 24, 2013. Brennan asked for an explanation of the process to understand it better and asked if this is a representative from the District's Board. Grenell stated that the item is for the Board of Directors for the whole California Special Districts Association (CSDA) in California. He referred to page 3 where there was a map of California and stated that the Harbor District is located in Region 3. He stated that different regions have different representatives which are voted in. He stated that if the Board wishes, they could nominate someone from their own organization or someone else. He stated that after the nomination deadline, ballots are sent out and votes are taken. Brennan asked if there could be a representative from the District's Board with CSDA. Grenell stated if they are nominated and then elected. Brennan asked Worren to clarify for her. Grenell stated that anyone who is going to represent an area as a District member has to be voted in. Worren stated that he believed Brennan was mixing up a State-wide California Special District Association and the local San Mateo County chapter of the Special Districts Association. The San Mateo County Chapter meets quarterly and would like every District to have a representative. Tucker asked Worren if his Board nominated someone for seat B. Worren wasn't positive but didn't think so. Brennan stated that Montara Water and Sanitary District did nominate Kathryn Slater-Carter. She asked if that nomination could be seconded. Grenell stated that nomination was for the San Mateo County Chapter. Tucker corrected him and said it was for the State. Brennan clarified if there was already a nomination, there does not need to be a second. Tucker stated that was correct.

No action taken.

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| 10 | TITLE:
REPORT:
PROPOSED ACTION: | Bills and Claims in the Amount of \$273,780.10
Bills and Claims Detailed Summary
Approval of Bills and Claims for payment and a transfer in the amount of \$273,780.10 to cover payment of Bills and Claims |
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Bernardo stated he reviewed the bills and claims and found them in order. He recommended approval.

Action: Motion by Bernardo, second by Parravano to approve the bills and claims. The motion passed by a roll call vote.

Ayes:	4
Nays:	0
Absent:	1 (Padreddii)

Reports for Possible Discussion/Action

Administration and Finance

11 General Manager – Grenell

Brennan stated that on Grenell's report under Administrative Building it states Sanctuary Visitor Center in the title. She stated that as far as she knew the District did not have a letter of intent from the Gulf of the Farallones National Marine

Sanctuary and would like it removed from his report. Tucker suggested removing the word sanctuary and name it visitor center.

Grenell stated that although there is no formal communication, that could cause some problems. He stated that Commissioner Parravano was a representative on the working group formed by the Sanctuary to work with their consultants on determining what a San Mateo County visitor center might be and where it might be located. He stated that group met for an entire year and he attended several meetings. He stated that other members were local citizens including harbor fishermen and that body recommended to the Sanctuary that the visitor center should be located in Pillar Point Harbor. He stated that has been discussed with the Superintendent of the Marine Sanctuary, Maria Brown. He stated that the reason why there is no letter of intent at this time is because the Marine Sanctuary is not at liberty to commit until certain things happen. He stated they have made it very clear that they would like to be located at Pillar Point Harbor and have also said that they are not in a position to build their own facility or buy it, but could rent space if provided for them. Tucker asked Parravano if he wanted to leave the word Sanctuary. Parravano stated he did. Tucker withdrew his suggestion. Brennan stated that it is not appropriate to include the word sanctuary because there is no letter from the Gulf of the Farallones National Marine Sanctuary and stated that she has talked to some people on their Board who has told her it is totally inappropriate to claim they have any involvement. She stated it is like false advertising and wanted the word Sanctuary taken out. She stated that they had space in Half Moon Bay and they left. Grenell stated it was 800 square feet for their office. Brennan felt it was inappropriate to make assumptions. Grenell asked her to clarify who she was referring to when she said she spoke to someone on their Board because they don't have a Board. Brennan stated that she spoke to members on the Board that Grenell serves on. Grenell stated that is the Sanctuary Advisory Council. Brennan said she spoke to some Council members who stated there are explicit rules that when you sit on that Council you are not allowed to use their name and say they are supporting something you are doing. Grenell clarified that he is an alternate on that advisory council and has made progress reports on the meetings over the last year or more and no one has ever said anything to him. Tucker stated that Brennan could make a motion to remove the word Sanctuary. Brennan stated she shouldn't have to make a motion and words that are not appropriate shouldn't be used. She stated that she will get a letter from them stating that there has been no authorization given to use Sanctuary then she will. Parravano asked Brennan who on the Committee she spoke to. Tucker asked Brennan if she understood the question. Brennan stated she didn't have to answer the question. Tucker stated she was correct, she didn't have to answer the question.

12 Finance Report - Frederick

Nothing further to add to written report.

13 Human Resources Manager – Harris

Nothing further to add to written report.

Operations

14 Oyster Point Marina/Park and Pillar Point Harbor – Grindy

Nothing further to add to written report.

Board of Harbor Commissioners

15 A. Committee Reports

None

B. Commission Statements and Requests

The Board of Harbor Commissioners may make public statements and requests. Requests may be made to place items on future agendas.

Bernardo asked for clarification on the next meeting. Grenell stated that the regular agenda will begin at 7:00 PM and the budget workshop will begin at 5:00 PM. Bernardo confirmed there are two meetings.

Brennan wanted to find out how gathering information on WiFi was coming along and when a report would be brought to the Commission. Harris stated that she is not receiving calls back from Coastside.net. Brennan suggested checking with the Harbor in Monterey because they put in their own WiFi system and installed their own antennas. Harris stated that she has had conversations with the District's IT consultant and has been steps away from putting in our own WiFi but the Board chose not to do it about a year and a half ago. She is just waiting on a call back from Coastside so she can complete the report. Brennan stated that she was really impressed with what Monterey did and had some information with her. Harris said she would take a look at it.

Brennan asked what the process or procedure was to get information to the Board that was emailed or mailed from members of the public or invitations or letters from agencies that are addressed to the Board. She stated that she noticed that there seems to be a hold-up on getting information that is addressed to the Commission. Grenell stated if there is information addressed to the Commission it is disseminated to the Commission. Harris stated that there has not been a request from a Commissioner to get them anything prior to the next meeting, but if she was requesting that, then that will be done. Brennan stated that anything addressed to the Commission and they are applying for a permit she would like to get that information as soon as possible.

Brennan stated that there have been some Brown Act concerns that were discussed in a Half Moon Bay editorial that was in today's issue of the Half

Moon Bay Review. She suggested that the Board consider having a Brown Act workshop and felt it would be helpful for staff as well. She stated she didn't know the last time the Board had one but it is something a lot of Boards do on a regular basis. Tucker stated that Ethics Training is required by law annually. Bernardo confirmed that the AB1234 training for elected officials covers the Brown Act. Brennan stated that there have been issues with the Brown Act and thought it would be useful. Tucker stated that he has been aware of the Brown Act for 30+ years and has no current problems with the Brown Act or never had any possible violations by the agency. He stated that as a new Commissioner he knows it is hard to learn all the rules and regulations that are required and sometimes things aren't always exactly what they appear. He stated that for himself, he didn't feel further ethics training was needed.

Mary Botham spoke regarding item 5 and the closed session item. She stated that in 2007, the Promotion and Marketing Committee held a meeting of which Parravano was a member on, and spoke regarding the sidewalk expansion. She stated that she has heard Brennan mention the sidewalk a few times and Tucker stated it was important to him on March 6th. She was happy that the tunnel was open and she stated she has seen an uptick in business. She stated that seventeen feet would be great and eighteen parking spaces would be lost but the parking lot could be restriped to have compact spots. Botham stated that their ice cream corner generates 20% of their income. She stated last year Princeton Seafood Co. made \$1.6 million and she projects that they will make a lot more this year. She stated that they are still paying off their handicap bathrooms that they paid for themselves. She stated that Ketch Joanne and Princeton Pantry pay 3% to the District and they pay 5%. She would like the sidewalk project to begin and stated that it will generate more revenue for the concessionaires.

Action: Motion by Parravano, second by Bernardo to adjourn to closed session. The motion passed at 8:55 p.m.

Ayes: 4
Nays: 0
Absent: 1 (Padreddii)

Closed Session

- 16 TITLE: **Conference with Real Property Negotiator Peter Grenell:
Pursuant to Government Code Section §54956.8**
- PROPERTY: **Mavericks Surf Shop, Parcel 5, Half Moon Bay
Sportfishing, Parcel 4, Ketch Joanne Restaurant, Parcel 3,
Princeton Pantry, Parcel 2, Princeton Seafood, Parcel 1 at
Concessionaires Building, Pillar Point Harbor, El
Granada, APN 047-083-060**
- NEGOTIATING
PARTIES: San Mateo County Harbor District, Mavericks Surf Shop,
Half Moon Bay Sportfishing, Ketch Joanne Restaurant,
Princeton Pantry, Princeton Seafood
- UNDER
NEGOTIATION: Lease Price, Terms and Conditions

There was no reportable action from closed session.

Adjournment

Action: Motion by Bernardo, second by Parravano to adjourn the meeting. The motion passed at 9:30 p.m.

The next scheduled meeting will be held on April 17, 2013 at the **Oyster Point Yacht Club, 911 Marina Blvd., South San Francisco** at 7:00 p.m.

Debbie Nixon
Deputy Secretary

James Tucker
President

Memo

TO: San Mateo County Harbor District Commissioners

FROM: Genevieve Frederick, Director of Finance

DATE: May 1, 2013

SUBJECT: Preliminary Operating and Capital Budget for Fiscal Year 2013-14

Background: Harbors and Navigation Code 6093 through 6093.1 requires that by June 15th each year the District adopt a preliminary budget and publishes a notice to inform the public that the preliminary budget is available for inspection for a one-month period. Adoption of the Final budget is scheduled for June 19, 2013; a Preliminary budget must be adopted at tonight's meeting in order to meet all of the statutory requirements. Therefore, a complete Preliminary budget document is brought before you for adoption. Once the Preliminary budget is adopted, public hearings on the budget will continue to allow time to consider public comment and for further refinement and modification.

In subsequent meetings staff will only present information on items that are being added, decreased, or removed from the budget and will summarize the impact that these changes will have on total estimated revenues and expenses. A final complete budget packet will be presented for adoption on June 19.

The budget document included in tonight's agenda includes the following changes from the draft budget documents presented on April 17, 2013:

- The document has been updated to reflect the current fiscal year's actual expenses and revenues as recorded in the General Ledger through 3/31/13.
- The budget for health insurance costs has been corrected and updated to reflect the loss of Commissioner Padreddii.
- The budget has been adjusted to remove funding for one-time projects that can be delayed until the 2014-15 fiscal year.

The budget does not reflect increases in user fees, but it is anticipated that over the next few weeks, additional information will become available that will permit staff to adjust revenues in this area. It is anticipated that such changes will result in modest increases in revenues.

