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EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER  
Linda G. McIntyre, Esq.

## STAFF REPORT

ITEM NUMBER 1 – Presentation of Audited Financial Statement for FYE June 30, 2014  
BOARD MEETING OF October 22, 2014

Typically, following a presentation of the audited financial statements, the Board will move to accept the statements. There were no significant changes from prior audits and the District received a clean rating, the highest available.

After the Board receives the auditor's presentation and has reviewed the final audited financial statement information to their satisfaction, staff recommends the Board accept the FYE June 30, 2014 audited financial statements.

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*

**MOSS LANDING HARBOR DISTRICT**

**INDEPENDENT AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Moss Landing Harbor District  
Moss Landing, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Moss Landing Harbor District (District), which comprise the statements of net position as of June 30, 2014 and 2013, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Moss Landing Harbor District as of June 30, 2014, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 - 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

The basic financial statements include summarized prior year comparative information. Such prior year information does not include all of the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's basic financial statements for the year ended June 30, 2013, from which such summarized information was derived.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statement of trust revenues, expenses and changes in net position is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The statement of trust revenues, expenses and changes in net position has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2014 on our consideration of the Moss Landing Harbor District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

September 23, 2014

# MOSS LANDING HARBOR DISTRICT

## STATEMENTS OF NET POSITION JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,112,201	\$ 2,142,729
Restricted cash and cash equivalents	68,340	-
Investments	750,000	250,000
Accounts receivable, net	90,926	71,109
Grant receivable	286,344	149,858
Prepaid expenses and other current assets	162,416	36,500
Total current assets	<u>4,470,227</u>	<u>2,650,196</u>
<b>Non-current assets</b>		
Investments	7,389	757,389
Capital assets, net of allowance for depreciation	15,651,639	16,350,095
Total non-current assets	<u>15,659,028</u>	<u>17,107,484</u>
Total assets	<u>20,129,255</u>	<u>19,757,680</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	117,113	32,405
Accrued wages and vacation	102,688	102,598
Accrued interest	94,902	101,016
Deposits	400,872	316,292
Current portion of long-term debt	302,190	289,724
Total current liabilities	<u>1,017,765</u>	<u>842,035</u>
<b>Non-current liabilities</b>		
Long-term debt	4,559,371	4,861,561
Total non-current liabilities	<u>4,559,371</u>	<u>4,861,561</u>
Total liabilities	<u>5,577,136</u>	<u>5,703,596</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unearned berth fees and lease receipts	238,786	215,074
Total deferred inflow of resources	<u>238,786</u>	<u>215,074</u>
<b>NET POSITION</b>		
Net investment in capital assets	10,790,078	11,198,810
Restricted for public land use	68,340	-
Unrestricted	3,454,915	2,640,200
Total net position	<u>\$ 14,313,333</u>	<u>\$ 13,839,010</u>

See accompanying notes

# MOSS LANDING HARBOR DISTRICT

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>Operating Revenues</b>		
Berthing	\$ 2,007,651	\$ 1,932,573
Rent	546,068	552,424
Operations	106,982	76,507
Concessions and other revenues	137,027	139,400
Total operating revenues	<u>2,797,728</u>	<u>2,700,904</u>
<b>Operating Expenses</b>		
Personnel	715,933	693,996
Utilities	290,924	297,850
General and administrative	155,716	150,312
Insurance	115,819	109,211
Repairs and maintenance	279,930	1,366,382
Operating supplies	22,371	27,015
Bad debt	14,870	7,174
Commissioner	13,620	17,333
Miscellaneous	11,653	9,686
Depreciation	949,096	766,841
Total operating expenses	<u>2,569,932</u>	<u>3,445,800</u>
Operating income/(loss)	<u>227,796</u>	<u>(744,896)</u>
<b>Nonoperating Revenues/(Expenses)</b>		
Grant revenues	187,942	1,290,481
Property taxes	255,693	233,341
Interest income	13,405	13,528
Interest expense	(210,513)	(209,728)
Total non-operating revenues/(expenses)	<u>246,527</u>	<u>1,327,622</u>
<b>Change in Net Position</b>	474,323	582,726
<b>Net Position</b>		
Beginning of year	13,839,010	13,256,284
End of year	<u>\$ 14,313,333</u>	<u>\$ 13,839,010</u>

# MOSS LANDING HARBOR DISTRICT

## STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>Operating Activities</b>		
Receipts from customers and users	\$ 2,886,203	\$ 2,747,882
Payments to suppliers for goods and services	(946,111)	(1,966,972)
Payments to employees for services	(715,843)	(689,277)
Net cash provided by operating activities	<u>1,224,249</u>	<u>91,633</u>
<b>Noncapital Financing Activities</b>		
Property taxes received	<u>255,693</u>	<u>233,341</u>
Net cash provided by noncapital financing activities	<u>255,693</u>	<u>233,341</u>
<b>Capital and Related Financing Activities</b>		
Acquisition of capital assets	(250,640)	(2,460,239)
Receipts from capital grants	51,456	1,434,727
Principal paid on long-term debt	(289,724)	(248,453)
Interest paid on long-term debt	(216,627)	(217,426)
Net cash used in capital and related financing activities	<u>(705,535)</u>	<u>(1,491,391)</u>
<b>Investing Activities</b>		
Purchases of investments	-	(750,000)
Maturities of investments	250,000	750,000
Interest received	13,405	13,528
Net cash provided by investing activities	<u>263,405</u>	<u>13,528</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,037,812	(1,152,889)
<b>Cash and Cash Equivalents</b>		
Beginning of year	<u>2,142,729</u>	<u>3,295,618</u>
End of year	<u>\$ 3,180,541</u>	<u>\$ 2,142,729</u>
<b>Cash Flows from Operating Activities</b>		
Operating income (loss)	\$ 227,796	\$ (744,896)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	949,096	766,841
(Increase) Decrease in accounts receivable	(19,817)	25,638
(Increase) Decrease in prepaid expenses	(125,916)	21,538
Increase (Decrease) in accounts payable	84,708	(3,547)
Increase (Decrease) in accrued wages and vacation	90	4,719
Increase (Decrease) in customer deposits	84,580	45,630
Increase (Decrease) in deferred inflows	23,712	(24,290)
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 1,224,249</u>	<u>\$ 91,633</u>

See accompanying notes

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

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### Note 1 – Summary of Significant Accounting Policies

#### Reporting Entity

The Moss Landing Harbor District (the “District”) was formed in 1947 as a non-taxable government entity under the California Senate Bill 1116 to provide for harbor and port facilities. It was formed for the purpose of creating a legal entity to negotiate with various governmental agencies for the financing and construction of a small craft harbor and subsequent operation of the facility. The District is governed by an elected Board of five Commissioners. The District derives its revenues principally from fees charged to users of the harbor facilities, rent and concessions.

The accompanying financial statements include all the accounts of the District. There are no component units included in the District financial statements nor has the District been determined to be a component unit of any other entity.

#### Basis of Accounting and Measurement Focus

The District accounts for its operations in enterprise funds using the economic resources measurement focus and the accrual basis of accounting. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific government activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District’s principal ongoing operations. The principal operating revenues of the District are generated by the berthing, rental, concessions and other operations of the harbor facilities. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

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### Note 1 – Summary of Significant Accounting Policies (Continued)

#### Financial Statement Amounts

*Cash and cash equivalents* – The District considers all highly liquid assets, which have a term of less than ninety days to maturity as cash equivalents.

*Investments* – Investments consist of certificates of deposit held at local financial institutions. Investments are stated at their original deposit amount. The investments are insured in full under FDIC and Certificates of Deposit Registry Service (CDARS) coverage.

*Accounts Receivable* – Accounts receivable are composed of amounts due from customers for berthing fees. Accounts receivable are recorded net of an allowance for doubtful accounts. The allowance is estimated from historical experience and management's analysis of individual customer balances. The allowance for doubtful accounts was \$10,000 at June 30, 2014.

*Capital Assets* – Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities are included as part of the capitalized value of the assets constructed.

Capital assets in service are depreciated using the straight line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	10 - 40
Buildings and improvements	10 - 40
Furniture, equipment and vehicles	3 - 20

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

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### Note 1 – Summary of Significant Accounting Policies (Continued)

*Compensated Absences* – The District allows employees to accumulate unused vacation leave and sick leave. Upon termination, accumulated vacation that was not taken will be paid to the employee. One-half of the employee's sick leave is paid upon termination.

Accumulated vacation leave that is expected to be paid with expendable available financial resources is recorded as an expense and liability as the benefits accrue.

*Long-Term Obligations* – Long-term debt and other obligations are reported as District liabilities. Loan fees are deferred and amortized over the life of the loan using the effective interest method.

*Deferred Inflows of Resources* – Deferred inflows of resources represents berth fees and lease payments collected before year-end which were not earned as of June 30, 2014. All deferred inflows of resources is expected to be earned within the following year.

*Net Position/Fund Equity* - The financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position - This category presents external restrictions on net position imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - This category represents net position of the District not restricted for any project or other purpose.

*Property Tax Revenue* – Property tax revenue is composed of property taxes received from the County of Monterey. Property tax revenue is recognized when it is available from the County.

### Note 2 – Cash and Investments

California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposits or first trust deed mortgage notes with a value of 150% of the deposit as collateral for all public agency deposits. Under California law this collateral remains with the institution but is held in the District's name and places the District ahead of general creditors of the institution. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

### Note 2 – Cash and Investments (Continued)

Cash and Investments as of June 30, 2014 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and cash equivalents	\$ 3,112,201
Restricted cash and cash equivalents	68,340
Investments	757,389
	<u>\$ 3,937,930</u>

Cash and Investments as of June 30, 2014 consist of the following:

Cash on hand	\$ 500
Deposits with financial institutions	3,180,041
Certificates of Deposit	750,000
Principal Financial Common Stock	7,389
Total Cash and Investments	<u>\$ 3,937,930</u>

### Investments Authorized by the District's Investment Policy

The District's Investment Policy and the California Government Code allows the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District. The following also identifies certain provisions of the District and California Government Code that address interest rate risk, credit risk, and concentration of credit risk. The District's Investment Policy authorizes the following:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Minimum Credit Quality</u>
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State of California Obligations	5 Years	None	None
California Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
Bankers Acceptances	180 Days	40%	None
Commercial Paper	270 Days	25%	A-1
Negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Medium Term Notes	5 Years	30%	A or >
Money Market Mutual Funds	N/A	20%	A
Collateralized Bank Deposits	5 Years	None	None
Time Deposits	2 Years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

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### Note 2 – Cash and Investments (Continued)

#### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution to the District's investments by maturity:

<u>Investment Type</u>	<u>12 Months or less</u>	<u>13 to 24 Months</u>	<u>25 to 84 Months</u>	<u>Total</u>
Certificates of Deposit	\$ 750,000	\$ -	\$ -	\$ 750,000
Common Stock	7,389	-	-	7,389
Total Investments	<u>\$ 757,389</u>	<u>\$ -</u>	<u>\$ -</u>	757,389
Cash in bank and on hand				3,180,541
Total Cash and Investments				<u>\$ 3,937,930</u>

#### Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Negotiable certificates of deposit do not have a minimum credit rating.

#### Concentration of Credit Risk

At June 30, 2014, in accordance with State law and the District's Investment Policy, the District did not have 5% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

#### Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's Investment Policy limits its exposure to custodial credit risk by requiring that all security transactions entered into by the District, including collateral for repurchase agreements, be conducted on a delivery-versus-payment basis. Securities are to be held by a third party custodian.

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

### Note 3 – Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Additions	Retirements	Balance June 30, 2014
Capital assets, not being depreciated				
Land	\$ 1,642,860	\$ -	\$ -	\$ 1,642,860
Construction in progress	73,860	183,514	-	257,374
Total capital assets, not being depreciated	<u>1,716,720</u>	<u>183,514</u>	<u>-</u>	<u>1,900,234</u>
Capital assets, being depreciated				
Buildings and improvements	26,319,084	51,568	-	26,370,652
Equipment and machinery	751,113	15,558	-	766,671
Total capital assets, being depreciated	<u>27,070,197</u>	<u>67,126</u>	<u>-</u>	<u>27,137,323</u>
Less accumulated depreciation for				
Buildings and improvements	(11,728,573)	(925,104)	-	(12,653,677)
Equipment and machinery	(708,249)	(23,992)	-	(732,241)
Total accumulated depreciation	<u>(12,436,822)</u>	<u>(949,096)</u>	<u>-</u>	<u>(13,385,918)</u>
Total capital assets, being depreciated, net	<u>14,633,375</u>	<u>(881,970)</u>	<u>-</u>	<u>13,751,405</u>
Total capital assets, net	<u>\$ 16,350,095</u>	<u>\$ (698,456)</u>	<u>\$ -</u>	<u>\$ 15,651,639</u>

### Note 4 – Long-Term Debt

The District generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt. The District's debt issues and transactions are summarized below and discussed in detail thereafter.