The Preliminary budget reflects ongoing annual expenditures that have been adjusted to reflect changes that can reasonably be assumed based on contract language or trends for usage. As discussed at the Strategic Planning, Finance and Priorities workshop, staff has also identified the need for several repair, maintenance and other capital projects and the need to replace some equipment. New appropriation authority for the following one-time expenses is reflected in the preliminary budget:

Pillar Point Harbor

Repairs

Power and Water to Sales Dock & Design PPH	10,000
Flow Meters (required) on sewer lift stations PPH	40,000
Johnson Pier Replace Electrical feed to end of pier tenants	100,000
Storm drain box replacements PPH	30,000
Parking Lot Services (asphalt, sealcoat etc)	100,000
Electrical Inspection Outcomes	10,000

Harbor Marina Equipment

New Truck to replace old one(s) PPH	30,000
4 cargo containers to replace trailer for storage at maintenance yard	20,000
Fork Lift to replace worn out unit 2 ton size	30,000
Fish Cleaning Stations Upgrades	9,000
Kayak Dingy Rack	10,000
New BBQ's and Picnic Tables PPH	15,000
Bike Racks	10,000
Exterior Waste Stations w/compactor high use locations (solar powered)	30,000
Culvert catch basin filters for heavy metals and oils	25,000
Fire Lines to docks replace	25,000
Fire Line Feeder (flex lines) replace	10,000
Replace water (domestic) to floats from pier, including flex lines	30,000

New Harbor Water Side Entry Signs	10,000
Laundry Remodel (drakes)	10,000
Signage Replacements and Improvements	20,000
Capital Projects	
Harbor Office Remodel PPH (ADA, Services)	150,000
Tenant Sewer Project from Design results PPH	150,000
Transformer Project ABC docks PPH	150,000
New Tenant Laundry (design & permit) PPH	25,000
Sink hole/fire main line fix entry road to pier PPH	25,000
District moorings replace 50% in 2013	20,000
Fishing Storage Buildings Phase 1,2,3 (design year 1)	40,000
Inner Harbor Dredging Design Services	70,000
Curb cut changes to ADA w/permitting	50,000
Grounds Rehabilitation	10,000
Light Pole Retrofits to LED Energy Savings	75,000
Outside Contractual Services	
Facility Condition Survey-5 year forecast	15,000
Conversion of Construction Doc's and Blueprints to Electronic	30,000
Operating Supplies	
Key location spill kits for first responders	7,500
EMS Spill Trailer	9,000
PPH Total:	\$1,400,500

Oyster Point Marina

Repairs

Parking Lot Services (asphalt, sealcoat etc)	100,000
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Harbor Marina Equipment

Commercial chipper for composting and green recycling effort	5,000
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Fish Cleaning Stations Upgrades	9,000
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Kayak Dingy Rack	10,000
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Bike Racks	10,000
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Electric Dump Cart/Golf Cart type vehicle	12,000
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New Replacement Truck OPM	30,000
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Operating Supplies

Key location spill kits for first responders	7,500
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EMS Spill Trailer	9,000
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Capital Projects

Tidal Design for Harbor Office Guest Dock Area	25,000
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Add Power for a Kayak Vendor/Rental	15,000
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Replacement of docks 12, 13, 14 (design 13-14 yr)	55,000
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West Restrooms Remodels	110,000
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Tree Replacement Program w SSF	25,000
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Outside Contractual Services

Facility Condition Survey-5 year forecast	15,000
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OPM Totals:	\$437,500
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Grand Total:	\$1,838,000
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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, 2014

Board of Harbor Commissioners

Peter Grenell
General Manager

Genevieve Frederick
Director of Finance

Scott Grindy
Harbor Master

Marietta Harris
Human Resource Manager

**PRELIMINARY OPERATING AND CAPITAL BUDGET
FISCAL YEAR ENDING JUNE 30, 2014**

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SAN MATEO COUNTY HARBOR DISTRICT

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



BUDGET SUMMARY

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
OPERATING REVENUE:					
Berth Fees	1,449,563	1,136,390	0	0	2,585,953
Mooring Fees	45,132	0	0	0	45,132
Launch Ramp Fees	81,306	15,151	0	0	96,457
Dock Boxes	0	7,288	0	0	7,288
Misc. Fees	33,601	18,673	0	0	52,274
Rents & Concessions	370,696	224,714	0	0	595,410
Parking	54,896	780	0	0	55,676
Commercial Activity Permits	9,000	500	0	0	9,500
Sales	4,472	1,904	0	0	6,376
Operational Grants					
State- DBAW - Abandoned Vessel	40,000	40,000	0	0	80,000
Pump Out Station Grant	0	0	0	0	0
Total Operating Revenues	2,088,666	1,445,400	0	0	3,534,066
NON-OPERATING REVENUE:					
Taxes	0	0	3,805,783	0	3,805,783
Interest Income	0	0	101,200	0	101,200
Miscellaneous Revenues	0	0	1,000	0	1,000
Total Non-Operating Revenues	0	0	3,907,983	0	3,907,983
TOTAL REVENUES	2,088,666	1,445,400	3,907,983	0	7,442,049

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
SALARIES AND BENEFITS:					
Salaries and Wages Expense:					
Base Salary and Wages	881,220	636,638	611,272	36,000	2,165,130
Overtime	11,000	7,000	4,000	0	22,000
Other Pay	10,000	10,000	0	0	20,000
Total Salaries and Wages	902,220	653,638	615,272	36,000	2,207,130
					0
Benefits Expense:					0
Pension Contributions	234,577	169,946	159,971	0	564,494
Health Insurance Costs - Current Employees	207,708	154,620	100,164	24,365	486,857
Worker's Compensation Insurance	80,298	58,174	4,491	248	143,211
Other Insurance - Current Employees	15,566	11,062	9,781	408	36,817
Insurance Costs - Retirees	27,100	20,111	0	19,656	66,867
Social Security and Taxes	13,082	9,478	8,921	3,122	34,604
Auto Allowance	3,000	3,000	8,400	0	14,400
Employment Assistance Program	1,300	1,100	650	550	3,600
Liability for Termination Benefit	30,485	25,891	10,267	-19,656	46,987
Total Benefits	613,116	453,382	302,645	28,693	1,397,836
TOTAL SALARY AND PAYROLL BURDEN	1,515,336	1,107,020	917,917	64,693	3,604,966

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
OPERATING EXPENSES:					
Advertising	11,400	10,000	2,500	17,000	40,900
Communications	22,600	14,000	12,500	0	49,100
Computer - Hardware and software	11,750	4,750	10,500	0	27,000
Postage	9,550	3,220	6,500	250	19,520
Meetings/Travel/ Training	6,000	6,000	8,500	10,600	31,100
Auto Mileage Reimbursement	1,122	204	2,000	400	3,726
Memberships/ Exams/ Subscriptions	200	200	15,000	0	15,400
Personnel Tests	2,000	1,100	2,500	0	5,600
Property & Casualty Insurance	134,890	134,970	0	15,950	285,810
Fuel	15,432	7,154	0	0	22,586
Operating Supplies	72,777	43,150	0	0	115,927
Office Supplies	9,024	4,241	12,100	1,500	26,866
Uniform Expenses	13,286	8,240	0	0	21,526
Legal Services	50,000	18,000	50,000	10,000	128,000
Professional Services	17,300	15,306	15,400	4,000	52,006
Outside Contractual Services	80,972	110,915	28,150	1,300	221,337
Bank & Credit Card Fees	20,782	27,750	4,000	0	52,532
Office Space and Equipment Rentals	0	3,800	99,000	0	102,800
Repair and Maintenance	567,044	156,500	0	0	723,544
Garbage Collections	78,750	26,775	0	0	105,525
Harbor/ Marina Public Access	35,000	20,000	0	0	55,000
Harbor/ Marina Equipment	147,800	56,000	0	0	203,800
Vessel Destruction	40,000	40,000	0	0	80,000
Water and Electrical Utility Expenses	164,003	117,551	0	0	281,554
LAFCO Fees	0	0	8,700	0	8,700
Property Tax Admin. Fee	0	0	29,000	0	29,000
Employee Appreciation Dinner	0	0	0	0	0
Total Operating Expenses	1,511,682	829,826	306,350	65,500	2,713,358
NON-OPERATING EXPENSES:					
Depreciation Expense	818,000	818,000	1,000	0	1,637,000
Interest Expense - DBAW Loan	192,570	183,250	0	0	375,820
Total Non-Operating Expenses	1,010,570	1,001,250	1,000	0	2,012,820
TOTAL OE&E EXPENSE	2,522,252	1,831,076	307,350	65,500	4,726,178

BUDGET SUMMARY

DESCRIPTION

PILLAR POINT HARBOR OYSTER POINT MARINA/ PARK

ADMINISTRATION COMMISSION TOTAL

CAPITAL PROJECTS (2013-2014 BUDGET APPROPRIATION ONLY):

Oyster Point Marina:

Replacement of Dock 12	0	55,000	0	0	55,000
West Restroom Renovation	0	110,000	0	0	110,000
Laundry Remodel (Drakes)	0	10,000	0	0	10,000
Correct Flooding Issues	0	25,000	0	0	25,000
Electrical Pad for Kayak	0	15,000	0	0	15,000

Pillar Point Harbor:

Harbor Office Remodel	150,000	0	0	0	150,000
Recreational Docks Repairs	150,000	0	0	0	150,000
Tenant Sewer Project	150,000	0	0	0	150,000
New Tenant Laundry	25,000	0	0	0	25,000
Mooring Replacements	20,000	0	0	0	20,000
Storage for Fishermen	40,000	0	0	0	40,000
ADA Curb Cuts	50,000	0	0	0	50,000
Sinkhole Repair	25,000	0	0	0	25,000
Inner Harbor Dredging	70,000	0	0	0	70,000

Total Capital Projects (2013-2014 Appropriations)

	680,000	215,000	0	0	895,000
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BUDGET SUMMARY

DESCRIPTION	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
CAPITAL PROJECTS (CARRYOVER):					
Pillar Point Harbor:					
Rip Rap Repair - Fishing Pier	166,479	0	0	0	166,479
West Trail - Fix Erosion	364,750	0	0	0	364,750
Multi-Purpose Building	270,100	0	0	0	270,100
Total Capital Projects (Carryover Appropriations)	801,329	0	0	0	801,329
Total All Costs	5,518,917	3,153,096	1,225,267	130,193	10,027,474

SAN MATEO COUNTY HARBOR DISTRICT

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



REVENUES

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

DESCRIPTION	COMBINED REVENUES				
	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY 13-14 PRELIMINARY BUDGET
Operating Revenues	3,533,675	3,586,137	2,628,061	3,546,790	3,534,066
Non-Operating Revenues	4,429,434	6,312,438	4,157,183	7,127,825	3,907,983
TOTAL REVENUES	7,963,109	9,898,575	6,785,244	10,674,615	7,442,049

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

PILLAR POINT HARBOR REVENUES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
OPERATING REVENUE:					
Berth Fees	1,368,220	1,460,990	1,079,277	1,449,563	1,449,563
Mooring Fees	44,097	45,000	33,585	45,132	45,132
Launch Ramp Fees	80,990	80,000	49,060	81,306	81,306
Misc. Fees	54,825	30,700	40,785	33,651	33,601
Crab Pot Storage Fee	0	17,000	550	0	0
Rents & Concessions	343,851	303,600	264,051	362,716	370,696
Parking	37,505	40,000	35,323	54,896	54,896
Commercial Activity Permits	7,615	7,600	8,955	6,760	9,000
Sales	16,237	5,000	5,385	4,472	4,472
Operational Grants					
Pump Out Station Grant	0	24,000	23,043	24,000	0
State- DBAW - Abandoned Vessel	51,700	30,000	10,600	40,000	40,000
Total Operating Revenues	2,005,040	2,043,890	1,550,615	2,102,496	2,088,666

Pillar Point Harbor Revenues

- This preliminary budget does not currently propose any modification to rates and fees for fiscal year 2013-14. As a result, it is assumed that most revenues will remain flat. Possible adjustments to rates and fees may be included later in the budget process.
- Cost of living price increases have been built into many of the District's lease agreements with commercial tenants. Each lease is customized; however, for many leases the increase is tied to the Consumer Price Index and goes into effect on the first of each calendar year. A modest estimated increase in revenues has been built into the budget to reflect the expected increase.
- In fiscal year 2012-2013, grant funds were awarded for the replacement of a vessel pump out station. These one-time revenues are not included in the budget for fiscal year 2013-2014.

OYSTER POINT MARINA PARK REVENUES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
OPERATING REVENUE:					
Berth Fees	1,160,063	1,240,000	836,929	1,136,390	1,136,390
Dock Boxes	8,018	6,000	5,424	7,288	7,288
Launch Ramp Fees	24,903	25,000	10,369	15,151	15,151
Misc. Fees	19,419	10,900	14,378	17,567	18,673
Rents & Concessions	286,288	227,047	168,536	224,714	224,714
Parking	790	1,500	390	780	780
Commercial Activity Permits	0	800	0	500	500
Sales	2,162	1,000	1,420	1,904	1,904
Operational Grants					
State- DBAW - Abandoned Vessel	26,992	30,000	40,000	40,000	40,000
Federal - DBAW - Guest Dock	0	250,000	0	250,000	0
Total Operating Revenues	1,528,635	1,792,247	1,077,446	1,694,294	1,445,400
NON-OPERATING REVENUE:					
Reimbursements on Projects	0	2,000,000	600,000	2,000,000	0
Total Non-Operating Revenues	0	2,000,000	600,000	2,000,000	0

Oyster Point Marina Park Revenues

- This preliminary budget does not currently propose any modification to rates and fees for fiscal year 2013-14. As a result, it is assumed that most revenues will remain flat. Possible adjustments to rates and fees may be included later in the budget process.
- In fiscal year 2012-2013, grant funds were awarded for the replacement of the Guest Dock and the cost of replacing Dock 11 was reimbursed. These one-time revenues are not included in the budget for fiscal year 2013-2014.

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

ADMINISTRATION REVENUES

	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
4,310,125		3,960,238	3,491,607	4,656,953	3,805,783
154,332		101,200	52,252	207,108	101,200
-35,023		1,000	13,324	13,764	1,000
4,429,434		4,062,438	3,557,183	4,877,825	3,907,983

DESCRIPTION

NON-OPERATING REVENUE:

Taxes	
Interest Income	
Miscellaneous Revenues	
Total Non-Operating Revenues	

Administration Revenues

- In fiscal year 2013-14, this preliminary budget assumes that we will not receive a refund from the County of Educational Revenue Augmentation Fund (ERAF) unnecessarily withheld from the District's tax revenues. These refunds have been common in recent years, but are still quite speculative. In fiscal year 2012-13, a substantial refund was received (\$832,000).
- In fiscal year 2012-13, the District received \$366,000 in distributions for residual assets belonging to the former redevelopment areas. These were also one time revenues that are not included in the fiscal year 2013-14 revenue forecast.
- Absent the assumption noted above, the preliminary budget assumes a 10% increase in District tax revenue due to the continued increase in property valuation. Information from the County Assessor's Office supports this assumption.

SAN MATEO COUNTY HARBOR DISTRICT

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



EXPENSES

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

COMBINED EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY 13-14 PRELIMINARY BUDGET
SALARIES AND BENEFITS:					
Salaries and Wages Expense	2,078,451	2,145,804	1,625,011	2,203,698	2,207,130
Benefits Expense	2,237,322	1,939,883	390,086	845,222	1,397,836
Total Salary and Payroll Burden	4,315,773	4,085,687	2,015,097	3,048,920	3,604,966
OPERATING EXPENSES	1,624,496	2,357,244	1,330,388	2,519,707	2,713,358
NON-OPERATING EXPENSES	441,869	1,820,242	210,255	1,820,242	2,012,820
Total Expenses without Capital Outlay	6,382,138	8,263,173	3,555,740	7,388,869	8,331,145
CAPITAL PROJECTS	193,514	5,397,109	1,009,650	4,045,581	1,696,329
TOTAL EXPENSES	6,575,651	13,660,282	4,565,389	11,434,450	10,027,474

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
SALARIES AND BENEFITS:					
Salaries and Wages Expense:					
Base Salary and Wages	817,166	866,101	666,204	900,006	881,220
Overtime	10,961	10,000	7,560	10,000	11,000
Other Pay	0	10,000	0	5,000	10,000
Total Salaries and Wages	828,127	886,101	673,764	915,006	902,220
Benefits Expense:					
Pension Contributions	198,462	226,646	161,631	235,660	234,577
Health Insurance Costs - Current Employees	178,401	208,860	152,490	205,317	207,708
Worker's Compensation Insurance	36,884	78,877	56,812	76,995	80,298
Other Insurance - Current Employees	14,270	15,973	11,670	15,562	15,566
Insurance Costs - Retirees	38,725	33,610	20,224	23,401	27,100
Social Security and Taxes	11,678	12,808	8,803	13,268	13,082
Auto Allowance	1,325	3,000	2,125	3,000	3,000
Employment Assistance Program	1,279	1,300	1,039	1,300	1,300
Liability for Termination Benefit	659,478	-11,000	-287,031	-267,909	30,485
Total Benefits	1,140,503	570,074	127,761	306,594	613,116

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
OPERATING EXPENSES:					
Advertising	4,251	18,000	18,854	17,866	11,400
Bad Debt Expense	52,176	0	0	27,244	0
Communications	21,079	22,000	17,394	22,530	22,600
Computer Hardware and Software	2,850	10,000	3,731	10,000	11,750
Postage	7,225	10,200	4,894	8,800	9,550
Meetings/Travel/ Training	138	6,000	2,160	5,800	6,000
Auto Mileage Reimbursement	747	1,100	289	1,100	1,122
Memberships/ Exams/ Subscriptions	313	400	60	175	200
Recruitment and Personnel Tests	754	1,100	15	1,085	2,000
Property & Casualty Insurance	115,589	123,600	122,627	122,627	134,890
Fuel	12,602	18,500	9,677	15,100	15,432
Operating Supplies	85,627	56,000	60,969	62,550	72,777
Office Supplies	2,908	7,250	5,863	8,830	9,024
Uniform Expenses	11,269	12,975	8,500	13,000	13,286
Legal Services	18,240	40,000	38,048	48,000	50,000
Professional Services	10,296	11,000	10,155	15,200	17,300
Outside Contractual Services	30,228	34,075	28,828	36,300	80,972
Bank & Credit Card Fees	12,287	17,795	9,252	15,300	20,782
Repair and Maintenance	163,117	132,200	99,695	146,100	567,044
Carry Over Repairs	0	16,664	0	0	0
Garbage Collections	57,881	67,539	52,522	75,000	78,750
Trash Compactor	0	50,000	1,423	56,062	0
Harbor/ Marina Public Access	0	0	0	1,200	35,000
Harbor/ Marina Equipment	10,343	10,000	9,800	10,000	147,800
Vessel Destruction	17,500	10,600	10,600	40,000	40,000
Water and Electrical Utility Expenses	159,177	173,841	123,107	150,757	164,003
Total Operating Expenses	796,594	850,839	638,461	910,626	1,511,682
NON-OPERATING EXPENSES:					
Depreciation Expense	0	644,161	0	644,161	818,000
Interest Expense - DBAW Loan	226,411	215,467	107,733	215,467	192,570
Total Non-Operating Expenses	226,411	859,628	107,733	859,628	1,010,570

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
CAPITAL PROJECTS:					
Rip Rap Repair - Fishing Pier					
Carry Over Money	0	166,479	8,921	8,921	166,479
2013-14 Budget Appropriation	0	0	0	0	0
Pump Out Station					
Carry Over Money	0	30,000	23,043	23,403	0
2013-14 Budget Appropriation	0	0	0	0	0
Johnson Pier Utilities, Deck					
Carry Over Money	0	1,052,197	404,599	861,874	0
2013-14 Budget Appropriation	0	0	0	0	0
West Trail - Fix Erosion					
Carry Over Money	0	364,990	8,817	8,817	364,750
2013-14 Budget Appropriation	0	0	0	0	0
Multi-Purpose Building					
Carry Over Money	0	280,000	0	9,900	270,100
2013-14 Budget Appropriation	0	0	0	0	0
Restrooms - West Basin					
Carry Over Money	0	100,000	12,289	100,000	0
2013-14 Budget Appropriation	0	0	0	0	0
Add'l 71 Berths, Bulkhead					
Carry Over Money	0	177,643	-1,071	177,643	0
2013-14 Budget Appropriation	0	0	0	0	0
North HMB Shoreline (Surfers Beach)					
Carry Over Money	125,230	166,633	63,333	100,126	0
2013-14 Budget Appropriation	0	0	0	0	0
Lessee Sidewalk					
Carry Over Money	27,930	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	0
Dredge Launch Ramp					
Carry Over Money	0	253,147	40,952	320,640	0
2013-14 Budget Appropriation	0	0	0	0	0
Launch Ramp Slurry Seal					
Carry Over Money	0	35,000	38,053	38,053	0
2013-14 Budget Appropriation	0	0	0	0	0

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
CAPITAL PROJECTS:					
Post Office Lot					
Carry Over Money	9,573	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	0
Harbor Office Remodel					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	150,000
Recreational Docks Repairs					
Carry Over Money	0	20,920	7,116	20,920	0
2013-14 Budget Appropriation	0	0	0	0	150,000
Tenant Sewer Project					
Carry Over Money	0	83,205	4,998	83,844	0
2013-14 Budget Appropriation	0	0	0	0	150,000
New Tenant Laundry					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	25,000
Mooring Replacements					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	20,000
Fisherman Gear Storage					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	2,800	0	2,800	40,000
ADA Curb Cuts					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	50,000
Sinkhole Repair					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	25,000