	Balance July 1, 2013	Additions	Retirements	Balance June 30, 2014	Current Portion
Department of Boating and Waterways Loan	\$ 933,360	\$ -	\$ (75,474)	\$ 857,886	\$ 78,869
CIEDB Installment Sale Loan	3,387,047	-	(135,379)	3,251,668	140,429
Union Bank Note Payable	488,880	-	(47,791)	441,089	50,274
Municipal Finance Corporation Lease	341,998	-	(31,080)	310,918	32,618
Total Long-term Debt	<u>\$ 5,151,285</u>	<u>\$ -</u>	<u>\$ (289,724)</u>	<u>\$ 4,861,561</u>	<u>\$ 302,190</u>

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

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### Note 4 – Long-Term Debt (Continued)

#### State of California Department of Boating and Waterways (DBAW) Loans

The District obtained loans from the State of California Department of Boating and Waterways (DBAW) with a maximum commitment of \$2,850,000 for the purpose of funding the North Harbor Expansion project. The loans are secured by assignment of the District's berthing revenues and by its authority to levy taxes. Outstanding balances accrue interest at 4.5% per annum. Principal and interest payments of \$117,475 are due annually. These loans mature between August 2020 and August 2025.

#### California Infrastructure and Economic Development Bank (CIEDB) Loan

The District obtained an installment sale loan from California Infrastructure and Economic Development Bank with a maximum commitment of project funds totaling \$4,500,000, for the purposes of funding K-dock Renovation, North Harbor, and Elkhorn Slough Shoreline Protection Project. Outstanding balances accrue interest at 3.73% per annum. Fluctuating principal and interest payments are due in February and August each year. All amounts outstanding are due by August 2030.

#### Union Bank Note Payable

In November 2006, the District obtained an unsecured term note payable from Union Bank, formerly Santa Barbara Bank & Trust, with a maximum commitment of \$750,000. Principal and interest payments of \$71,515 are due annually. Outstanding balances accrue interest at 5% per annum. This note matures in November 2016.

#### Municipal Finance Corporation Lease

In November 2006, the District entered into a lease agreement totaling \$500,000 from Municipal Finance Corporation, to provide additional funding for the North Harbor Expansion project. The agreement is secured by a site lease covering an undeveloped 5-acre parcel. Principal and interest payments of \$48,008 are due annually. Outstanding balances accrue interest at 4.95% per annum. This agreement matures in December 2021.

#### Debt Service Requirements

The annual requirement to amortize the principal and interest on the above long-term debt at June 30, 2014 were as follows:

Years ending June 30,	Principal	Interest	Total
2015	\$ 302,190	\$ 193,874	\$ 496,064
2016	315,184	180,814	495,998
2017	328,814	167,082	495,896
2018	342,993	152,799	495,792
2019	357,793	137,889	495,682
2020 - 2024	1,531,792	465,508	1,997,300
2025 - 2029	1,187,227	203,677	1,390,904
2030 - 2031	495,568	18,652	514,220
	<u>\$ 4,861,561</u>	<u>\$ 1,520,295</u>	<u>\$ 6,381,856</u>

# MOSS LANDING HARBOR DISTRICT

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2014

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### Note 5 – Grant Revenues

Grant revenues recognized during the year ended June 30, 2014 and 2013, were comprised of grant awards received for the repair of tsunami damage. The District sustained damages as a result of the March 2011 tsunami. In July 2011, the District received an Approval of Request for Public Assistance from the Federal Emergency Management Agency (FEMA) through its state agency the California Emergency Management Agency (CalEMA). In April 2012, the District received a Notification of Obligation and Public Assistance Grant Summary from CalEMA stating that six of the District's seven project applications for damage repairs had been approved. Total estimated project cost is \$2,668,834 of which the District has been granted reimbursement approval for \$2,001,626 or 75%. As of the year ended June 30, 2014, the District had submitted reimbursements for \$1,742,527. As of the date of the report, the District had received reimbursement for the majority of this amount. The District has recorded a receivable for \$286,344 as of June 30, 2014 for reimbursement of grant expenditures to CalEMA.

### Note 6 – Retirement Plans

Moss Landing Harbor District provides benefits to full time employees hired prior to January 1, 2013 through defined contribution plans. The plans cover full-time employees including those working under the collective bargaining agreements.

In July 2000, the District established a 457/401(a) define contribution plan for its non-union employees and continued the SEP-IRA for its union employees. The Plan offers each participating employee the ability to select various investment options. Employees are eligible to participate upon the completion of six months of employment. Participants are vested in the District contributions of 20% per year after the first year of service and are fully vested after five years of service.

The District makes contributions based on 11% of base salaries for union employees and 6% of base salaries for non-union employees. Also, if the non-union employees elect to contribute to the 457 plan, the District contributes up to an additional 6%.

### Note 7 – Risk Management

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District pays an annual premium for its general insurance coverage. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation, and employee health and accident insurance. There have been no significant reductions in insurance coverage in the current year.

### Note 8 – Subsequent Events

Subsequent to the fiscal year ending June 30, 2014, the District refinanced all of its outstanding debt. The new financing involves the Series 2014 Harbor Enterprise Revenue Refunding Loan issued in the amount of \$4,727,861. The refinancing reduces the District's interest rate to 2.85% from existing rates ranging from 3.73% to 5%.

**SUPPLEMENTAL ONLY INFORMATION**

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# MOSS LANDING HARBOR DISTRICT

## STATEMENT OF TRUST REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2014

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### Operating Revenues

Assigned Berthing	\$	1,427,124
Temporary Berthing		177,190
Transient Berthing		64,865
Quarterly/Annual Discount		(4,472)
Commercial Vessel Discount		(14,596)
Away (1 month) Discount		(2,489)
Towing - Intra Harbor		1,800
Pumpouts		950
Total operating revenues		<u>1,650,371</u>

### Operating Expenses

Personnel		715,933
General and administrative		152,666
Repairs and maintenance		251,034
Operating supplies		22,371
Commissioner		13,620
Total operating expenses		<u>1,155,624</u>

Operating income/(loss) 494,747

### Change in Net Position

494,747

### Net Position

Beginning of year		-
End of year	\$	<u>494,747</u>

**MOSS LANDING HARBOR DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014 AND 2013**

Our discussion and analysis of the Moss Landing Harbor District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal years ended June 30, 2014 and 2013. Please read this in conjunction with the District's basic financial statements.

**Financial Highlights**

The District's financial statements are presented in accordance with the requirements of Governmental Accounting Standards Board Statement #34 (GASB 34). The underlying concept is that the financial statements are based on the governmental entity's assets, the liabilities related to those assets and the changes from year-to-year in those assets. The year-to-year changes result from net income, or loss, and contributions from outside sources (such as federal and state funding).

Operating revenues of were \$2,797,728 in 2014, \$2,700,904 in 2013 and \$2,631,868 in 2012. Operating revenues were above budget by \$11,236, or .4%, in 2014. Berthing income and related revenues increased by \$74,078, or 3.88%, in 2014, due primarily to an increase in temporary and transient berthing occupancy. Berthing and related revenues were above budget by \$21,709 or 1.23%. Rent, concessions and other income increased by \$537.

The District's property tax revenues increased by \$22,352. Grant revenues decreased by \$1,102,539, due to a decrease in proceeds from the Federal Emergency Management Agency (FEMA) in which was in response to damage incurred from the tsunami in March 2011.

Operating expenses (before depreciation) were \$1,620,836 in 2014, \$2,678,959 in 2013, and \$1,623,765 in 2012. The current year costs were down from the prior year by \$1,058,123, or 39.50%, and above budget by \$27,532, or 1.73%. The decrease in expenses as compared to the prior year was due to higher dredging costs of \$1,165,117 in the prior year. The District maintains a practice of budgeting annually for dredge expenses, acknowledging that dredge episodes are periodic and may only be incurred every three to five years. The increase in expenses as compared to budget was due to a combination of higher derelict disposal expenses of \$103,078, offset by budgeted dredging costs of \$50,000, while budgeted had not entirely been incurred.

**Using This Annual Report**

This annual report consists of management's discussion and analysis, the basic financial statements and notes to financial statements. Management's discussion and analysis provides a narrative of the District's financial performance and activities for the year ended June 30, 2014. The basic financial statements provide readers with a broad overview of the District's finances, in a manner similar to private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements consist of three statements:

**Statement of financial position** – presents information on all of the District's assets and liabilities, with the difference between the two reported as fund equity. Over time, increases or decreases in fund retained earnings may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**Statement of revenues, expenses and changes in retained earnings** – presents information showing how the District’s retained earnings changed during the fiscal year. All changes in retained earnings are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Certain revenues and expenses are reported in this statement that will result in cash flows in future periods.

**Statement of cash flows** – presents information showing how the District’s cash changed during the year. It shows the sources and uses of cash and cash equivalents.

**Financial Analysis of the District as a Whole**

Fund equity invested in capital assets represent the District’s long-term investment in capital assets, net of accumulated depreciation and related debt, and are not available for current operations.

A summary of fund equity for years ended June 30, are presented below.

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 4,470,227	\$ 2,650,196	\$ 4,494,506
Non-current assets	7,389	757,389	257,389
Capital assets, net of depreciation	<u>15,651,639</u>	<u>16,350,095</u>	<u>14,656,697</u>
 Total assets	 <u>\$ 20,129,255</u>	 <u>\$ 19,757,680</u>	 <u>\$ 19,408,592</u>
 Current liabilities	 \$ 1,256,551	 \$ 1,057,109	 \$ 1,000,226
Long-term debt	<u>4,559,371</u>	<u>4,861,561</u>	<u>5,152,083</u>
 Total liabilities	 <u>\$ 5,815,922</u>	 <u>\$ 5,918,670</u>	 <u>\$ 6,152,309</u>
 Investment in capital assets, net of related debt	 \$ 10,790,078	 \$ 11,198,810	 \$ 7,256,078
Retained earnings	<u>3,523,255</u>	<u>2,640,200</u>	<u>6,000,205</u>
 Total fund equity	 <u>\$ 14,313,333</u>	 <u>\$ 13,839,010</u>	 <u>\$ 13,256,283</u>

**Financial Analysis of the District as a Whole (Continued)**

A summary of changes in retained earnings is presented below:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Changes in retained earnings			
Operating revenues	\$ 2,797,728	\$ 2,700,904	\$ 2,631,868
Operating expenses	(1,620,836)	(2,678,959)	(1,623,765)
Depreciation	<u>(949,096)</u>	<u>(766,841)</u>	<u>(762,708)</u>
Net operating income	227,796	(744,896)	245,395
Non-operating revenues	457,040	1,537,350	548,712
Non-operating expenses - interest	<u>(210,513)</u>	<u>(209,728)</u>	<u>(224,712)</u>
Increase in retained earnings	<u>\$ 474,323</u>	<u>\$ 582,726</u>	<u>\$ 569,395</u>

A statement of major revenues and expenses is presented below,

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues			
Berthing	\$ 2,007,651	\$ 1,932,573	\$ 1,872,671
Rents	546,068	552,424	524,356
District property taxes	255,693	233,341	221,319
Operations, concessions and other	244,009	215,907	148,106
Grant revenues	187,942	1,290,481	294,104
Interest income	<u>13,405</u>	<u>13,528</u>	<u>33,289</u>
Total revenues	<u>\$ 3,254,768</u>	<u>\$ 4,238,254</u>	<u>\$ 3,093,845</u>
Expenses			
Depreciation	\$ 949,096	\$ 766,841	\$ 762,708
Personnel	715,933	693,996	686,038
Utilities	290,924	297,850	304,077
Interest	210,513	209,728	224,712
General and administrative	271,535	303,398	387,181
Repairs and maintenance	279,930	1,366,382	215,667
District	<u>62,514</u>	<u>17,333</u>	<u>16,631</u>
Total expenses	<u>\$ 2,780,445</u>	<u>\$ 3,655,528</u>	<u>\$ 2,597,014</u>

## Future Plans

The District is pleased that it is re-certified as a California Clean Marina, a standard that it intends to maintain for the benefit of its tenants as well as to attract new tenants. The District is continuing with infrastructure improvement projects, ongoing dock refurbishing and installing sea lion deterrent fencing that are resulting in positive feedback. Shoreline erosion repairs slated for future years in 3 locations were escalated because of Tsunami damage in 2011. FEMA is slated to cover 75% of the projected costs of these projects, and the District will contribute the remaining 25%. Last year a lease for construction and operation of a new restaurant at the North Harbor was executed; the Architectural/Engineering firm prepared a rendering and the project was approved by the Monterey County Planning Commission in February 2014. The construction drawings are under review by various County departments in October 2014. Our web page continues to receive compliments. We have welcomed numerous permanent slipholders who had previously been in other harbors but chose Moss Landing because of its reasonable prices and overall improvements. The District entered into a refunding agreement with Umpqua Bank resulting in interest savings of some \$20,000 annually. All of these efforts should maintain revenue and attract tenants.