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

PILLAR POINT HARBOR EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
CAPITAL PROJECTS:					
Inner Harbor Dredging	0	0	0	0	0
Carry Over Money	0	0	0	0	70,000
2013-14 Budget Appropriation					
Total Capital Projects	162,733	2,733,014	611,052	1,756,941	1,481,329
TOTAL EXPENSES	3,154,367	5,899,656	2,158,771	4,748,795	5,518,917

Pillar Point Harbor Expenses

- The 2013-2014 preliminary budget includes \$680,000 in new appropriation authority for capital projects as well as \$801,329 in carryover appropriation authority for capital projects. While this level of investment in infrastructure is somewhat less than the amount invested in fiscal year 2012-2013, it reflects a greater investment than what has typically been made in several recent years.
- The 2013-14 preliminary budget includes a significant increase in the area of repair and maintenance. This increase reflects the District's intent to perform additional maintenance projects that are not expected to meet the criteria for capitalization. These projects include replacing the electrical feed at Johnson Pier, providing power and water to the sales dock, storm drain box replacement, installing a culvert catch basin, replacing or repairing lines and equipment needed to deliver water for domestic and fire suppression purposes, adding a flow meter on the sewer station, performing maintenance on parking lot asphalt, repairing a sink hole, any work necessary to respond to electrical inspections, retrofitting light poles with LED fixtures, and rehabilitating the grounds.
- The 2013-14 preliminary budget also reflects several additional one-time purchases resulting in an increase of the harbor equipment appropriation. These purchases include additional signage at water entrances, along trails, a new truck, a forklift, cargo containers, upgrades to the fish cleaning station, and exterior waste stations.
- A new category, equipment-public access, has been added to this year's budget. This category includes funding for District equipment that will enhance the public's recreational enjoyment of District facilities. Additions included in the budget include bike racks, picnic tables, BBQs, and a kayak rack.
- The Operating Supplies budget for fiscal year 2013-2014 has increased by \$16,500 as a result of budgeting for the purchase of spill kits for first responders and an Environmental Management System (EMS) spill trailer.
- The Outside Contractual Services budget for fiscal year 2013-2014 has increased by \$45,000 as a result of budgeting for a facilities survey and the conversion of engineering documents to an electronic format.

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
SALARIES AND BENEFITS:					
Salaries and Wages Expense:					
Base Salary and Wages	626,705	612,837	468,124	632,710	636,638
Overtime	5,269	7,010	5,418	6,000	7,000
Other Pay	0	10,000	0	5,000	10,000
Total Salaries and Wages	631,974	629,847	473,542	643,710	653,638
Benefits Expense:					
Pension Contributions	151,089	160,770	115,558	165,788	169,946
Health Insurance Costs - Current Employees	132,697	156,024	114,565	153,214	154,620
Worker's Compensation Insurance	30,933	55,518	40,129	53,082	58,174
Other Insurance - Current Employees	10,825	11,308	8,297	11,062	11,062
Insurance Costs - Retirees	31,751	28,770	19,498	28,394	20,111
Social Security and Taxes	9,666	9,077	7,177	9,334	9,478
Auto Allowance	1,325	3,000	2,125	3,000	3,000
Employment Assistance Program	1,006	1,100	858	1,030	1,100
Liability for Termination Benefit	410,797	592,900	-243,342	-190,363	25,891
Total Benefits	780,089	1,018,467	64,865	234,541	453,382

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
OPERATING EXPENSES:					
Advertising	2,518	16,500	9,001	16,500	10,000
Bad Debt Expense	13,185	0	0	53,544	0
Communications	10,633	13,100	9,874	13,100	14,000
Computer Hardware and Software	4,407	10,000	450	11,000	4,750
Postage	2,141	2,800	1,574	2,800	3,220
Meetings/Travel/ Training	1,735	6,000	1,675	6,300	6,000
Auto Mileage Reimbursement	134	350	104	200	204
Memberships/ Exams/ Subscriptions	138	175	0	175	200
Personnel Tests	289	1,000	15	1,100	1,100
Property & Casualty Insurance	115,589	123,600	122,627	122,700	134,970
Fuel	6,467	7,000	4,675	7,000	7,154
Operating Supplies & Equipment Purchases	21,829	32,000	10,788	27,101	43,150
Office Supplies	2,665	4,150	2,556	4,150	4,241
Uniform Expenses	6,851	7,887	4,806	8,000	8,240
Legal Services	21,646	18,000	11,065	16,000	18,000
Claims Settlements	3,387	2,700	2,675	2,700	0
Professional Services	11,707	18,375	9,452	14,300	15,306
Outside Contractual Services	92,763	94,000	67,548	94,000	110,915
Bank & Credit Card Fees	12,870	23,980	10,145	23,500	27,750
Office Space and Equipment Rentals	3,745	5,200	2,860	3,800	3,800
Repair and Maintenance	43,062	85,000	56,540	92,500	156,500
Garbage Collections	22,028	25,500	16,788	25,500	26,775
Harbor/ Marina Public Access	0	0	0	0	20,000
Harbor/ Marina Equipment	0	0	1,838	2,000	56,000
Vessel Destruction	32,152	79,500	40,230	40,000	40,000
Water and Electrical Utility Expenses	105,928	107,762	56,120	107,898	117,551
LAFCO Fees	0	0	0	0	0
Property Tax Admin. Fee	0	0	0	0	0
Employee Appreciation Dinner	0	0	0	0	0
Total Operating Expenses	537,869	684,579	443,405	695,868	829,826
NON-OPERATING EXPENSES:					
Depreciation Expense	0	747,256	0	747,256	818,000
Interest Expense - DBAW Loan	215,458	205,044	102,522	205,044	183,250
Total Non-Operating Expenses	215,458	952,300	102,522	952,300	1,001,250

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
CAPITAL PROJECTS:					
Electrical Pedestals					
Carry Over Money	0	41,034	39,534	39,534	0
2013-14 Budget Appropriation	0	0	0	0	0
Parcel Development					
Carry Over Money	21,660	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	0
Ferry Terminal					
Carry Over Money	9,121	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	0
Launch Ramp Slurry Seal					
Carry Over Money	0	40,000	35,184	35,246	0
2013-14 Budget Appropriation	0	0	0	0	0
Replacement of Dock 11					
Carry Over Money	0	1,643,155	191,022	1,316,649	0
2013-14 Budget Appropriation	0	0	0	0	0
Replacement of Guest Dock					
Carry Over Money	0	435,352	115,987	409,528	0
2013-14 Budget Appropriation	0	0	0	0	0
East Basin Restroom Renovation					
Carry Over Money	0	375,971	16,871	359,100	0
2013-14 Budget Appropriation	0	0	0	0	0
Wave Attenuators					
Carry Over Money	0	128,583	0	128,583	0
2013-14 Budget Appropriation	0	0	0	0	0
Replacement of Dock 12					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	55,000
West Restroom Renovation					
Carry Over Money	0	0	0	0	0
2013-14 Budget Appropriation	0	0	0	0	110,000

OYSTER POINT MARINA PARK EXPENSES

DESCRIPTION

CAPITAL PROJECTS:

Correct Flooding Issues

Carry Over Money
2013-14 Budget Appropriation

Laundry Remodel (Drakes)

Carry Over Money
2013-14 Budget Appropriation

Electrical Pad for Kayak

Carry Over Money
2013-14 Budget Appropriation

Total Capital Projects

TOTAL EXPENSES

	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
	0	0	0	0	0
	0	0	0	0	25,000
	0	0	0	0	0
	0	0	0	0	10,000
	0	0	0	0	0
	0	0	0	0	15,000
	30,781	2,664,095	398,598	2,288,640	215,000
	2,196,171	5,949,288	1,482,932	4,815,059	3,153,096

Oyster Point Marina Park Expenses

- The 2013-14 preliminary budget reflects a \$67,000 increase in the harbor equipment appropriation for several additional one-time purchases including an electric dump truck, a replacement truck, a kayak rack, bike racks and a chipper for recycling.
- The 2013-14 preliminary budget includes a significant increase in the area of repair and maintenance. This increase reflects the District's intent to perform additional maintenance projects that are not expected to meet the criteria for capitalization. These projects include upgrades to the fish station, replacement of trees and performing maintenance on parking lot asphalt.
- The Outside Contractual Services budget for fiscal year 2013-2014 has increased by \$17,000 as a result of budgeting for a facilities condition survey and a 2.5% contractual increase for evening security services.
- The Operating Supplies budget for fiscal year 2013-2014 has increased by \$16,500 as a result of budgeting for the purchase of spill kits for first responders and an Environmental Management System (EMS) spill trailer.
- The budget for retirees' health benefits has dropped by just over \$8,000. In fiscal year 2012-13, a District retiree exhausted all of their benefits.

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

ADMINISTRATION EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
SALARIES AND BENEFITS:					
Salaries and Wages Expense:					
Base Salary and Wages	579,568	590,356	448,845	605,482	611,272
Overtime	2,782	3,500	1,860	3,500	4,000
Total Salaries and Wages	582,351	593,856	450,705	608,982	615,272
Benefits Expense:					
Pension Contributions	132,641	151,735	107,298	156,843	159,971
Health Insurance Costs - Current Employees	93,252	100,124	74,196	99,247	100,164
Worker's Compensation Insurance	17,423	15,852	4,998	7,500	4,491
Other Insurance - Current Employees	8,879	9,791	7,282	9,717	9,781
Social Security and Taxes	9,510	8,560	6,802	8,830	8,921
Auto Allowance	8,450	8,400	5,950	8,400	8,400
Employment Assistance Program	637	750	542	650	650
Liability for Termination Benefit	16,264	0	-7,719	-5,181	10,267
Total Benefits	287,056	295,212	199,349	286,007	302,645

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

ADMINISTRATION EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
OPERATING EXPENSES:					
Advertising	1,339	2,000	2,018	2,100	2,500
Communications	13,221	10,800	7,416	10,800	12,500
Computer Hardware and Software	5,930	17,000	9,885	13,500	10,500
Postage	5,432	7,576	3,054	7,500	6,500
Meetings/Travel/ Training	5,198	8,100	6,078	6,400	8,500
Auto Mileage Reimbursement	1,742	1,500	468	1,500	2,000
Memberships/ Exams/ Subscriptions	14,966	15,000	14,726	15,000	15,000
Recruitment and Personnel Tests	2,684	0	0	600	2,500
Property & Casualty Insurance	605	0	0	0	0
Office Supplies	10,946	10,250	9,526	12,900	12,100
Legal Services	32,385	47,500	30,955	42,500	50,000
Professional Services	14,003	12,000	11,842	15,400	15,400
Outside Contractual Services	30,604	34,250	25,136	34,150	28,150
Bank & Credit Card Fees	2,461	2,800	352	2,800	4,000
Office Space and Equipment Rentals	91,930	90,600	67,991	90,600	99,000
LAFCO Fees	4,674	6,800	6,755	6,800	8,700
Property Tax Admin. Fee	26,345	29,000	14,161	28,322	29,000
Total Operating Expenses	264,466	295,176	210,361	290,872	306,350
NON-OPERATING EXPENSES:					
Depreciation Expense	0	8,314	0	8,314	1,000
Total Non-Operating Expenses	0	8,314	0	8,314	1,000
TOTAL EXPENSES	1,133,872	1,192,558	860,415	1,194,175	1,225,267

Administration Expenses

- The Administrative Services 2013-2014 preliminary budget reflects an increase of 8% over the 2011-2012 actual figures (two years previously). This is due to cost of living increases, step increases and contract increases built into services contracts.
- The Budget for Administration reflects a reduction in Outside Contractual Services as the fixed asset valuation study was completed in fiscal year 2012-2013.