## BUDGET HIGHLIGHTS

The District's budget projected operating revenues of \$2,786,492. The District finished the budget year with operating revenues of \$2,797,728, which was \$11,236 or .4% more than budgeted.

Actual operating expenditures (before depreciation) totaled \$1,620,836 compared to the budget amount of \$1,593,305, or 1.73% higher than budgeted. The increase in expenses as compared to budget was due to higher than anticipated costs for derelict disposals.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The District's capital assets, net of accumulated depreciation, at June 30, 2014, 2013 and 2012, totaled \$14,008,779, \$14,707,235, and \$13,013,837, respectively, as shown below. This amount represents a net decrease, including additions and disposals, net of depreciation, of \$698,456 or 4.7% from June 30, 2014.

### Capital Assets (Net of Depreciation)

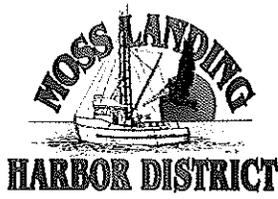
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Buildings and improvements	\$ 16,747,651	\$ 16,726,970	\$ 16,716,548
Floating docks	9,623,001	9,592,114	6,864,618
Construction in progress	257,374	73,860	358,021
Equipment	766,671	751,113	744,631
	<u>27,394,697</u>	<u>27,144,057</u>	<u>24,683,818</u>
Less depreciation	<u>13,385,918</u>	<u>12,436,822</u>	<u>11,669,981</u>
	<u>\$ 14,008,779</u>	<u>\$ 14,707,235</u>	<u>\$ 13,013,837</u>

## **Debt Administration**

All of the District's debt is related to the North Harbor facilities expansion. The District's debt at June 30, 2014, 2013 and 2012, totaled \$4,861,561, \$5,151,285, and \$5,399,738, respectively. This represents a decrease of \$289,724 or 5.6%, from 2013.

## **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's accountability for the District's assets. If you have questions about this report or need additional financial information, contact Linda G. McIntyre, General Manager, Moss Landing Harbor District, 7881 Sandholdt Road, Moss Landing, CA 95039, by calling (831) 633-5417, emailing to [mcintyre@mosslandingharbor.dst.ca.us](mailto:mcintyre@mosslandingharbor.dst.ca.us) or by visiting the District's web page at [www.mosslandingharbor.dst.ca.us](http://www.mosslandingharbor.dst.ca.us).



BOARD OF COMMISSIONERS  
 Russell Jeffries  
 Yohn Gideon  
 Vincent Ferrante  
 Frank Gomes, Jr.  
 Tony Leonardini

7881 SANDHOLDT ROAD  
 MOSS LANDING, CA 95039

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GENERAL MANAGER  
 HARBORMASTER

Linda G. McIntyre, Esq.

## PROJECT STATUS REPORT

ITEM NUMBER 2  
 BOARD MEETING OF OCTOBER 22, 2014

WHEN	WHAT	STATUS			COMMENTS
		DONE	ON TARGET	REVISED	
During NH Restaurant	Install electrical lights around the perimeter of NH parking lot as budget permits.			X	Awaiting relocation of electrical box in conjunction with NH Restaurant project. This will be an ongoing project. We will commence obtaining new permits as appropriate.
After NH Restaurant	Postponed due to budget constraints Repair Cannery Building unimproved parking lot				Awaiting scheduling of next vessel demolition before making these repairs plus budgeting for DG
After NH Restaurant	Postponed due to budget constraints Install hardwood in Assistant GM's, Executive Assistant's and the GM's offices			X	Postponed to next FY due to budgeting constraints.
2015 - 2017?	Improve area around B dock entrance to a park-like setting			X	Follows undergrounding of electric pole next to B Dock by PG&E.
After NH Restaurant	Postponed due to budget constraints Magnetic Key Card system installation		X		B, C & J Docks completed; Next Docks: G & I dock @ \$3K per gate plus \$2200 if a relay is needed.
Sometime in 2014/early 2015	Tsunami Shoreline Erosion Project			X	FEMA granted extension of completion deadline to 12.31.14; impossible to meet deadline; requesting additional extension. Also renewing permits.
After NH Restaurant	Postponed due to budget constraints NH pedestrian wharf and gangway access erosion		X		Purchased steel plate as temporary fix to erosion. Capital project to be included in future FY budget.
Ongoing (started 2014)	Sea Lion deterrent fencing as needed		X		Shortened height and installed 14" posts and top rail which seem to be working without chain link; completed from the end tie to B172. Had purchased material to continue deterrent on concrete docks from B172 to B168 but needed those materials for A 170 through A100 (end tie). Obtained estimate of \$70K to do additional areas heavily occupied to be installed by Labor Ready & Maintenance staff.
After NH Restaurant	Postponed due to budget constraints NH visitor dock replacement		X		Visitor dock at NH destroyed by sea lions – obtained replacement quote with different structural engineering (no pilings). \$450,000 estimate.

BECAUSE OF HIGHER THAN EXPECTED ELECTION COSTS (\$450,000), ALL OF THE ABOVE ARE SUBJECT TO FUNDING AVAILABILITY. NORTH HARBOR RESTAURANT HAS PRIORITY.



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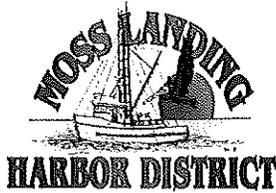
EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER  
Linda G. McIntyre, Esq.

STAFF REPORT

ITEM NUMBER 3 – COMMUNITY RELATIONS REPORT  
BOARD MEETING OF OCTOBER 22, 2014

1. Assistant GM Tommy Razzeca is in contact with Larry Wolf regarding the possibility of bringing the salmon pens back to Moss Landing Harbor. Larry is pleased that the Harbor District is supportive of the project and encouraged that we are installing sea lion deterrent.
2. An abandoned vessel began to sink because of sea lions attempting to take over the vessel; night staff was able to prevent it from sinking; however, Assistant GM Tommy Razzeca contacted the USCG with a request that they “federalize” the vessel which would result in their hiring a contractor to remove the fuel and other hazmat on board. USCG requested that District staff handle the hazmat removal and submit a claim for cost reimbursement which Assistant GM Razzeca is pursuing.
3. Crabbers are gearing up for crab season; they are readying their pots in the dry storage yards. Recreational Dungeness crab season opens November 1; commercial in our area opens November 15 per CDFW.
4. As mentioned in the Projects Report sea lion deterrent fencing is being installed wherever the beasts most commonly congregate; the number of sea lions in the Harbor this year is higher than ever before. Every time we put up fencing in one area they move on down to another area; we anticipated this process. The maintenance staff is working almost exclusively on this project. We designated over \$200K in the budget for sea lion deterrent and we will be spending about \$70,000 on fencing material in the next few weeks; we plan to hire Labor Ready (no estimate yet) to work with maintenance in getting the fencing installed. Wherever the fencing has been installed the sea lions are successfully deterred but unfortunately, there are somewhere around 5 miles of docks and fingers in South Harbor alone so unless they get the message pretty soon and move onto the rocks, we have quite a ways to go. We do not want to spend the money replacing the visitor dock at North Harbor (destroyed by the sea lions) until we have the beasts under better control and funding for the replacement.
5. One chronic violator of our liveaboard ordinance has been served with an Unlawful Detainer lawsuit. Default Judgment will be entered Friday, October 17 if no response to the lawsuit is filed.
6. Assistant GM Tommy Razzeca was elected to the Board of the California Association of Harbor Masters and Port Captains at their annual conference earlier this month. His term starts January 1, 2015. Congratulations Tommy! Lisa Ekers, the Port Director of the Santa Cruz Port District, is next year’s President so the 2015 conference will be held locally.
7. GM received a call from the Mo Co Registrar of Voters who reported that five (5) out of nearly 90,000 voter guides excluded MLHD in English due to printer error. It was included in Spanish; it is included on their web page and on all ballots and is not anticipated to have any effect on the election whatsoever. Worst case scenario would be that 5 registered voters would not receive a voter guide including MLHD in English, but even that is a remote possibility because the Elections Dept. always prints about 20,000 extra ballots that are not distributed to anyone; hopefully the 5 defective ballots are in that undistributed group.

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*



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 Linda G. McIntyre, Esq.

## STAFF REPORT

ITEM NUMBER 4 – SUMMARY OF PERMITS ISSUED  
 BOARD MEETING OF OCTOBER 22, 2014

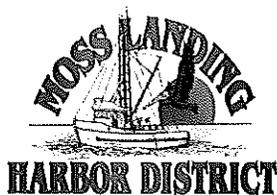
### Use Permits

As of October 15, 2014

Permittee	Issue Date	Renewal Status	Permit Type	Exp. Date
Blue Water Adventures	10/31/2013	Current	Facilities Use	10/31/2014
Mtry Bay Live Crab - Carol Jones	11/12/2013	Current	Peddlers	11/12/2014
Save Our Shores - Dockwalkers	11/15/2014	1 day only	Facilities Use	11/16/2014
Wild Fish - Vicki Crow	11/20/2013	Current	Peddlers	11/20/2014
Rosemary Knight - Stanford Univ	9/3/2014	Current	Facilities Use	12/20/2014
Ray McDonnell - Crab	12/30/2013	Current	Peddlers	12/30/2014
Pacific Yachts	01/1/2014	Current	Facilities Use	01/1/2015
Blue Ocean Whale Watch	02/18/2014	Current	Facilities Use	2/18/2015
Whisper Charters	2/22/2014	Current	Facilities Use	2/22/2015
Kahuna Sportfishing	3/19/2014	Current	Facilities Use	3/19/2015
REI Outdoor School	03/26/2014	Current	Facilities Use	3/26/2015
Venture Quest Kayaking	05/16/2014	Current	Facilities Use	5/16/2015
Kayak Connection	05/18/2014	Current	Facilities Use	5/18/2015
Long Marine Lab - J. Tomoleoni	06/1/2014	Current	Facilities Use	6/1/2015
Sanctuary Cruises	06/6/2014	Current	Facilities Use	6/6/2015
Fast Raft	07/8/2014	Current	Facilities Use	7/8/2015
MLML San Jose State - R. Starr	08/16/2014	Current	Facilities Use	8/16/2015
Elkhorn Slough Safari - Merchandising	10/1/2014	Current	Peddlers	10/1/2015
Elkhorn Slough Safari - Tours	10/1/2014	Current	Facilities Use	10/1/2015
Meridian Charters	10/15/2014	Current	Facilities Use	10/15/2015

\*Permits are typically issued for a period of one year unless otherwise specified.

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## STAFF REPORT

### ITEM NUMBER 5 – MEETING ANNOUNCEMENTS BOARD MEETING OF OCTOBER 22, 2014

November 4 – 6, 2014 Marina Recreation Association Annual Conference and Trade Show, Hyatt Regency Hotel Monterey. Phone 209-334-0661 or visit [mra@marina.org](mailto:mra@marina.org)

November 8, 2014 – The Monterey Bay Salmon and Trout Project annual Albacore Dinner and raffle. Tickets available at the door, the Castroville Recreation Center, 11621 Crane Street, \$18 adults/\$10 12 and under. [mbstp@aol.com](mailto:mbstp@aol.com) or (831) 688-4257.

November 10, 2014 – Moss Landing Marine Labs hosts a farewell ceremony for the R/V POINT SUR. 3-5 pm, MBARI Dock, 7700 Sandholdt Rd.

November 27, 2014 – 22<sup>nd</sup> Annual Castroville Community Thanksgiving Feast, 11 am – 2 pm, Castroville Community Center. Donations Welcomed! (831) 633-4652

2014 Meeting Schedule Monterey Bay National Marine Sanctuary Advisory Council (Fridays)  
October 24, 2014, Cambria  
December 12, 2014, Moss Landing, contact Dawn Hayes at (831) 647-4256

2014 Meeting Schedule Special Districts Association of Monterey County (Tuesdays)  
October 21, 2014

Monterey County Fish and Game Advisory Commission – Meetings are on the 2nd Tuesday of even months. <http://www.co.monterey.ca.us/bcandc/fishgame.htm>.



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## STAFF REPORT

### ITEM NUMBER 6 - ASSIGNED LIVEBOARD REPORT BOARD MEETING OF OCTOBER 22, 2014

Pursuant to Ordinance Code §6.110 D) 1), attached is the report containing the names of all permitted liveboard vessels and all persons living aboard. The permits for these liveboards have automatically renewed through the last day of this month. As of this writing, there is one (1) revocation actions pending.

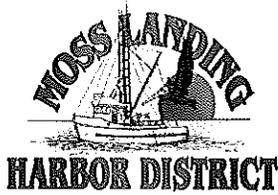
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## LIVEBOARDS

<u>Name</u>	<u>Vessel</u>
1. Avis, S.	<i>Sportfisher</i> , ON 556296
2. Auten, D.	<i>Serenity</i> , CF 8246 VH
3. Bohigian, D.	<i>Finesse</i> , CF 3764 ET
4. Burns, P.	<i>Tralfamadore</i> , CF 9430 GL
5. Byrnes, K.	<i>Grand Slam</i> , CF 4540 FE
6. Chojnowski, G.	<i>Moon Shadow</i> , CF 2325 SZ
7. Clark, N.	<i>China Cloud</i> , ON 999772
8. Cloer, J./Ajuria M.	<i>Laurie</i> , CF 2688 EX
9. Chambers, B.	<i>Pyxis</i> , ON 984193
10. Comendant, T.	<i>Mariah</i> , CF 9747 GR
11. Crow, F.	<i>Tortuga</i> , ON 1190479
12. Degnan, P.	No Name, CF 8344 GT
13. Elwell, G.	<i>Pearl</i> , ON 557575
14. Faneuf, Clifford L.	<i>Sanpiper</i> , CF 6280 EU
15. Felicano, J.	<i>Takara</i> , CF 3767 AS
16. Graham, D.	<i>Shelter Dog</i> , ON 593068
17. Harrington, H.	<i>Isle of View</i> , ON 997142
18. Ho, R.	<i>Carolynn Ann</i> CF 5796 FG
19. Heatley, J.	<i>Darla Jean</i> , CF 2303 UN
20. Groom, D./Schaffer M.	<i>Phoenix</i> , CF 5084 GJ
21. Jerred, D.	<i>Westwind</i> , CF8564 GM
22. Jordan, J.	<i>Valkyria</i> , ON 974018
23. Jones, H.	<i>Laetare</i> , CF 5495 YB
24. Jones, T.	<i>Sanity</i> , CF 5249 SC
25. Johnson, J. /LaFever M.	<i>Aztlan</i> , ON 281903
26. Johnston, D.	<i>Glass Slipper</i> , CF 4358 HN
27. Kampas, B./Kampas T.	<i>Tee-Time</i> CF 5670 UY
28. Knudson L./Knudson A.	<i>Spellbound</i> , ON 082155
29. Kurle L.	<i>Sweet Liberty</i> ON 1052175
30. Latimer, T.	<i>Tai Chi</i> , CF 0642 KD
31. Larke, R.	<i>Rhiannon</i> , CF 8551 CA
32. Larmour J.	<i>The Mar</i> , CF 0113 UP
33. Maris, T.	<i>Nimble</i> , CF 3730 KB
34. Mulski, J. /Wehrenberg M.	<i>Orion</i> , ON 1064943
35. Nieman J.	<i>Inia</i> , ON 1074183
36. Niswonger, R.	<i>Illusion</i> , CF 0836 TA
37. Nunes, D.	<i>Auroora</i> , ON 676686
38. Otis, T.	<i>Blue Moon</i> , CF 1886 GT
39. Raaphorst, D./Raaphorst M.	<i>Spirit</i> , ON 664971
40. Petree, S.	<i>Danu</i> , CF 4085 GC
41. Phillips A/Flavin S. Flavin C .Flavin S.	<i>Odyle</i> , ON 559168
42. Power, E.	<i>La Haina</i> , CF 1275 CV

- |                          |                                    |
|--------------------------|------------------------------------|
| 43. Reins, D.            | <i>Second Paradise</i> , ON 912484 |
| 44. Rodrigues, W.        | <i>Anam Cara</i> , CF 3367 TJ      |
| 45. Rotger, M.           | <i>Raven</i> , ON 241650           |
| 46. Roulet, J.           | <i>Double Eagle</i> , ON 519846    |
| 47. Scagliotti, B.       | <i>Breezing Up</i> , ON 559013     |
| 48. Schuber, T.          | <i>Bulldog</i> , ON 1219673        |
| 49. Stegmann, R.         | <i>Wild Goose</i> , ON 589319      |
| 50. Snyder, R.           | <i>Jeannie B</i> , ON 261236       |
| 51. Thomas, B.           | <i>Coho</i> , CF 9974 KK           |
| 52. Tufts, M.            | <i>Enchantress</i> , CF 0878 SX    |
| 53. Warren, R.           | <i>La Wanda</i> , CF 5014 FR       |
| 54. Whaley, C/ Whaley C. | <i>Karuna</i> , ON 653218          |
| 55. Woytek, B.           | <i>Menez La Vie</i> , ON 6700921   |

Total Number Vessels:	55
Total Number Persons:	67
5 Pending Applications	



BOARD OF COMMISSIONERS  
 Russ Jeffries  
 Yohn Gideon  
 Vincent Ferrante  
 Frank Gomes, Jr.  
 Tony Leonardini

7881 SANDHOLDT ROAD  
 MOSS LANDING, CA 95039

TELEPHONE -- 831.633.5417  
 FACSIMILE -- 831.633.4537



EXECUTIVE  
 GENERAL MANAGER  
 HARBORMASTER  
 Linda G. McIntyre, Esq.

## STAFF REPORT

ITEM NUMBER 7 - SLIP INCOME REPORT  
 BOARD MEETING OF OCTOBER 22, 2014

The Harbor has 600 slips: 504 Regular, 74 side ties, 22 staging (22,150 Linear Feet)

Slip Rates 2014/2015 - Assigned: \$6.95 plf. | Temporary: \$11.10 plf. Transient: 1.00 plf.

	<u>20 ft.</u>	<u>30 ft.</u>	<u>40 ft.</u>	<u>50 ft.</u>	<u>60 ft.</u>	<u>70 ft.</u>	<u>80 ft.</u>	<u>Total</u>	<u>Lin ft.</u>	<u>@\$6.95 plf</u>
Total Slips	12	240	187	106	27	1	1	574	22,150	\$153,943
Unrentable (F-Dock)	12	(rented but relocated throughout the harbor)						12	< 240 >	< \$1632 >
Limited Income	(Staging, work docks - range in size)							22	21,910	\$152,311 Potential Income

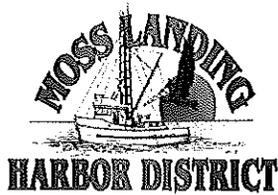
### No Income (based on linear foot. Includes side and end ties)

September	1	0	17*	0	3	0	0	21	880	\$2,420
October	1	0	19*	0	3	0	0	23	960	\$1,237
November	2	0	15*	0	3	0	0	20	820	\$1040
December	3	0	11*	0	3	0	0	17	680	\$12
January	3	0	9*	0	3	0	0	15	600	\$1104
February	4	0	10*	0	1	0	0	15	540	\$1188
March	0	0	14*	0	1	0	0	15	620	\$976
April	3	0	9*	0	1	0	0	13	480	+\$436
May	3	0	7*	0	0	0	0	10	340	+\$928
June	4	0	17*	0	1	0	0	21	800	\$1,100
July	3	0	12*	0	0	0	0	15	540	+\$1,908
August	5	0	14*	0	0	0	0	19	660	\$2,406
September	3	0	13*	0	1	0	0	17	640	+\$1,546

\*There are 31 forty foot slips available for assignment. Eighteen of these forty foot slips are occupied by Temporary 30' slip holders who are on a Waiting List for a 30' Assigned slip. The income from these Temps is \$5,994, which results in a net actual unearned income of zero and a profit of +1,546.

Potential Income: \$152,311  
 Unearned Income: +\$1,546  
 Net Income Received: \$153,857

SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947



**BOARD OF COMMISSIONERS**

Russ Jeffries  
Yohn Gideon  
Vincent Ferrante  
Frank Gomes, Jr.  
Tony Leonardini

7881 SANDHOLDT ROAD  
MOSS LANDING, CA 95039

TELEPHONE – 831.633.5417  
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EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER  
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**STAFF REPORT**

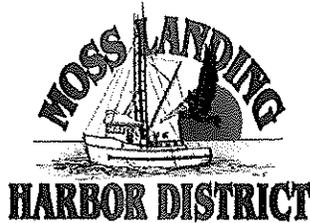
ITEM NUMBER 8 – INCIDENT REPORT  
BOARD MEETING OF OCTOBER 22, 2014

09-29-14 A harbor tenant reported that his vessel had been broken into on B-dock. The owner had not been to their vessel in a few months due to living out of state so were not sure when the break in took place or if any items were missing but the vessel was messy and dirty. He reported it to the MCSO. Unfortunately he had cleaned the vessel before the Sheriff's Office came out. The vessel owner now has someone looking after their vessel while they are away. No further action.

10-13-14 Harbor staff noticed a vessel with the stern sunk on B-dock. Staff called Monterey Bay Dive to refloat the vessel. It appears several sea lions hauled out on the swim platform allowing water to enter through the scuppers and fill the vessel with water. The vessel was not an "at risk" vessel but has been abandoned and is on the list for lien sale or demolition. Vessel was relocated in the harbor away from the sea lions. No further action.

No other incidents through October 15, 2014 (date of this report).

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*



MINUTES  
REGULAR MEETING  
OF THE BOARD OF HARBOR COMMISSIONERS  
MOSS LANDING HARBOR DISTRICT  
7881 Sandholdt Road  
MOSS LANDING, CA 95039  
September 24, 2014, 7:00 p.m.

**A. CLOSED SESSION**

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The Board adjourned to closed session at 6:00 p.m. to discuss the following:

1. Confer with real property negotiators pursuant to Government Code §54956.8 regarding Moss Landing Commercial Park (formerly National Refractories). Negotiating parties: General Manager and District Counsel.
2. Confer with real property negotiators pursuant to Government Code §54956.8 regarding APN 413.022.003 (NH Restaurant Pad). Negotiating parties: General Manager and District Counsel.
3. Confer with legal counsel and General Manager regarding one matter of litigation pursuant to Government Code § 54956.9(a): Cramer vs. MLHD, et al. and one matter of potential litigation pursuant to Government Code §54956.9(e) (2) involving damage to the Santa Cruz Cannery Building.

The Board came back into Open Session at 6:30. District Counsel informed the Board that subsequent to the posting of the agenda, an item of potential litigation, subject to discussion in Closed Session, had arisen. Counsel explained that pursuant to Government Code Section 54954.2, the Board could add the item to the agenda, by a 2/3 vote, upon a finding that the matter had arisen after the agenda was posted and required immediate action. Motion by Commissioner Gideon, Seconded by Commissioner Leonardini to add an item concerning potential litigation (Government Code Section 54956.9), to the Closed Session Agenda. The motion passed unanimously on a roll-call vote. Adjourned back into Closed Session at 6:31. Adjourned Closed Session at 7:20; break.