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

HARBOR COMMISSION EXPENSES

DESCRIPTION	PRIOR YEAR ACTUAL	FY 12-13 FINAL BUDGET	FY 12-13 YEAR TO DATE THRU 3/31/13	FY 12-13 PROJECTED ANNUAL	FY13-14 PRELIMINARY BUDGET
SALARIES AND BENEFITS:					
Salaries and Wages Expense:					
Base Salary and Wages	36,000	36,000	27,000	36,000	36,000
Total Salaries and Wages	36,000	36,000	27,000	36,000	36,000
Benefits Expense:					
Pension Contributions	1,521	0	0	0	0
Health Insurance Costs - Current Employees	46,252	60,762	24,492	42,801	24,365
Worker's Compensation Insurance	14,308	15,658	1,763	2,400	248
Other Insurance - Current Employees	270	365	152	304	408
Insurance Costs - Retirees	0	19,656	14,742	19,656	19,656
Social Security and Taxes	2,688	3,139	2,341	3,122	3,122
Employment Assistance Program	546	600	452	542	550
Liability for Termination Benefit	-35,912	-44,050	-45,831	-50,745	-19,656
Total Benefits	29,674	56,130	-1,890	18,080	28,693
OPERATING EXPENSES:					
Advertising	1,196	23,200	5,685	18,200	17,000
Election Liability	0	469,100	0	565,462	0
Postage	160	500	95	250	250
Meetings/Travel/ Training	3,235	6,050	5,582	8,300	10,600
Auto Mileage Reimbursement	256	400	114	400	400
Memberships/ Exams/ Subscriptions	114	0	0	0	0
Property & Casualty Insurance	9,534	14,500	14,456	14,500	15,950
Office Supplies	446	1,500	895	1,500	1,500
Legal Services	6,930	5,000	3,949	5,779	10,000
Professional Services	666	3,200	3,188	3,200	4,000
Outside Contractual Services	1,306	1,200	942	1,000	1,300
Employee Appreciation Dinner	1,725	2,000	3,257	3,750	4,500
Total Operating Expenses	25,568	526,650	38,160	622,341	65,500
TOTAL EXPENSES	91,241	618,780	63,271	676,421	130,193

Harbor Commission Expenses

- The Commission's budget has dropped significantly because there will be no election expense during the 2013-2014 fiscal year.
- The Commission's Budget contains a total of \$30,000 for publicizing and celebrating the District's 80th anniversary. Appropriations for these types of events are split between fiscal years 2012-2013 and 2013-2014.
- The taping of Commission meetings has resulted in an increase \$6,000 annually (\$250 per meeting). This expense is captured under the category meetings, travel and training.

SAN MATEO COUNTY HARBOR DISTRICT

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



CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects

	Budgeted Projects	Estimated Carryover	Combined Projects
Oyster Point Marina:			
Replacement of Dock 12	55,000	-	55,000
West Restroom Renovation	110,000	-	110,000
Laundry Remodel (Drakes)	10,000	-	10,000
Correct Flooding Issues	25,000	-	25,000
Electrical Pad for Kayak	15,000	-	15,000
Total Oyster Point Marina	215,000	-	215,000
Pillar Point Harbor:			
Harbor Office Remodel	150,000	-	150,000
Recreational Docks Repairs	150,000	-	150,000
Tenant Sewer Project	150,000	-	150,000
New Tenant Laundry	25,000	-	25,000
Mooring Replacements	20,000	-	20,000
Storage for Fishermen	40,000	-	40,000
ADA Curb Cuts	50,000	-	50,000
Sinkhole Repair	25,000	-	25,000
Inner Harbor Dredging	70,000	-	70,000
Rip Rap Repair - Fishing Pier	-	166,479	166,479
West Trail - Fix Erosion	-	364,750	364,750
Multi-Purpose Building	-	270,100	270,100
Total Pillar Point Harbor	680,000	801,329	1,481,329
TOTAL DISTRICT	895,000	801,329	1,696,329

SAN MATEO COUNTY HARBOR DISTRICT

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



FINANCIAL SUMMARIES

Revenues, Expenses and Changes in Net Assets

	PILLAR POINT HARBOR	OYSTER POINT MARINA/ PARK	ADMINISTRATION	COMMISSION	TOTAL
REVENUES:					
Operating Revenues	2,088,666	1,445,400	0	0	3,534,066
Non-Operating Revenues	0	0	3,907,983	0	3,907,983
Total Revenues	2,088,666	1,445,400	3,907,983	0	7,442,049
EXPENSES:					
Salaries and Payroll Burden	1,515,336	1,107,020	917,917	64,693	3,604,966
Operating Expenses	1,511,682	829,826	306,350	65,500	2,713,358
Total Expenses before Interest, Depreciation and Capital Expenditures	3,027,018	1,936,846	1,224,267	130,193	6,318,324
Projected Increase/ (Decrease) in Net Assets from Operations (Rev-Exp)	-938,352	-491,446	2,683,716	-130,193	1,123,725
Depreciation	818,000	818,000	1,000	0	1,637,000
Interest Expense	192,570	183,250	0	0	375,820
Total Interest and Depreciation	1,010,570	1,001,250	1,000	0	2,012,820
Projected Increase/ (Decrease) in Net Assets (Assets - Liabilities)	(1,948,922)	(1,492,696)	2,682,716	(130,193)	(889,096)

Sources and Uses of Funds

Sources of Funds	
Operating Revenue	3,534,066
Non Operating Revenue	3,907,983
New Debt	0
Total Sources of Funds	7,442,049
Uses of Funds	
Salaries and Payroll Burden less Unfunded Liability	3,557,979
Operating Expenses	2,713,358
Interest Expense	375,820
Capital Outlay	1,696,329
Total Use of Funds	8,343,487
Projected Net Change in Cash Balance for FYE 14	
	(901,438)

SAN MATEO COUNTY HARBOR DISTRICT
FISCAL YEAR 2013-14 PRELIMINARY BUDGET

Net Assets Categorized			
	Projected Balance at June 30, 2013	Increase (Decrease)	Projected Balance At June 30, 2014
General Fund:			
Reserve for Collateral on DBAW Loans	1,701,349		1,701,349
Reserved for Emergency	2,200,000		2,200,000
Reserved for Liability for Termination Benefits	815,000		815,000
Reserved for Future Capital Improvements	800,000	(800,000)	-
Reserved for District Office Construction	1,250,000	(280,000)	970,000
Reserved for Short Term Operating Costs	1,774,784	(1,774,784)	-
Invested in Capital Assets net of Related Debt	12,187,071		12,187,071
Undesignated Fund Balance/ Net Asset	1,102,467	1,965,688	3,068,155
General Fund Total Net Assets	21,830,671	(889,096)	20,941,575

*This section provides an estimate of the fiscal impacts that the 2013-14 First Draft Preliminary Budget will have on the financial information for fiscal year 2013-2014.

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.

HMBB – 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 05-13
of the
San Mateo County Harbor District
to
Adopt the Preliminary Fiscal Year 2013-14
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 2013-14 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 2013-14 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 2013-14 as contained in the budget document attached hereto and incorporated by reference as part of this Resolution.

Therefore, be it further resolved, that after publication of notice, the Board of Harbor Commissioners will meet at 7:00 p.m., June 19, 2013, at the Municipal Services Building, 33 Arroyo Drive, South San Francisco, California, for the purpose of fixing the final budget, and hear from any taxpayer wishing to appear and be heard regarding budget items.

Approved this 1st day of May 2013 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

James Tucker
President

Notice of Public Hearing

Notice is hereby given that the Board of Harbor Commissioners of the San Mateo County Harbor District has adopted its Preliminary Integrated Operating and Capital Budget for Fiscal Year 2013-2014 at a Regular Meeting on May 1, 2013, and shall hold a public hearing for the purpose of fixing the final San Mateo County Harbor District FY2013-2014 Integrated Operating and Capital Budget on June 19, 2013 at 7:00 p.m. at the Municipal Services Building, 33 Arroyo Drive, South San Francisco, California pursuant to Harbors and Navigation Code §60931.1.

Any taxpayer of the San Mateo County or user of the Harbor District facilities may appear and be heard regarding the increase, decrease, or omission of any item in the budget or for the inclusion of additional items. Written comments regarding the above are welcome, please address them to: 400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080.

Copies of the proposed San Mateo County Harbor District Budget are on file and available for inspection by the public at the Administration office at 400 Oyster Point Blvd., Suite 300, South San Francisco, CA, the office of the Harbormaster at Oyster Point Marina/Park, 95 Harbormaster Road, South San Francisco, CA, and the office of the Harbormaster at Pillar Point Harbor, One Johnson Pier, El Granada, CA, between 8:00 a.m. and 5:00 p.m., Monday through Friday.

Dated: May 1, 2013
PETER GRENELL
GENERAL MANAGER

BUDGET

HARBOR DISTRICTS

Pt. 3

§ 6093.3

(c) Prior indebtedness.

(Added by Stats.1953, c. 905, p. 2260, § 5. Amended by Stats. 1984, c. 193, § 76.)

Historical and Statutory Notes

Section 1 of the Act of 1953 repealed former § 6093 of the Harbors and Navigation Code which was enacted in 1937, was based on Stats. 1931, c. 704, p. 1492, § 20 and was amended by

Stats.1939, c. 1031, p. 2834, § 4. It related to the notice to be given of the estimated amount of money necessary to pay the ordinary annual expenses of the district and debts.

Library References

Navigable Waters ⇨14(2).
WESTLAW Topic No. 270.
C.J.S. Navigable Waters § 38.

§ 6093.1. Notice of adoption of preliminary budget and of date for fixing final budget

On or before June 15 of each year, the board shall publish a notice pursuant to Section 6061 of the Government Code throughout the district stating both of the following:

(a) That the preliminary budget has been adopted and is available at a time and at a place within the district specified in the notice for inspection by interested taxpayers.

(b) That on a specified date not less than one month after the publication of the notice and at a specified time and place, the district board will meet for the purposes of fixing the final budget, and that any taxpayer may appear and be heard regarding the increase, decrease, or omission of any item in the budget or for the inclusion of additional items.

(Added by Stats.1953, c. 905, p. 2261, § 6. Amended by Stats.1957, c. 357, p. 1026, § 78; Stats. 1984, c. 193, § 77.)

Library References

Municipal Corporations ⇨885.
WESTLAW Topic No. 268.
C.J.S. Municipal Corporations § 1629.

§ 6093.2. Hearing on budget

At the time and place designated in the published notice for the meeting, any taxpayer may appear and be heard regarding the increase, decrease or omission of any item in the budget or for the inclusion of additional items. The hearing on the budget may be continued from time to time.

(Added by Stats.1953, c. 905, p. 2261, § 7.)

§ 6093.3. Final budget, report

The district board shall report the final budget to the board of supervisors after the budget hearing but not later than the first day of August each year after making any changes in the preliminary budget it deems advisable during or after the hearing, including deductions, increases or additions.

(Added by Stats.1953, c. 905, p. 2261, § 8.)

Finance

Memo

TO: San Mateo County Harbor District Commissioners

FROM: Genevieve Frederick, Director of Finance

DATE: May 1, 2013

SUBJECT: District Rates and Fees Schedules

At the April 17 Board meeting, draft rates and fees schedules for fiscal year 2013-2014 for both Oyster Point Marina and Pillar Point Harbor were brought before the Commission for discussion. The rates and fees presented at the April 17 meeting reflect no changes from the approved 2012-2013 rates and fees schedule. Subsequent to the April 17 meeting, clerical changes have been made to these draft schedules. Attached is a list of these changes. As these changes have no impact on the actual rates, new rates and fees schedules have not been included in your agenda packet.

Every year the cost to deliver District services increases. Adjustments to the District's user fees ensure that those benefiting from the District's services are helping to address such cost increases. Staff recommends that any rate increase be based on a percentage increase but that the final rate is rounded to a dollar figure that is convenient for both staff and customers. Further, in order to update our billing system and provide adequate notice to customers, staff recommends that any changes to the rates and fees schedule be adopted by the Board no later than May 15.

At the April 17 meeting, the Commission asked for more information to help make an informed decision about possible changes to user fees. Berthing and Transient Berthing charges account for \$2,252,000 in revenues each year. This is over 78% of all the revenues generated through user fees. As modest increases to other user fees would not have a significantly impact on total revenues, this discussion is focused on changes to berthing and transient berthing fees.

Attached is the annual survey, prepared by Coyote Point Marina of berthing rates for private and public marinas in the area. The average price per linear foot of all those surveyed was \$8.38, with an average of \$8.76 for private marinas and \$7.74 for public marinas. Factors other than costs may contribute to a rate structure, for example, public marinas have the ability to subsidize operations. Looking at the current berthing rates, the District rates are slightly above average for public marinas with an average price per linear foot at Pillar Point Harbor of \$8.48 and \$7.90 at Oyster Point Marina. The current

consumer price index (CPI) for urban wage earners in the region is 2.3%, but District costs have historically grown at a rate greater than this index. Staff would suggest that the Commission consider a rate increase between 3% and 5%. Below is information on how various increases in these two rates would impact revenues:

Percentage Increase in Rates	Impact on Revenues	Additional Monthly Fee*
3%	Increase of \$67,560	\$3.15 to \$16.35/ month
4%	Increase of \$90,100	\$4.20 to \$21.80/ month
5%	Increase of \$112,600	\$5.25 to \$27.25/ month

* Variation depends on boat and berth size.

Clerical Changes:

Changes for BOTH OPM and PPH:

- Under “Berthing – Monthly Rates” added that the multi-hull rate is 150% the single hull rate. This is consistent with practice and is part of the transient rate structure.
- Move “Non-Commercial Event Activity Permit” so that the document entries are in alphabetical order. Currently, this item is found under the “C” section.
- “Commercial Services Activity Permit” – Amend language that reads, “Additional license agreement required” to say, “Additional license agreement may be required”.
- Under “Events” remove the reference to the effective date being January 1, 2013. This reference is pertinent to the 2012-2013 schedules but it is not relevant for the 2013-2014 schedules.

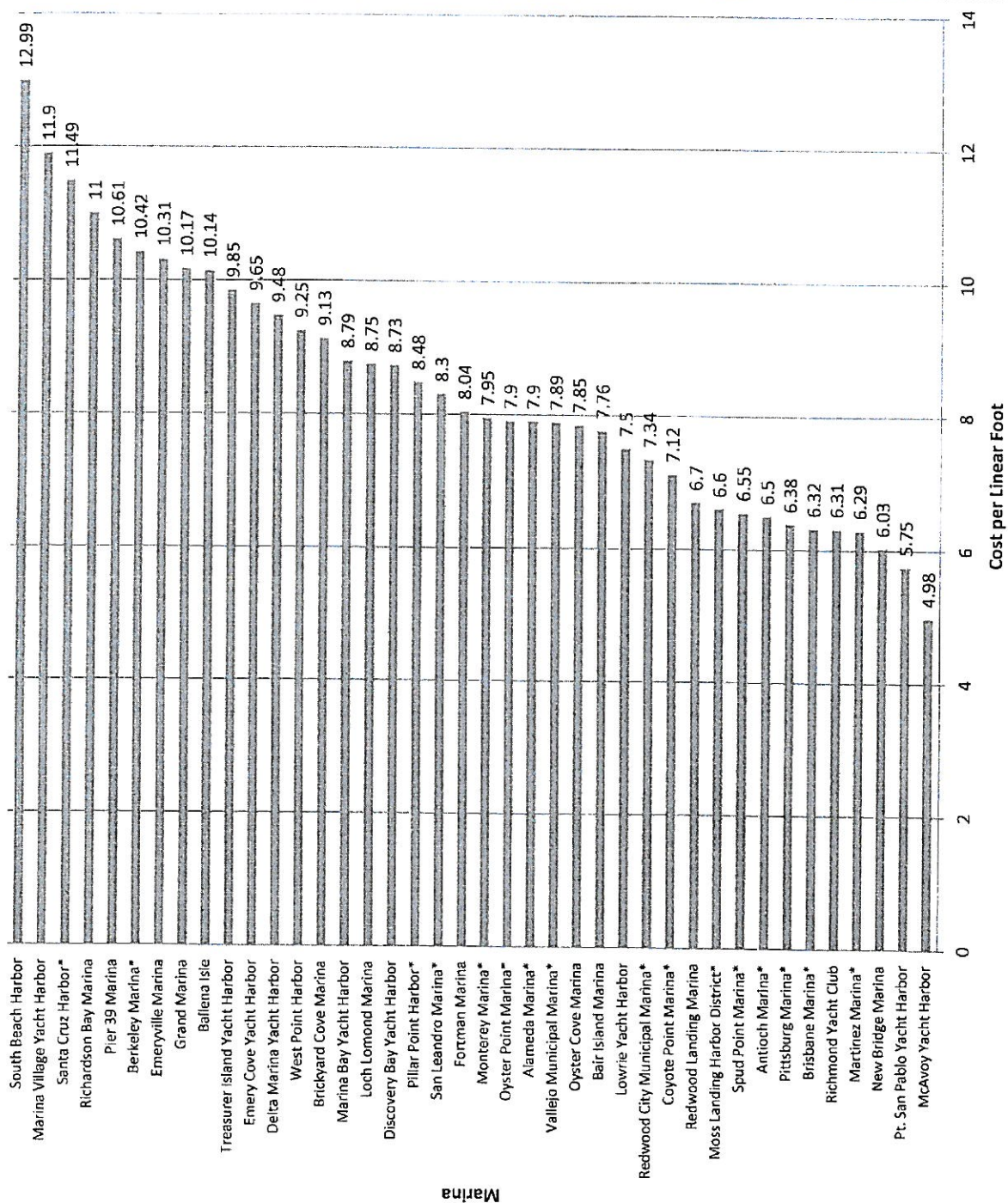
Changes for OPM Only:

- Change the wording on Crab Pot Storage Fee to read “Crab Pot Storage Deposit”. Resolution 21-12 was specific to PPH so OPM was never changed.
- Under “Vehicle – Use of” add the same fees identified in the PPH schedule. A fee of \$85 per hour with an additional charge for personnel charges.

Changes PPH Only:

- Under “Crab Pot Storage Deposit”, remove the reference to Exhibit B. This exhibit covered more than the fees related to the crab pot deposit and the rates and fees schedule is specific to the costs of an activity. It is not intended to address every aspect of any activity that has a fee associated with it.

2013 Berth Rate Survey



Data provided by Coyote Point Marina

**San Mateo County
Harbor District****Memo**

Date: April 22, 2013

To: Board of Harbor Commissioners

From: Peter Grenell 
General Manager

Re: Authorization to Issue a Public Notice Seeking Applicants to Fill a Vacancy on the Board of Harbor Commissioners

RECOMMENDATION

Determine that the Board of Harbor Commissioners shall make its own appointment to fill the vacancy on the Board of Harbor Commissioners consistent with Resolution 28-12, and authorize the General Manager to issue a public notice seeking applicants to fill the vacancy.

BACKGROUND

The death of Commissioner Leo Padreddii on April 17, 2013 has created a vacancy on the Board of Harbor Commissioners. Past Harbor Commission practice has been to fill a vacancy on the Board by appointment by the majority of remaining commissioners. This action has followed the issuance of a public notice seeking candidates to fill the vacancy on the Board, Board review of applications and interviews of candidates in a public meeting. By Resolution 28-12 (attached), the Commission established the procedure for filling Board vacancies as provided for in State Government Code Section 1780.

Persons interested in applying for the position must be San Mateo County residents and registered voters in San Mateo County, and should submit a letter of interest stating that they are a resident of and elector in San Mateo County, a personal resume, and proof of voter registration as required by Harbors and Navigation Code Section 6053 by mail only to the San Mateo County Harbor District, c/o Debbie Nixon, Deputy Secretary to the Board, 400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080. There is no application form. Deadline for receipt of letters and resumes is Wednesday, May 29, 2013.

The Harbor Commission will review candidates' submittals. Each candidate will then be required to appear before the Commission for an interview at a special meeting of the Commission on Wednesday June 5, 2013. The Commission will make the appointment conditioned upon completion of a background check on the selected individual. The Commission's decision will be announced at the special meeting of the Commission on Wednesday, June 5, 2013.

RESOLUTION NO. 28-12

RESOLUTION OF THE SAN MATEO COUNTY HARBOR DISTRICT OUTLINING THE PROCEDURE FOR FILLING PERMANENT VACANCIES ON THE HARBOR COMMISSION

WHEREAS, from time to time a vacancy occurs on the San Mateo County Harbor District Commission; and,

WHEREAS, the California Government Code provides that when a vacancy occurs on the Commission, the vacancy may be addressed by the San Mateo County Harbor Commission or the County Board of Supervisors; and,

WHEREAS, whether the Commission wishes to allow the San Mateo County Board of Supervisors to make the appointment, call for an election to fill the vacancy, or make its own appointment, the Commission recognizes that the public may be unfamiliar with the statutory process authorized by the California Government Code to be utilized when filling vacancies because they occur infrequently; and,

WHEREAS, the Commission wishes to clearly articulate for the public how vacancies can be filled.