**B. OPEN SESSION CALL TO ORDER AT 7:30 - PLEDGE OF ALLEGIANCE**

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**Roll Call**

Commissioners present:  
Russ Jeffries – President  
Yohn Gideon – Vice President  
Vince Ferrante – Secretary  
Frank Gomes, Jr. – Commissioner  
Tony Leonardini - Commissioner

Staff present:  
Linda G. McIntyre – General Manager  
Mike Rodriguez – District Counsel  
Marie Della Maggiore – Executive Assistant

**C. PRESIDENT'S REMARKS**

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President Jeffries reported the Board had met in closed session; no reportable action was taken and direction was given to the General Manager and District Counsel. He added that pursuant to Government Code §54954.2, discussion of potential litigation had been added to the closed agenda as an emergency item; no action was taken.

## **D. PUBLIC COMMENTS**

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Karen Turner spoke to the Board regarding AirB&B and her ideas for using her boat as an overnight rental. President Jeffries commented that we do not have that type of permit available at this time but that the General Manager has the issue on her radar for research and review at some time in the future when time allows. President Jeffries also advised her to cease any unauthorized operations and refrain from advertising her vessel for overnight accommodations.

## **E. MANAGER'S REPORTS**

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1. Projects Status/Update – Written report, no further comments.
2. Community Relations; Requests/Issues – Written report. Commissioner Ferrante commended the GM and staff for a job well done maintaining a record of no workers compensation claims.
3. Summary of Permits Issued – Written report, no further comments.
4. Meeting Announcements – Written report, no further comments.
5. Assigned Liveboard Report – Written report, no further comments.
6. Assigned Slip Income Report – Written report, no further comments.
7. Incident Report – Written report, no further comments.

## **F. CONSENT CALENDAR**

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8. Approval of the August 27, 2014 Regular Meeting Minutes. – A correction was made to Item 18 of the minutes (the motion passed 5-0-0 on a roll call vote, not 4-0-0 as written). A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to approve the August 27, 2014 regular meeting minutes as corrected. The motion passed unanimously on a roll call vote.

## **G. TREASURER'S REPORT**

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9. GM McIntyre gave the financial report for the month ending August 31, 2014. Marina revenues are above budget by \$17K mostly due to SH parking revenues. Marina expenses are lower than budget by \$15K mostly due to lower personnel costs and repair expenses. Marina operations show a YTD profit of \$20K better than budgeted. Lease and other income is higher than budget largely due to an increase in Sea Harvest Restaurant percentage rent while lease and other expenses are lower than budget mostly due to interest reduction attributable to the refinancing that occurred on August 1. Combined operations show a YTD profit of \$70K, \$54K better than budget. Commissioner Ferrante asked about write-offs and bad debt; GM explained extensive process in place and that it has been extremely successful; Commissioner Gideon asked about utilities expenses.

A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to accept the month ending August 31, 2014 financial report. The motion passed unanimously on a roll call vote.

## **H. COMMITTEE REPORTS**

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10. Finance Committee – No meetings reported.
11. Elkhorn Slough Advisory Committee – No meetings reported.
12. Special Districts/LAFCO – No meetings reported.
13. Liveboard Committee – No meetings reported.
14. Harbor Improvement Committee – No meetings reported.

15. Real Property Committee I – No meetings reported.
16. Real Property Committee II – No meetings reported.
17. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (AB 1234 requirements). – Commissioner Ferrante reported he attended a CSDA meeting in Sacramento on September 5, 2014.

## **I. NEW BUSINESS**

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18. ITEM – Consider approval of Amended Reimbursement Agreement relating to the People's Desalination Project.
  - a. Staff report – Gm McIntyre gave the staff report.
  - b. Public comment – Attorney David Balch spoke to the Board on behalf of the Peoples Desal Project. He commended the GM for the letter sent to the County in response to issues with the ML Community Plan draft and thanked her for including the importance of a desalination plant. Mr. Balch stated the project proponents have agreed to all the changes and amendments made to the Reimbursement Agreement by the District and District Counsel. There was discussion of the EIR process and the next steps for moving forward. President Jeffries asked about the status of the agreement in place with the City of Pacific Grove and said the Board will take no further action until a termination of the Pacific Grove agreement is provided in writing. There was clarification of the proposed delivery pipeline. Mr. Balch discussed the scoping process and said input from the District will be critical. Commissioner Gomes responded that he does not want the public to think that this Board is determining where and how much water is being distributed and wanted to go on record as such; the Harbor District is merely agreeing to act as Lead Agency for CEQA purposes and nothing further. Not everyone is convinced we should be getting into this at all. President Jeffries wanted stronger language in the agreement regarding future stakeholder participation by the District such as a right of first refusal clause. Commissioner Gomes said that a stakeholder position would be way past any discussion we've had so far. Commissioner Leonardini agreed and said his sole purpose for doing this is that the County needs water and also does not care which project goes forward adding "let the best man win". President Jeffries added that the District would hire an expert to represent the District in analyzing the EIR.
  - c. Board discussion – No further discussion.
  - d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to approve the amended Reimbursement Agreement with the Nader Agha and the Peoples Moss Landing Desal Project for the purposes of acting as lead agency for CEQA compliance. The motion passed unanimously on a roll call vote.

President Jeffries called for a 10-minute break. The Board returned to open session at 8:43 p.m.

19. ITEM – Consider approval of a project by Coastal Conservation & Research (John Oliver) and authorize GM to issue a Permit and execute Notice of Exemption. GM McIntyre reported that the project proponent requested the item be withdrawn from consideration until further notice. No action taken.
20. ITEM – Consider Adopting Resolution No.14-11 authorizing the General Manager to enter into the Abandoned Watercraft Abatement Fund (AWAF) grant contract with DPR, Division of Boating & Waterways in the amount of \$13,700.

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – No further discussion.
- d. Board action – A motion was made by Commissioner Gideon and seconded by Commissioner Gomes to adopt Resolution No. 14-11. The motion passed unanimously on a roll call vote.

21. ITEM – Consider adopting Resolution No. 14-12 authorizing signatories to Umpqua Bank account

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – No further discussion.
- d. Board action – A motion was made by Commissioner Gideon and seconded by Commissioner Gomes to adopt Resolution No. 14-12. The motion passed unanimously on a roll call vote.

22. ITEM – Consider an Amendment to the Architectural Services Agreement with Wald, Ruhne and Dost Architects for additional Services.

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – There was discussion of the need for architectural landscape services. The Board expressed concern that the architect did not include this necessary component in the original scope of services.
- d. Board action – A motion was made by Commissioner Leonardini and seconded by Commissioner Ferrante to authorize the additional services. The motion passed 4-1-0, Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon voting no.

## **J. COMMISSIONERS COMMENTS AND CONCERNS**

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Commissioner Ferrante commented that he has noticed many improvements in the appearance of the Harbor.

## **K. ADJOURNMENT**

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The meeting adjourned at 8:55 p.m.

Respectfully submitted,

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Vince Ferrante, Secretary  
Board of Harbor Commissioners

ATTEST:

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Linda G. McIntyre, Deputy Secretary  
Board of Harbor Commissioners

**Moss Landing Harbor District**  
**Balance Sheet**  
As of September 30, 2014

	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
1018 · Union Bank- Trust Account	180,455	-	180,455
1002 · Petty Cash	500	500	-
1010 · Union - M.M.	1,029,349	789,986	239,363
1009 · Union - Operating	115,744	22,059	93,685
1011 · Union - Payroll	18,378	11,217	7,161
1015 · 1st Capital Bank	1,536,705	1,533,375	3,330
1014 · Pinnacle Bank CDARS CD	-	750,000	(750,000)
1016 · Pinnacle Bank Interest Account	22,571	19,766	2,805
1020 · Umpqua - Restricted	1,005,057	-	1,005,057
1021 · Umpqua - CIEDB Reserved	3,137,188	-	3,137,188
<b>Total Checking/Savings</b>	<u>7,045,948</u>	<u>3,126,903</u>	<u>3,919,045</u>
<b>Accounts Receivable</b>			
<b>11290 · Leases</b>			
1282 · NNN Receivable	27,362	21,496	5,866
1299 · Pottery Planet	-	(2,921)	2,921
<b>Total 11290 · Leases</b>	<u>27,362</u>	<u>18,575</u>	<u>8,787</u>
1200 · Marina Receivables	45,430	52,024	(6,594)
1201 · Marina - Allow for Bad Debt	(12,125)	(16,375)	4,250
<b>Total Accounts Receivable</b>	<u>60,667</u>	<u>54,224</u>	<u>6,443</u>
<b>Other Current Assets</b>			
<b>1271 · Prepaid Expenses</b>			
1270 · Insurance	86,493	4,969	81,524
1280 · Other	743	13,492	(12,749)
<b>Total 1271 · Prepaid Expenses</b>	<u>87,235</u>	<u>18,461</u>	<u>68,774</u>
1210 · Grants Receivable	286,344	98,402	187,942
<b>Total Other Current Assets</b>	<u>373,580</u>	<u>116,863</u>	<u>256,716</u>
<b>Total Current Assets</b>	<u>7,480,195</u>	<u>3,297,990</u>	<u>4,182,205</u>
<b>Fixed Assets</b>			
1650 · Construction in Progress	257,375	73,860	183,514
1670 · Equipment	766,671	751,113	15,557
<b>1700 · Improvements</b>			
1710 · NH Buildings & Improvements	7,868,580	7,868,580	-
1720 · NH Floating Docks	524,675	524,675	-
1725 · NH Offsite Improvements	632,218	632,218	-
1730 · SH Buildings & Improvements	8,246,852	8,226,171	20,681
1740 · SH Floating Docks	9,098,326	9,067,439	30,887
<b>Total 1700 · Improvements</b>	<u>26,370,652</u>	<u>26,319,084</u>	<u>51,568</u>

Moss Landing Harbor District  
**Balance Sheet**  
 As of September 30, 2014

	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
1900 · Land	1,642,860	1,642,860	-
1800 · Less - Depreciation			
1805 · Equipment	(737,340)	(715,510)	(21,830)
1810 · NH Buildings & Improvements	(2,801,303)	(2,588,406)	(212,897)
1820 · NH Floating Docks	(465,056)	(453,193)	(11,863)
1825 · NH Offsite Improvements	(373,333)	(343,400)	(29,933)
1830 · SH Buildings & Improvements	(5,211,242)	(5,001,833)	(209,409)
1840 · SH Floating Docks	(4,033,642)	(3,568,358)	(465,284)
<b>Total 1800 · Less - Depreciation</b>	<u>(13,621,916)</u>	<u>(12,670,700)</u>	<u>(951,216)</u>
<b>Total Fixed Assets</b>	15,415,641	16,116,217	(700,576)
<b>Other Assets</b>			
1531 · Loan Issuance Costs	73,463	-	73,463
1530 · Principal Financial CS	7,389	7,389	-
1320 · Workers Comp Deposit	200	200	-
<b>Total Other Assets</b>	<u>81,052</u>	<u>7,589</u>	<u>73,463</u>
<b>TOTAL ASSETS</b>	<u><u>22,976,888</u></u>	<u><u>19,421,796</u></u>	<u><u>3,555,092</u></u>

**Moss Landing Harbor District**  
**Balance Sheet**  
As of September 30, 2014

	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
2010 · Accounts Payable	(14,619)	(23,898)	9,279
<b>Total Accounts Payable</b>	<u>(14,619)</u>	<u>(23,898)</u>	<u>9,279</u>
<b>Other Current Liabilities</b>			
2082 · MLCP Cost Reimb. Deposit	73,143	-	73,143
2021 · Accrued Vacation	83,226	82,756	470
2023 · Accrued Payroll Taxes	-	231	(231)
2030 · Customer Deposits	275,315	270,340	4,975
2050 · Employee 457 Payable	759	-	759
2080 · Prepaid Berth Fees	182,655	164,722	17,933
2087 · Lease Deposits	40,371	43,417	(3,045)
<b>2086 · Prepaid Leases</b>			
20861 · Duke	34,980	35,172	(192)
20862 · MBARI	14,150	14,015	134
<b>Total 2086 · Prepaid Leases</b>	<u>49,129</u>	<u>49,187</u>	<u>(58)</u>
<b>2051 · Note Interest Payable</b>			
2055 · CIEDB Accrued Interest	9,888	14,311	(4,423)
2060 · DBAW - Accrued Interest	-	7,000	(7,000)
2061 · Muni. Finance Interest Payable	-	14,619	(14,619)
<b>Total 2051 · Note Interest Payable</b>	<u>9,888</u>	<u>35,930</u>	<u>(26,042)</u>
<b>2072 · Current Portion</b>			
2071 · Muni. Finance Lease - CP	-	31,080	(31,080)
2073 · Union Current Portion	-	47,791	(47,791)
2075 · CIEDB Current Portion	140,429	0	140,429
<b>Total 2072 · Current Portion</b>	<u>140,429</u>	<u>78,871</u>	<u>61,558</u>
<b>Total Other Current Liabilities</b>	<u>854,915</u>	<u>725,453</u>	<u>129,462</u>
<b>Total Current Liabilities</b>	<u>840,296</u>	<u>701,555</u>	<u>138,741</u>
<b>Long Term Liabilities</b>			
2605 · Umpqua Loan	4,755,901	-	4,755,901
2076 · Municipal Finance Lease	-	310,917	(310,917)
2603 · Union Bank NP	-	434,513	(434,513)
2600 · CIEDB LOAN	2,970,810	3,251,668	(280,858)
2601 · DBAW	-	857,887	(857,887)
<b>Total Long Term Liabilities</b>	<u>7,726,711</u>	<u>4,854,985</u>	<u>2,871,726</u>
<b>Total Liabilities</b>	<u>8,567,007</u>	<u>5,556,540</u>	<u>3,010,467</u>
<b>Equity</b>			
3050 · Prior Year Earnings	7,857,104	7,382,781	474,323
3020 · Retained Net Assets	6,456,231	6,456,231	-
Net Income	96,546	26,245	70,301
<b>Total Equity</b>	<u>14,409,881</u>	<u>13,865,256</u>	<u>544,624</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>22,976,888</u>	<u>19,421,796</u>	<u>3,555,092</u>

**Moss Landing Harbor District**  
**Statement of Cash Flows**  
July through September 2014

	<u>Jul - Sep 14</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	96,546
Adjustments to reconcile Net Income	
to net cash provided by operations:	
1200 · Marina Receivables	(1,504)
1201 · Marina - Allow for Bad Debt	2,125
11290 · Leases:1282 · NNN Receivable	29,638
1271 · Prepaid Expenses:1270 · Insurance	28,971
1271 · Prepaid Expenses:1280 · Other	(743)
1800 · Less - Depreciation:1805 · Equipment	5,100
1800 · Less - Depreciation:1810 · NH Buildings & Improvements	64,748
1800 · Less - Depreciation:1820 · NH Floating Docks	3,009
1800 · Less - Depreciation:1825 · NH Offsite Improvements	7,346
1800 · Less - Depreciation:1830 · SH Buildings & Improvements	52,195
1800 · Less - Depreciation:1840 · SH Floating Docks	103,600
2010 · Accounts Payable	(84,980)
2020 · Accrued Salaries Payable	(13,708)
2023 · Accrued Payroll Taxes	(5,754)
2030 · Customer Deposits	(12,043)
2051 · Note Interest Payable:2060 · DBAW - Accrued Interest	(35,388)
2051 · Note Interest Payable:2055 · CIEDB Accrued Interest	(40,648)
2050 · Employee 457 Payable	759
2080 · Prepaid Berth Fees	13,929
2086 · Prepaid Leases:20861 · Duke	(14,991)
2086 · Prepaid Leases:20862 · MBARI	(5,939)
2051 · Note Interest Payable:2061 · Muni. Finance Interest Payable	(8,978)
2072 · Current Portion:2071 · Muni. Finance Lease - CP	(32,618)
2072 · Current Portion:2073 · Union Current Portion	(50,274)
Net cash provided by Operating Activities	<u>100,400</u>
<b>INVESTING ACTIVITIES</b>	
1531 · Loan Issuance Costs	(73,463)
Net cash provided by Investing Activities	<u>(73,463)</u>
<b>FINANCING ACTIVITIES</b>	
2072 · Current Portion:2070 · DBAW - Current Principal	(78,869)
2072 · Current Portion:2075 · CIEDB Current Portion	(0)
2076 · Municipal Finance Lease	(278,300)
2603 · Union Bank NP	(390,815)
2600 · CIEDB LOAN	(140,429)
2601 · DBAW	(779,018)
2605 · Umpqua Loan	4,755,901
Net cash provided by Financing Activities	<u>3,088,471</u>
Net cash increase for period	<u>3,115,408</u>
Cash at beginning of period	<u>3,930,541</u>
Cash at end of period	<u>7,045,948</u>

**Moss Landing Harbor District**  
**Profit & Loss Budget vs. Actual**  
 July through September 2014

	Jul - Sep 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>4000 · MARINA REVENUES</b>				
<b>4100 · Berthing Income</b>				
4110 · Assigned Berthing	368,236	370,776	(2,540)	99%
4115 · Temporary Berthing	63,360	39,625	23,735	160%
4130 · Transient Berthing	13,992	15,125	(1,133)	93%
4112 · Qtrly/Annual Discount	(615)	(1,218)	604	50%
4113 · Commercial Vessel Dscnt	(3,872)	(3,750)	(122)	103%
4114 · Away (1 mnth) Dscnt	(1,098)	(600)	(498)	183%
4120 · Liveaboard Fees	25,867	24,999	868	103%
4260 · Towing - Intra Harbor	450	250	200	180%
4270 · Pumpouts	(200)	100	(300)	-200%
4220 · Wait List	2,000	1,500	500	133%
4282 · Recovered Lien Costs	-			
4280 · Late Fees	6,647	7,500	(853)	89%
<b>Total 4100 · Berthing Income</b>	<b>474,767</b>	<b>454,307</b>	<b>20,460</b>	<b>105%</b>
<b>4200 · Other Income - Operations</b>				
4225 · Merchandise	167	100	67	167%
4285 · Dog Fee	355	432	(77)	82%
4230 · SH Parking	32,007	16,506	15,501	194%
4290 · Misc	780	318	462	245%
<b>Total 4200 · Other Income - Operations</b>	<b>33,309</b>	<b>17,356</b>	<b>15,953</b>	<b>192%</b>
4300 · Operating Grant Revenues	30,000			
<b>Total 4000 · MARINA REVENUES</b>	<b>538,076</b>	<b>471,663</b>	<b>66,413</b>	<b>114%</b>
<b>Expense</b>				
<b>5200 · General &amp; Administrative</b>				
5100 · Advertising	338	2,500	(2,163)	14%
5921 · Internet Billing Service	450	597	(147)	75%
5210 · Dues & Subscriptions	2,990	1,596	1,394	187%
<b>5220 · Office Supplies</b>				
5223 · Administration	1,035	1,576	(541)	66%
5225 · Operations	4,065	2,141	1,924	190%
<b>Total 5220 · Office Supplies</b>	<b>5,100</b>	<b>3,717</b>	<b>1,383</b>	<b>137%</b>
<b>5230 · Postage &amp; Equip Lease</b>				
5232 · Meter Lease	120	369	(249)	33%
5235 · Postage	557	609	(52)	92%
<b>Total 5230 · Postage &amp; Equip Lease</b>	<b>677</b>	<b>978</b>	<b>(301)</b>	<b>69%</b>
<b>5240 · Copier Lease &amp; Supplies</b>				
5242 · Copier Lease	784	1,176	(392)	67%
<b>Total 5240 · Copier Lease &amp; Supplies</b>	<b>784</b>	<b>1,176</b>	<b>(392)</b>	<b>67%</b>
5250 · Telephone & Communications				

**Moss Landing Harbor District**  
**Profit & Loss Budget vs. Actual**  
 July through September 2014

	Jul - Sep 14	Budget	\$ Over Budget	% of Budget
5253 · Administration	2,289	2,814	(525)	81%
5255 · Operations	303	555	(252)	55%
<b>Total 5250 · Telephone &amp; Communications</b>	<b>2,592</b>	<b>3,369</b>	<b>(777)</b>	<b>77%</b>
<b>5260 · Professional Services</b>				
5269 · Payroll Processing	715	750	(35)	95%
5262 · Accounting	9,518	10,500	(983)	91%
5265 · Legal	9,025	14,000	(4,976)	64%
5268 · Computer Consulting	-	735	(735)	0%
<b>Total 5260 · Professional Services</b>	<b>19,257</b>	<b>25,985</b>	<b>(6,728)</b>	<b>74%</b>
5270 · Licenses & Permits	-	6	(6)	0%
5290 · Credit Card Fees	2,525	729	1,796	346%
<b>Total 5200 · General &amp; Administrative</b>	<b>34,714</b>	<b>40,653</b>	<b>(5,939)</b>	<b>85%</b>
<b>5300 · Personnel</b>				
<b>5310 · Salaries</b>				
5313 · Administration	52,568	55,815	(3,247)	94%
5315 · Operations	35,324	38,745	(3,421)	91%
5318 · Maintenance	22,087	24,084	(1,997)	92%
<b>Total 5310 · Salaries</b>	<b>109,979</b>	<b>118,644</b>	<b>(8,665)</b>	<b>93%</b>
<b>5330 · Payroll Taxes</b>				
5333 · Administration	4,326	4,269	57	101%
5335 · Operations	2,879	2,829	50	102%
5338 · Maintenance	1,666	1,842	(176)	90%
<b>Total 5330 · Payroll Taxes</b>	<b>8,871</b>	<b>8,940</b>	<b>(69)</b>	<b>99%</b>
<b>5340 · Employee Benefits</b>				
5343 · Administration	16,114	17,901	(1,787)	90%
5345 · Operations	9,191	8,757	434	105%
5348 · Maintenance	11,672	14,115	(2,443)	83%
<b>Total 5340 · Employee Benefits</b>	<b>36,977</b>	<b>40,773</b>	<b>(3,796)</b>	<b>91%</b>
<b>5350 · Workers Compensation</b>				
5353 · Administration	900	645	255	140%
5355 · Operations	1,761	1,002	759	176%
5358 · Maintenance	2,001	3,336	(1,335)	60%
<b>Total 5350 · Workers Compensation</b>	<b>4,662</b>	<b>4,983</b>	<b>(321)</b>	<b>94%</b>
<b>Total 5300 · Personnel</b>	<b>160,489</b>	<b>173,340</b>	<b>(12,851)</b>	<b>93%</b>
<b>5400 · Insurance</b>				
5410 · Liability Insurance	28,970	28,770	200	101%
<b>Total 5400 · Insurance</b>	<b>28,970</b>	<b>28,770</b>	<b>200</b>	<b>101%</b>
<b>5500 · Utilities</b>				
5540 · Sewer	6,157	10,753	(4,596)	57%
5510 · Garbage	13,135	12,506	629	105%
5520 · Gas and Electric	60,000	43,753	16,247	137%