NOW, THEREFORE, BE IT RESOLVED that the Board of Harbor Commissioners of the San Mateo County Harbor District shall consider the following options to fill vacancies on the Commission provided for in California Government Code Section 1780:

SAN MATEO COUNTY BOARD OF SUPERVISORS' ACTION TO FILL VACANCY

If the Commission determines that the San Mateo County Board of Supervisors should make the appointment, no Commission action is necessary. The Board of Supervisors is authorized to appoint a Commissioner when more than sixty (60) days have elapsed since the District was notified of the vacancy or the effective date of the vacancy. If the San Mateo County Board of Supervisors fails to fill the vacancy within ninety (90) days of the date the District is notified of the vacancy or the effective date of the vacancy, the District must call an election for the next established election date that is one hundred thirty (130) days or more after the date the Commission calls the election.

COMMISSION ACTION TO FILL VACANCY BY ELECTION

If the Commission wishes instead to act, it may, as noted above, call for an election or fill the vacancy by appointment per Government Code Section 1780. The call for an election must be made within sixty (60) days of the date the District is notified of the vacancy or the effective date of the vacancy. The election shall be held at the

next established election date that is one hundred thirty (130) or more days after the date the Commission calls the election.

COMMISSION ACTION TO FILL VACANCY BY APPOINTMENT

1. If the Commission wishes to fill the vacancy by appointment, Government Code Section 1780 requires the District to:
 - a. Give notice of the vacancy to the San Mateo County elections official no later than fifteen (15) days after the Commission is notified of the vacancy or the effective date of the vacancy, whichever is later;
 - b. Post an invitation for applications from persons interested in filling the vacancy at least fifteen (15) days prior to the Commission making an appointment in three (3) or more places within the District; and
 - c. Fill the vacancy within sixty (60) days of the date on which the Commission is notified of the vacancy or the effective date of the vacancy, whichever is later.
2. In order to meet this statutorily prescribed timeline, the Commission shall set an application deadline which allows the Commission to receive applications, conduct interviews and vote to appoint a Commissioner to fill the vacancy within sixty (60) days of the date the District received notice of the vacancy or from the effective date of the vacancy, whichever is later.
3. In order to accomplish this, at the first regular or special meeting of the Commission after the vacancy occurs, the Commission shall authorize the General Manager to issue an invitation for applications from persons interested in appointment to fill the vacancy. This invitation will include information regarding the end-date of the term to be filled, the requested application materials (e.g. proof of voter registration as required by Harbors and Navigation Code Section 6053, letters of interest and résumé), the place to submit applications and the deadline for applications to be submitted.
4. The General Manager shall post the invitation for applications at the District's Administrative Office, Oyster Point Marina, Pillar Point Harbor, the El Granada Post Office, in local newspapers, and any other venue or site as directed by the Commission at least fifteen (15) days prior to the date the Commission will make the appointment.
5. A special public meeting of the Commission shall be scheduled within one (1) week of the deadline for applications to be submitted for the purpose of interviewing applicants. The Commission will interview all applicants who have submitted completed applications by the deadline.

6. Interviews shall be conducted in open session. The form and length of interviews will be at the discretion of the Commission but shall be uniformly applied to all applicants. Commissioners may ask applicants questions relevant to the position of Commissioner, including whether or not applicants are registered voters (to confirm eligibility), their opinions on ongoing or proposed District programs or projects, and whether they possess any relevant experience for the position. Any questions that would be prohibited in a normal job interview (i.e. questions regarding age, race/ethnicity, gender, religion, marital status, etc.) shall not be asked.
7. At the conclusion of the interviews, the Commission shall vote to appoint an applicant to serve the remainder of the term for which the vacancy exists. All nominations shall be oral and do not require a second. Once all nominations are received, the Commission shall vote. Votes shall be either by oral roll call or by written ballot. If the votes are taken by written ballot, the written ballots shall be signed and the votes announced orally. The written ballots shall be retained by the District for two (2) years. If no candidate receives a majority vote or if one or more candidates receive the same number of votes, the Commission may continue voting to determine whether or not a majority vote for any applicant can be achieved. If no applicant receives a majority vote, the Commission may call for an election or allow the Board of Supervisors to act.

TERM OF OFFICE

1. If the vacancy occurs in the first half of the term of office, and the date that the Commission is notified of the vacancy is more than one hundred thirty (130) days before the "next general District election," then the person appointed holds office only until after the next general District election and until the person who is elected to fill the vacancy has been qualified. The person elected then holds the office for the remainder of the term of office.
2. If the vacancy occurs in the second half of the term of office, or in the first half but less than one hundred thirty (130) days before the next general District election, the person appointed by the Commission serves for the remainder of the term of office.

QUORUM

1. If multiple vacancies occur so that the number of Commissioners comprise less than a quorum, then the San Mateo County Board of Supervisors must, promptly and by appointment, fill only enough vacancies to provide the Commission with a quorum.

* * * * *

Board of Harbor Commissioners of the San Mateo County Harbor District at a regular meeting thereof held on December 5, 2012 by the following vote:

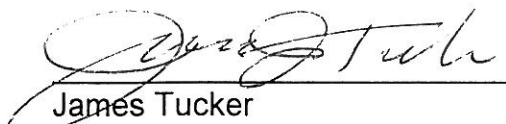
AYES, HARBOR COMMISSIONERS: Padreddii, Parravano, Tucker

NOES, HARBOR COMMISSIONERS: Bernardo

ABSTAIN, HARBOR COMMISSIONERS: Holsinger

ABSENT, HARBOR COMMISSIONERS: None


Debbie Nixon
Deputy Secretary


James Tucker
President

ITEM 6

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, 2013:

<u>CASH</u>	<u>AMOUNT</u>	<u>AVERAGE FY RATE</u>
Petty Cash	\$ 2,300.00	-
US Bank - Operations	836,031.36	-
US Bank - Payroll	0.00	-
Total Cash	838,331.36	-
<u>INVESTMENTS</u>		
Local Agency Investment Fund (LAIF)	6,863.54	0.32%
San Mateo County Investment Pool	12,176,981.39	0.87%
San Mateo County Investment Pool - Restricted	1,729,662.40	0.87%
Total Investments	13,913,507.33	
Total Cash and Investments	\$ 14,751,838.69	

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.

RESTRICTED CASH:

These balances have been set aside by the Board of Harbor Commissioners through formal action for the purpose of meeting financial commitments:

Reserved for Debt Service	1,701,349.00
<i>Subtotal</i>	<i>1,701,349.00</i>

ASSIGNED CASH:

These balances have been designated by the Board of Harbor Commissioners to reflect future spending plans or concerns about the availability of future resources:

Emergency Reserve	2,200,000.00
Reserve for District Office	1,250,000.00
Capital Expenditure Reserve	800,000.00
Reserve for Health Insurance Termination Benefit Obligations	815,000.00
Reserve for short term liabilities and expenses	1,774,784.00
<i>Subtotal</i>	<i>6,839,784.00</i>


LONG TERM LIABILITIES IN EXCESS OF RESERVES:

Customer Deposits Liability	251,991.03
Customer's Prepayments Liability	233,039.19
Principal - DBW Loan	8,180,925.52
Unfunded Health Insurance Termination Benefit Liability	2,668,066.95
Lease Agreement	84,893.00
<i>Subtotal</i>	<i>11,418,915.69</i>


Total Committed Cash and Liabilities 19,960,048.69

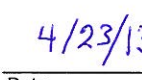
Certifications:

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.


Genevieve Fredrick
Director of Finance


Date

Reviewed By: 
Robert Bernardo
Treasurer - San Mateo County Harbor District


Date

ITEM 7

Memorandum

TO: Harbor Commissioners

FROM: Genevieve Frederick and Belen Cruz

RE: Bills & Claims for Period Ending 5/1/13

Total Disbursements being submitted for your review: 73,316.33

These include:

Handchecks in the amount of: \$ 37,438.85

Payables in the amount of: \$ 35,877.48

<u>Dept. Code</u>	<u>Description</u>		<u>Page Reference</u>
101	Harbor Commission	\$ 1,052.51	3
103	Administration	\$ 3,874.17	3
201	Pillar Point Harbor	\$ 13,921.40	3
301	Oyster Point Marina	\$ 27,486.95	3
	Payroll Related	\$ 26,981.30	3
	Total for Review	\$ 73,316.33	3

Notes:

Handchecks Written for:

Payroll \$ 26,981.30

Refunds and Invoices with Due Dates on or Before Board Meeting

\$ 10,457.55

Total Handchecks Written:

\$ 37,438.85

BILLS CLAIMS FOR 5/1/13 BOARD MEETING


VENDOR	DESCRIPTION	AMOUNT	PAYROLL RELATED	HARBOR COMM 101.00	ADMIN 103.00	PILLAR POINT 201.00	OYSTER POINT 301.00
AC3	REPAIRS & MAINTENANCE	395.00				395.00	
ARAMARK UNIFORM SERVICES	UNIFORM SVCS	285.72					285.72
AT & T LONG DISTANCE	TELEPHONE/TELECOMMUNICATIONS	78.40				56.14	22.26
AT&T	TELEPHONE/TELECOMMUNICATIONS	11.24				11.24	
BLUE RIBBON SUPPLY	OPERATING EXPENSES	482.15				482.15	
CALIF CHAMBER OF COMMERCE	MEMBERSHIP FEES	599.00			599.00		
COMCAST	TELEPHONE/TELECOMMUNICATIONS	397.50			397.50		
COUNTY OF SAN MATEO	TELEPHONE/TELECOMMUNICATIONS	61.65				61.65	
DOODYCALLS, LLC	OPERATING EXPENSES	1,148.10				1,148.10	
HOLMAN PROF COUNSELING CENTERS	EMPLOYEE ASSISTANCE PROGRAM	289.00		45.16	54.18	103.86	85.80
IMPACT DISPLAY ASSOCIATES, LLC	ADVERTISING EXP	798.00				798.00	
MISSION UNIFORM SERVICE, INC.	UNIFORM SVCS	424.52				424.52	
MOFFATT& NICHOL ENGINEERS INC.	CAPITAL PROJECT	24,275.00					24,275.00
OFFICE DEPOT, INC.	OFFICE SUPPLIES	204.06			68.52	135.54	
PETER GRENELL	REIMB TRAVEL EXP	374.63				374.63	
PITNEY BOWES GLOBAL FIN SVCS	EQUIPMENT RENT	2,282.46			760.82	760.82	760.82
SCOTT GRINDY	REIMB SEMINAR EXP	202.59				101.30	101.29
STANDARD INSURANCE	LIFE & LTD INSURANCE	3,257.12		16.88	816.43	1,398.24	1,025.57
VERIZON	TELEPHONE/TELECOMMUNICATIONS	311.34			75.19	186.77	49.38
SUBTOTAL OF PAYMENTS TO BE PROCESSED 5/1/13		35,877.48	-	62.04	2,771.64	6,437.96	26,605.84
ADP, INC.	PAYROLL PROCESSING	531.03		82.97	99.57	207.43	141.06
AIRGAS, NCN	CONTRACTUAL SVCS	83.35				83.35	
ARROWHEAD MOUNTAIN WATER	WATER SVCS	68.26					68.26
CALPERS	PAYROLL DED PAYABLE	20,938.30	20,938.30				
CALPERS SUPPLEMENTAL INCOME	PAYROLL DED PAYABLE	3,743.00	3,743.00				
CINTAS FIRST AID & SAFETY	OPERATING EXP/TRAINING	1,563.73				1,563.73	
CRANE PEST CONTROL	CONTRACTUAL SVCS	726.00				726.00	
DE MEO ELECTRIC	REPAIRS & MAINTENANCE	1,075.64				1,075.64	
DIGITAL PAYMENT TECHNOLOGIES	SERVICE FEES	100.00				100.00	
ELLY FISHERIES	DEPOSIT REFUND	289.00				289.00	
MARIN MAGAZINE	ADVERTISING EXP	2,160.00		540.00	540.00	540.00	540.00
MARINE LIEN SALES SERVICE	LIEN SALES	190.00				190.00	
MR COPY	REPAIRS & MAINTENANCE	462.96			462.96		
NATIONAL CHEMICAL SERVICE	CONTRACTUAL SVCS	81.00				81.00	
NEXTEL COMMUNICATIONS	TELEPHONE/TELECOMMUNICATIONS	131.79					131.79
SANDY TUCKER	DEPOSIT REFUND	153.00				153.00	
STEVE WU	DEPOSIT REFUND	1,814.29				1,814.29	
TUTI WEBER	MEETING EXP	367.50		367.50			
VANTAGEPOINT TRANSFER AGENTS	PAYROLL DED PAYABLE	2,300.00	2,300.00				
WULFSBERG REESES COLVIG & FIRSTMAN	LEGAL SVCS	660.00				660.00	
TOTAL HANDCHECKS		37,438.85	26,981.30	990.47	1,102.53	7,483.44	881.11
TOTAL BILLS & CLAIMS		73,316.33	26,981.30	1,052.51	3,874.17	13,921.40	27,486.95
			PAYROLL	COMM	ADMIN	PPH	OPM

**San Mateo County
Harbor District**

Memo

DATE: April 23, 2012

TO: Board of Harbor Commissioners

FROM: Peter Grenell 
General Manager

RE: General Manager's Report: Update on Priority Items:
May 1, 2013

CC: Managers
District Counsel

NOTE: On April 3rd, the Harbor Commission deferred action on updating Priorities. This update continues with the current priorities, progress reports, and other items.

REPAIR AND IMPROVEMENT PROJECT UPDATES

Pillar Point Harbor

Boat Launch Ramp Slurry Seal: **Completed**
Johnson Pier Fish Handlers Building Painting: **Completed**
Johnson Pier Repairs: Work underway
Launch Ramp Maintenance Dredging: Waiting for Coastal Permit Approval

Oyster Point Marina/Park

Boat Launch Ramp Slurry Seal: **Completed**
Restroom Renovation: Work underway
Dock 11 and Guest Dock Improvements: Work underway; estimated completion mid-June
Wave Attenuators: **Completed**

TOP PRIORITIES

Pillar Point Vessel Pump-out Station Replacement

Priority accomplished.

The old facility is being fixed to provide back-up capacity and convenience to tenants.

Pillar Point Launch Ramp Maintenance Dredging

Awaiting Coastal Permit; all other permits and approvals have been received.

Future Possible Alternative Disposal Site(s): If in the future a different disposal site is needed instead of Perched Beach, identification and approval of a new site will need approval by the permit agencies. Planning for a new site including possible mitigation requirements should be anticipated so that, if needed, it can be coordinated with future permit agency approval processes.

New District Multi-Use Building (including Administration Office, Sanctuary Visitor Center, Commission Meeting Room) at PPH

Site geotech investigation boring locations have been identified; work is underway.

Pillar Point Perched Beach Development

Nothing further to report at this time.

Oyster Point Dock Upgrades and Replacement

Work is underway.

PPH Facilities Repair Projects

Johnson Pier Repairs: Work is underway.

Work on the West Trail (Pillar Point Marsh to Mavericks Beach) erosion control repairs, including parking lot and restroom improvements, and recreational fishing pier jetty rip rap stabilization will resume later in 2013.

West restroom renovation: See other agenda item.

Pillar Point U. S. Coast Guard Presence

USCG is still interested in a presence at PPH, but budget constraints and mission priorities preclude any immediate action. Nothing further to report at this time.

Community and Public Education

Community and Public Education

Harbor Commission meetings are now regularly video recorded by PCTV.

SECOND LEVEL PRIORITIES

Pillar Point New Pier/Romeo Pier

Nothing further to report at this time.

Pillar Point Inner Harbor Development

Nothing further to report at this time.

Oyster Point Redevelopment

Nothing further to report at this time.

Oyster Point Dining Cruises

Nothing further to report at this time.

PROGRESS REPORTS

Clean Marina Certification (Pillar Point Harbor and Oyster Point Marina/Park)

On April 17th the Harbor Commission recognized harbor staff at both harbors, especially Deputy Harbor Masters Gary Stern (OPM) and Jacob Walding (PPH) for leading the harbor team efforts to obtain the Clean Marina Certification.

OPM Ferry Terminal (Water Emergency Transportation Authority)

On April 4th the WETA authorized extension of ferry service including adding a third afternoon trip between OPM and Oakland/Alameda, and two new non-commuter excursion trips to/from OPM and San Francisco (Ferry Building and Pier 41) on Wednesdays and Saturdays, departing OPM around 9 a.m. and returning from San Francisco around 2:40 p.m.

WETA will also sponsor outreach events at OPM with ferry “open house” activities. An employee-focused event is scheduled for Friday, May 17th at 11:30 a.m.; an employer-focused event is scheduled for Thursday, June 13th at 5 p.m.

OPM Restroom Renovation

Work is underway.

PPH Surfers Beach Shoreline Improvement (Army Corps of Engineers)

Nothing further to report at this time.

PPH Water Quality Study (Resource Conservation District)

RCD staff gave an update presentation on their PPH study to the Harbor Commission on November 7th, 2012. Their research findings at Capistrano Beach area show that contamination does not originate from boats within the PPH inner harbor.

Harbor staff is doing monthly water testing supported by the RCD.

Sea-Level Rise/Climate Change/Alternative Energy

Nothing further to report at this time.

PPH Paid Parking

Nothing further to report at this time.

OTHER ITEMS

SF Bay Water Trail Grant Application for OPM

The District submitted its \$20,000 grant application to the Coastal Conservancy-administered SF Bay Water Trail Program. Grant funds, if received, and the District's \$6,000 in-kind contribution, will be used to provide kayak and other non-motorized vessel storage facilities at OPM. OPM has been designated by the Water Trail Program as a High Opportunity Site for water trail users.

Memo

DATE: April 24, 2012

TO: Board of Harbor Commissioners

FROM: Peter Grenell 
General Manager

RE: General Manager's Report: Update on Priority Items: Supplement on
Pending Legislation
May 1, 2013

CC: Managers
District Counsel

OTHER ITEMS

Pending Legislation Supported by the Harbor District (April 17, 2013)

AB 727 (Stone): Public trust lands: dredging: notice and leases. Bill has moved on to Appropriations.

AB 792 (Mullin): Open meetings: website. Bill has moved on to Assembly Third Reading.

AB 416 (Gordon): State Air Resources Board: Local Emission Reduction funds. Bill has moved on to Appropriations.

Finance

Memo

TO: San Mateo County Harbor District Commissioners

FROM: Genevieve Frederick, Director of Finance

DATE: May 1, 2013

SUBJECT: Finance Department Report to the Commission

-
- Preparation of next fiscal year's budget continues.
 - Completion of last fiscal year's financial statements is on hold pending completion of the fixed asset inventory study.
 - Staff have reviewed and submitted changes to AMS Consulting regarding their second draft of the fixed asset inventory.
 - Collection efforts continue. Accounts receivable are monitored monthly to identify delinquent accounts. As needed, notifications are sent, lien and eviction paperwork is filed, Finance staff answers customer questions, and payment plan proposals are reviewed.
 - Finance staff continues to perform daily functions. The General Ledger and the subsidiary ledgers are maintained and reviewed, and reconciliations are completed, to identifying and correcting errors. Invoices and bi-weekly payroll is processed and reviewed to identify errors or opportunities for efficiencies.

Human Resources

Memo

TO: San Mateo County Harbor District Commissioners

FROM: Marietta L. Harris, Human Resource Manager

DATE: April 24, 2013

SUBJECT: Report to the Commission

Activities:

Human Resource Services:

Meetings with Harbor Master regarding human resource items.
Various Human Resources services and functions.
Confidential employee issues. (FMLA, Disability and Workers Compensation)
Processed employee benefits.
Paperwork for loss of Harbor Commissioner.

Administrative Services:

Reviewed event applications, permits and billings for events.
Working on updating Policies and Procedures.

Information Technology:

Working with IT consultant on daily IT operations.
Working with staff on IT issues and problems.

Memo

To: Board of Harbor Commissioners
From: Scott Grindy, Harbor Master
CC: Peter Grenell, General Manager
Date: April 25, 2013
Re: May 1, 2013 Meeting Report

Oyster Point Marina & Park

Construction Update & Status

- Docks 8 & 11 manufacturing, delivery and installation (schedule provided)
- Restroom Refurbishments / On Schedule & Plan
- Electrical Inspections in process

Pillar Point Harbor

Construction Update & Status

- West Restroom Bids Opened, in review
- Johnson Pier Construction continuing and on schedule, railing material for the approved change order accepted and material arriving soon
- Signage replacements continue as material arrives and staff install
- Boat Ramp Dredging still awaiting permit approval by Coastal Commission
- Electrical Inspections in process

Search and Rescue Activity Highlights & Urgent Need Activities

OPM - No Call Outs

PPH – No Call Outs except tow requests

Staff Recognitions

- Oyster Point Staff Annual CPR/First Aid training complete
- Jim Merlo @ OPM for Outstanding Maintenance Leadership

Event Calendar Reminders & Other items

- Rock the Block in Half Moon Bay is on Saturday, May 18, 2013 from 4-8:30pm
- Visiting Chinese (Shanghai) Tourism Reporters to PPH May 1st
- Moss Beach Children's Harbor Tour (Mothers Club) May 15th

EMS-Clean Marina Activities

- Harbor Water Sampling (Live Aboard Docks) /SMCRCD and Staff