**Moss Landing Harbor District**  
**Profit & Loss Budget vs. Actual**  
 July through September 2014

	<u>Jul - Sep 14</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5530 · Water	6,908	7,753	(845)	89%
<b>Total 5500 · Utilities</b>	<b>86,200</b>	<b>74,765</b>	<b>11,435</b>	<b>115%</b>
5600 · Operating Supplies				
5610 · Vehicles	2,172	1,256	916	173%
5625 · Operations	3,794	4,500	(706)	84%
<b>Total 5600 · Operating Supplies</b>	<b>5,966</b>	<b>5,756</b>	<b>210</b>	<b>104%</b>
5700 · Depreciation	117,999	118,003	(4)	100%
5800 · Repairs & Maintenance				
5810 · Vehicles	134	223	(89)	60%
5830 · Equip Rental	816	7,986	(7,170)	10%
5850 · Repair Materials	14,502	16,792	(2,290)	86%
5860 · Outside Service Contracts	17,375	12,506	4,869	139%
5870 · Derelict Disposal	32	5,000	(4,968)	1%
<b>Total 5800 · Repairs &amp; Maintenance</b>	<b>32,859</b>	<b>42,507</b>	<b>(9,648)</b>	<b>77%</b>
5900 · Financial Expenses				
5920 · Bank Service Charges	1,636	231	1,405	708%
5990 · Bad Debt	2,125	7,832	(5,707)	27%
<b>Total 5900 · Financial Expenses</b>	<b>3,761</b>	<b>8,063</b>	<b>(4,302)</b>	<b>47%</b>
<b>Total · MARINA EXPENSES</b>	<b>470,957</b>	<b>491,857</b>	<b>(20,900)</b>	<b>96%</b>
<b>Net Ordinary Income - Marina Operations</b>	<b>67,119</b>	<b>(20,194)</b>	<b>87,313</b>	<b>-332%</b>
4400 · LEASE AND OTHER INCOME				
4500 · Leases				
4501 · K-Pier Lease	3,950	3,951	(1)	100%
4502 · Cannery Building				
4512 · Suites 5 and 7	5,861	5,862	(1)	100%
4520 · Suite 9	1,932	1,932	0	100%
4504 · Suite 3	19,809	19,809	(0)	100%
4511 · Suite 1 & 10	4,030	4,029	1	100%
4515 · Suite 4	19,157	19,158	(1)	100%
4517 · Suite 2	7,163	7,164	(1)	100%
4523 · Canary NNN	470	3,000	(2,530)	16%
<b>Total 4502 · Cannery Building</b>	<b>58,423</b>	<b>60,954</b>	<b>(2,531)</b>	<b>96%</b>
4530 · RV Lot	7,344	7,344	0	100%
4535 · MBARI	5,939	6,018	(79)	99%
4541 · SH Spare Office	1,240	1,239	1	100%
4545 · Dynegy Outfall	14,991	15,321	(330)	98%
4560 · North Harbor				
4562 · Sea Harvest	14,823	8,662	6,161	171%
4568 · Monterey Bay Kayaks	4,391	6,639	(2,248)	66%
4572 · Pottery Planet	9,636	9,844	(208)	98%
<b>Total 4560 · North Harbor</b>	<b>28,850</b>	<b>25,145</b>	<b>3,705</b>	<b>115%</b>
<b>Total 4500 · Leases</b>	<b>120,737</b>	<b>119,972</b>	<b>765</b>	<b>101%</b>

**Moss Landing Harbor District**  
**Profit & Loss Budget vs. Actual**  
July through September 2014

	Jul - Sep 14	Budget	\$ Over Budget	% of Budget
<b>4700 · Other Revenues &amp; Concessions</b>				
4125 · Amenity Fee	65,423	64,125	1,298	102%
4710 · Vending Activities				
4711 · Washer/Dryer	3,065	1,800	1,265	170%
<b>Total 4710 · Vending Activities</b>	<b>3,065</b>	<b>1,800</b>	<b>1,265</b>	<b>170%</b>
4720 · Dry Storage	11,328	9,750	1,578	116%
4725 · North Harbor Use Fee	21,722	22,500	(778)	97%
4726 · Annual Launch Fee (Sm. Water)	-	3,000	(3,000)	0%
4730 · NH Washdown	558	628	(70)	89%
4735 · Camp/RV	3,638	1,550	2,088	235%
4740 · Equipment Rental	-			
4751 · Permits	1,700			
4755 · Floating Docks	-			
4765 · Faxes, Copies & Postage	15	9	6	161%
<b>Total 4700 · Other Revenues &amp; Concessions</b>	<b>107,449</b>	<b>103,362</b>	<b>4,087</b>	<b>104%</b>
<b>4800 · Interest</b>				
4846 · Umpqua Interest	596			
4843 · First Capital Bank	1,035	778	257	133%
4841 · Union Bank Interest	448	338	110	133%
4825 · Pinnacle Bank CDs	-	936	(936)	0%
<b>Total 4800 · Interest</b>	<b>2,079</b>	<b>2,052</b>	<b>27</b>	<b>101%</b>
<b>Total 4400 · LEASE AND OTHER INCOME</b>	<b>230,265</b>	<b>225,386</b>	<b>4,879</b>	<b>102%</b>
<b>7000 · LEASE AND OTHER EXPENSES</b>				
<b>7100 · Interest Expense</b>				
7132 · Municipal Finance	674	3,843	(3,169)	18%
7135 · Union Bank Interest	2,910	5,316	(2,406)	55%
7110 · DBAW Loans	6,365	9,653	(3,288)	66%
7130 · CIEDB	29,751	32,229	(2,478)	92%
<b>Total 7100 · Interest Expense</b>	<b>39,699</b>	<b>51,041</b>	<b>(11,342)</b>	<b>78%</b>
<b>7200 · Other Financial Expenses</b>				
7230 · LAFO Administrative Charges	5,303	4,781	522	111%
<b>Total 7200 · Other Financial Expenses</b>	<b>5,303</b>	<b>4,781</b>	<b>522</b>	<b>111%</b>
<b>5700 · Depreciation</b>	<b>117,999</b>	<b>118,003</b>	<b>(4)</b>	<b>100%</b>
<b>7300 · Commissioner Expenses</b>				
7320 · Monthly Stipend	1,700	4,247	(2,547)	40%
7330 · Incurred Expenses	505	750	(245)	67%
<b>Total 7300 · Commissioner Expenses</b>	<b>2,205</b>	<b>4,997</b>	<b>(2,792)</b>	<b>44%</b>
<b>Total 7000 · LEASE AND OTHER EXPENSES</b>	<b>165,206</b>	<b>178,822</b>	<b>(13,616)</b>	<b>92%</b>

**Moss Landing Harbor District**  
**Profit & Loss Budget vs. Actual**  
 July through September 2014

	<u>Jul - Sep 14</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Net Ordinary Income - Lease &amp; Other Operations</b>	65,059	46,564	18,495	140%
<b>Net Ordinary Income - Combined Operations</b>	132,178	26,370	105,808	501%
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
<b>9000 · CAPITAL PROJECT EXPENSES</b>				
9054 · Sea Lion Deterrent Fencing	-	50,000	(50,000)	0%
9052 · NH Wharf Entrance Repair	-	25,000	(25,000)	0%
5880 · Dredging	4,025			
9302 · Tsunami shoreline repairs	966			
9800 · Dock Replacement	4,500			
9309 · New NH Restaurant	20,145			
9565 · Miscellaneous Capital Projects	5,995			
<b>Total 9000 · CAPITAL PROJECT EXPENSES</b>	<u>35,631</u>	<u>75,000</u>	<u>(39,369)</u>	<u>48%</u>
<b>Total Other Expense</b>	<u>35,631</u>	<u>75,000</u>	<u>(39,369)</u>	<u>48%</u>
<b>Net Other Income</b>	<u>(35,631)</u>	<u>(75,000)</u>	<u>39,369</u>	<u>48%</u>
	<u><b>96,546</b></u>	<u><b>(48,630)</b></u>	<u><b>145,176</b></u>	<u><b>-199%</b></u>

**Moss Landing Harbor District**  
**Profit & Loss Prev Year Comparison**  
 July through September 2014

Ordinary Income/Expense	Jul - Sep 14	Jul - Sep 13	\$ Change	% Change
<b>Income</b>				
<b>4000 · MARINA REVENUES</b>				
<b>4100 · Berthing Income</b>				
4110 · Assigned Berthing	368,236	357,509	10,726	3%
4115 · Temporary Berthing	63,360	31,910	31,451	99%
4130 · Transient Berthing	13,992	14,579	(587)	-4%
4112 · Qtrly/Annual Discount	(615)	(1,145)	530	-46%
4113 · Commercial Vessel Dscnt	(3,872)	(3,515)	(358)	10%
4114 · Away (1 mnth) Dscnt	(1,098)	(730)	(368)	50%
4120 · Liveaboard Fees	25,867	23,040	2,827	12%
4260 · Towing - Intra Harbor	450	450	-	0%
4270 · Pumpouts	(200)	200	(400)	-200%
4220 · Wait List	2,000	2,125	(125)	-6%
4282 · Recovered Lien Costs	-	140	(140)	-100%
4280 · Late Fees	6,647	6,232	415	7%
<b>Total 4100 · Berthing Income</b>	<b>474,767</b>	<b>430,796</b>	<b>43,972</b>	<b>10%</b>
<b>4200 · Other Income - Operations</b>				
4225 · Merchandise	167	112	55	49%
4285 · Dog Fee	355	280	75	27%
4230 · SH Parking	32,007	14,633	17,374	119%
4290 · Misc	780	2,652	(1,872)	-71%
<b>Total 4200 · Other Income - Operations</b>	<b>33,309</b>	<b>17,677</b>	<b>15,632</b>	<b>88%</b>
<b>4300 · Operating Grant Revenues</b>	<b>30,000</b>	<b>-</b>	<b>30,000</b>	<b>100%</b>
<b>Total 4000 · MARINA REVENUES</b>	<b>538,076</b>	<b>448,473</b>	<b>89,604</b>	<b>20%</b>

**Moss Landing Harbor District**  
**Profit & Loss Prev Year Comparison**  
July through September 2014

	Jul - Sep 14	Jul - Sep 13	\$ Change	% Change
<b>Expense</b>				
<b>5200 · General &amp; Administrative</b>				
5100 · Advertising	338	2,658	(2,321)	-87%
5921 · Internet Billing Service	450	485	(35)	-7%
5210 · Dues & Subscriptions	2,990	1,425	1,565	110%
<b>5220 · Office Supplies</b>				
5223 · Administration	1,035	2,734	(1,699)	-62%
5225 · Operations	4,065	4,569	(504)	-11%
<b>Total 5220 · Office Supplies</b>	<b>5,100</b>	<b>7,303</b>	<b>(2,202)</b>	<b>-30%</b>
<b>5230 · Postage &amp; Equip Lease</b>				
5232 · Meter Lease	120	330	(210)	-64%
5235 · Postage	557	1,000	(443)	-44%
<b>Total 5230 · Postage &amp; Equip Lease</b>	<b>677</b>	<b>1,330</b>	<b>(652)</b>	<b>-49%</b>
<b>5240 · Copier Lease &amp; Supplies</b>				
5242 · Copier Lease	784	782	3	0%
<b>Total 5240 · Copier Lease &amp; Supplies</b>	<b>784</b>	<b>782</b>	<b>3</b>	<b>0%</b>
<b>5250 · Telephone &amp; Communications</b>				
5253 · Administration	2,289	2,262	27	1%
5255 · Operations	303	402	(99)	-25%
<b>Total 5250 · Telephone &amp; Communications</b>	<b>2,592</b>	<b>2,663</b>	<b>(72)</b>	<b>-3%</b>
<b>5260 · Professional Services</b>				
5269 · Payroll Processing	715	644	71	11%
5262 · Accounting	9,518	11,576	(2,059)	-18%
5265 · Legal	9,025	5,687	3,338	59%
5268 · Computer Consulting	-	255	(255)	-100%
<b>Total 5260 · Professional Services</b>	<b>19,257</b>	<b>18,162</b>	<b>1,095</b>	<b>6%</b>
5290 · Credit Card Fees	2,525	1,886	639	34%
<b>Total 5200 · General &amp; Administrative</b>	<b>34,714</b>	<b>36,694</b>	<b>(1,980)</b>	<b>-5%</b>
<b>5300 · Personnel</b>				
<b>5310 · Salaries</b>				
5313 · Administration	52,568	55,168	(2,600)	-5%
5315 · Operations	35,324	37,275	(1,950)	-5%
5318 · Maintenance	22,087	23,436	(1,350)	-6%
<b>Total 5310 · Salaries</b>	<b>109,979</b>	<b>115,879</b>	<b>(5,900)</b>	<b>-5%</b>
<b>5330 · Payroll Taxes</b>				
5333 · Administration	4,326	4,476	(150)	-3%
5335 · Operations	2,879	6,648	(3,768)	-57%
5338 · Maintenance	1,666	1,776	(110)	-6%
<b>Total 5330 · Payroll Taxes</b>	<b>8,871</b>	<b>12,900</b>	<b>(4,029)</b>	<b>-31%</b>
<b>5340 · Employee Benefits</b>				

**Moss Landing Harbor District**  
**Profit & Loss Prev Year Comparison**  
July through September 2014

	Jul - Sep 14	Jul - Sep 13	\$ Change	% Change
5342 · Vehicle Allowance	-	1,200	(1,200)	-100%
5343 · Administration	16,114	17,333	(1,219)	-7%
5345 · Operations	9,191	7,984	1,207	15%
5348 · Maintenance	11,672	11,972	(300)	-3%
<b>Total 5340 · Employee Benefits</b>	<b>36,977</b>	<b>38,489</b>	<b>(1,512)</b>	<b>-4%</b>
<b>5350 · Workers Compensation</b>				
5353 · Administration	900	900	-	0%
5355 · Operations	1,761	2,067	(306)	-15%
5358 · Maintenance	2,001	2,034	(33)	-2%
<b>Total 5350 · Workers Compensation</b>	<b>4,662</b>	<b>5,001</b>	<b>(339)</b>	<b>-7%</b>
<b>5360 · Education &amp; Training</b>				
5363 · Administration	-	417	(417)	-100%
5365 · Operations	-	325	(325)	-100%
<b>Total 5360 · Education &amp; Training</b>	<b>-</b>	<b>742</b>	<b>(742)</b>	<b>-100%</b>
<b>5370 · Uniforms</b>				
5375 · Operations	-	740	(740)	-100%
5378 · Maintenance	-	740	(740)	-100%
<b>Total 5370 · Uniforms</b>	<b>-</b>	<b>1,481</b>	<b>(1,481)</b>	<b>-100%</b>
<b>Total 5300 · Personnel</b>	<b>160,489</b>	<b>174,491</b>	<b>(14,002)</b>	<b>-8%</b>
<b>5400 · Insurance</b>				
5410 · Liability Insurance	28,970	28,495	475	2%
<b>Total 5400 · Insurance</b>	<b>28,970</b>	<b>28,495</b>	<b>475</b>	<b>2%</b>
<b>5500 · Utilities</b>				
5540 · Sewer	6,157	6,314	(157)	-2%
5510 · Garbage	13,135	13,187	(53)	0%
5520 · Gas and Electric	60,000	26,000	34,000	131%
5530 · Water	6,908	7,203	(295)	-4%
<b>Total 5500 · Utilities</b>	<b>86,200</b>	<b>52,705</b>	<b>33,495</b>	<b>64%</b>
<b>5600 · Operating Supplies</b>				
5610 · Vehicles	2,172	1,487	685	46%
5625 · Operations	3,794	3,054	740	24%
<b>Total 5600 · Operating Supplies</b>	<b>5,966</b>	<b>4,541</b>	<b>1,425</b>	<b>31%</b>
<b>5700 · Depreciation</b>	<b>117,999</b>	<b>116,939</b>	<b>1,060</b>	<b>1%</b>
<b>5800 · Repairs &amp; Maintenance</b>				
5810 · Vehicles	134	-	134	100%
5830 · Equip Rental	816	809	7	1%
5850 · Repair Materials	14,502	16,841	(2,339)	-14%
5860 · Outside Service Contracts	17,375	7,143	10,232	143%

Moss Landing Harbor District  
**Profit & Loss Prev Year Comparison**  
July through September 2014

	<u>Jul - Sep 14</u>	<u>Jul - Sep 13</u>	<u>\$ Change</u>	<u>% Change</u>
5870 · Derelict Disposal	32	32	-	0%
<b>Total 5800 · Repairs &amp; Maintenance</b>	<b>32,859</b>	<b>24,825</b>	<b>8,034</b>	<b>32%</b>
5900 · Financial Expenses				
5920 · Bank Service Charges	1,636	99	1,537	1553%
5990 · Bad Debt	2,125	6,375	(4,250)	-67%
<b>Total 5900 · Financial Expenses</b>	<b>3,761</b>	<b>6,474</b>	<b>(2,713)</b>	<b>-42%</b>
<b>Total · MARINA EXPENSES</b>	<b>470,957</b>	<b>445,164</b>	<b>25,793</b>	<b>6%</b>
<b>Net Ordinary Income - Marina Operations</b>	<b>67,119</b>	<b>3,309</b>	<b>63,810</b>	<b>1928%</b>

**Moss Landing Harbor District**  
**Profit & Loss Prev Year Comparison**  
July through September 2014

	Jul - Sep 14	Jul - Sep 13	\$ Change	% Change
<b>4400 · LEASE AND OTHER INCOME</b>				
<b>4500 · Leases</b>				
4501 · K-Pier Lease	3,950	3,864	87	2%
<b>4502 · Cannery Building</b>				
4512 · Suites 5 and 7	5,861	14,776	(8,915)	-60%
4520 · Suite 9	1,932	1,890	42	2%
4504 · Suite 3	19,809	19,375	434	2%
4511 · Suite 1 & 10	4,030	3,942	88	2%
4515 · Suite 4	19,157	18,737	420	2%
4517 · Suite 2	7,163	7,006	157	2%
4523 · Canary NNN	470	558	(88)	-16%
<b>Total 4502 · Cannery Building</b>	<b>58,423</b>	<b>66,285</b>	<b>(7,862)</b>	<b>-12%</b>
4530 · RV Lot	7,344	7,183	161	2%
4535 · MBARI	5,939	5,895	44	1%
4541 · SH Spare Office	1,240	1,214	26	2%
4545 · Dynegy Outfall	14,991	14,663	328	2%
<b>4560 · North Harbor</b>				
4562 · Sea Harvest	14,823	10,967	3,856	35%
4568 · Monterey Bay Kayaks	4,391	3,639	751	21%
4572 · Pottery Planet	9,636	8,764	872	10%
<b>Total 4560 · North Harbor</b>	<b>28,850</b>	<b>23,370</b>	<b>5,479</b>	<b>23%</b>
<b>Total 4500 · Leases</b>	<b>120,737</b>	<b>122,474</b>	<b>(1,737)</b>	<b>-1%</b>
<b>4700 · Other Revenues &amp; Concessions</b>				
4125 · Amenity Fee	65,423	63,297	2,126	3%
<b>4710 · Vending Activities</b>				
4711 · Washer/Dryer	3,065	1,906	1,159	61%
<b>Total 4710 · Vending Activities</b>	<b>3,065</b>	<b>1,906</b>	<b>1,159</b>	<b>61%</b>
4720 · Dry Storage	11,328	11,465	(137)	-1%
4725 · North Harbor Use Fee	21,722	12,779	8,944	70%
4730 · NH Washdown	558	647	(89)	-14%
4735 · Camp/RV	3,638	1,762	1,876	106%
4740 · Equipment Rental	-	-	-	0%
4751 · Permits	1,700	450	1,250	278%
4755 · Floating Docks	-	-	-	0%
4765 · Faxes, Copies & Postage	15	17	(2)	-13%
<b>Total 4700 · Other Revenues &amp; Concessions</b>	<b>107,449</b>	<b>92,322</b>	<b>15,126</b>	<b>16%</b>
<b>4800 · Interest</b>				
4846 · Umpqua Interest	596	-	596	100%
4843 · First Capital Bank	1,035	790	246	31%
4841 · Union Bank Interest	448	5,070	(4,622)	-91%
4825 · Pinnacle Bank CDs	-	945	(945)	-100%
<b>Total 4800 · Interest</b>	<b>2,079</b>	<b>6,805</b>	<b>(4,726)</b>	<b>-69%</b>

**Moss Landing Harbor District**  
**Profit & Loss Prev Year Comparison**  
July through September 2014

	Jul - Sep 14	Jul - Sep 13	\$ Change	% Change
<b>Total 4400 · LEASE AND OTHER INCOME</b>	230,265	221,601	8,664	4%
<b>7000 · LEASE AND OTHER EXPENSES</b>				
<b>7100 · Interest Expense</b>				
7132 · Municipal Finance	674	4,744	(4,070)	-86%
7135 · Union Bank Interest	2,910	5,343	(2,434)	-46%
7110 · DBAW Loans	6,365	10,500	(4,135)	-39%
7130 · CIEDB	29,751	35,000	(5,249)	-15%
<b>Total 7100 · Interest Expense</b>	39,699	55,587	(15,888)	-29%
<b>7200 · Other Financial Expenses</b>				
7230 · LAFO Administrative Charges	5,303	4,677	626	13%
<b>Total 7200 · Other Financial Expenses</b>	5,303	4,677	626	13%
<b>5700 · Depreciation</b>	117,999	116,939	1,060	1%
<b>7300 · Commissioner Expenses</b>				
7320 · Monthly Stipend	1,700	2,300	(600)	-26%
7330 · Incurred Expenses	505	450	55	12%
<b>Total 7300 · Commissioner Expenses</b>	2,205	2,750	(545)	-20%
<b>Total 7000 · LEASE AND OTHER EXPENSES</b>	165,206	179,953	(14,747)	-8%
<b>Net Ordinary Income - Lease &amp; Other Operations</b>	65,059	41,648	23,411	56%
<b>Net Ordinary Income - Combined Operations</b>	132,178	44,956	87,221	194%
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
<b>9000 · CAPITAL PROJECT EXPENSES</b>				
5880 · Dredging	4,025	-	4,025	100%
9225 · Keyless Entry	-	3,299	(3,299)	-100%
9302 · Tsunami shoreline repairs	966	-	966	100%
9800 · Dock Replacement	4,500	-	4,500	100%
9750 · Office Computers	-	7,889	(7,889)	-100%
9309 · New NH Restaurant	20,145	3,784	16,361	432%
9250 · Security Camera	-	3,739	(3,739)	-100%
9565 · Miscellaneous Capital Projects	5,995	-	5,995	100%
<b>Total 9000 · CAPITAL PROJECT EXPENSES</b>	35,631	18,712	16,920	90%
<b>Total Other Expense</b>	35,631	18,712	16,920	90%
<b>Net Other Income</b>	(35,631)	(18,712)	(16,920)	90%
<b>Net Income</b>	96,546	26,245	70,301	268%

**Moss Landing Harbor District**  
**A/P Aging Summary**  
As of September 30, 2014

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
Airgas	68.55	0.00	0.00	0.00	0.00	68.55
AT&T	62.02	0.00	0.00	0.00	0.00	62.02
Big Bear Bottled Water	0.00	70.80	0.00	0.00	0.00	70.80
Byte Technology	37.50	0.00	0.00	0.00	0.00	37.50
CalPERS	0.00	-6,536.30	0.00	0.00	0.00	-6,536.30
Carmel Marina Corporation	1,993.24	0.00	0.00	0.00	0.00	1,993.24
Cintas	499.49	0.00	0.00	0.00	0.00	499.49
Hare Construction	0.00	0.00	0.00	1,000.00	0.00	1,000.00
Helen Valaveris	476.25	0.00	0.00	0.00	0.00	476.25
Linda G. McIntyre	0.00	-400.00	0.00	0.00	0.00	-400.00
Mid Valley Supply	182.75	0.00	0.00	0.00	0.00	182.75
Monterey County Tax Collector	-538.78	0.00	0.00	0.00	0.00	-538.78
Office Depot	143.79	0.00	0.00	0.00	0.00	143.79
Pajaro/Sunny Mesa C.S.D.	2,088.66	0.00	0.00	0.00	0.00	2,088.66
Permaddock, Inc.	3,600.00	0.00	0.00	0.00	0.00	3,600.00
PG&E	0.00	-20,000.00	0.00	0.00	0.00	-20,000.00
Principal Financial	0.00	-604.50	0.00	0.00	0.00	-604.50
Rabobank	741.46	0.00	0.00	0.00	0.00	741.46
SDRMA	0.00	-2,051.67	0.00	0.00	0.00	-2,051.67
Social Vocational Services, Inc.	0.00	-845.00	0.00	0.00	0.00	-845.00
United Site Services of Calif., Inc.	210.74	0.00	0.00	0.00	0.00	210.74
VALIC	5,167.14	0.00	0.00	0.00	0.00	5,167.14
Verizon Wireless	179.71	0.00	0.00	0.00	0.00	179.71
Vision Sevice Plan	0.00	-164.99	0.00	0.00	0.00	-164.99
<b>TOTAL</b>	<b><u>14,912.52</u></b>	<b><u>-30,531.66</u></b>	<b><u>0.00</u></b>	<b><u>1,000.00</u></b>	<b><u>0.00</u></b>	<b><u>-14,619.14</u></b>

**Moss Landing Harbor District**  
**Warrant Listing**  
**As of September 30, 2014**

Type	Date	Num	Name	Amount
<b>1009 · Union - Operating</b>				
Check	09/03/2014	1107	Peninsula Fence	-5,970.00
Bill Pmt -Check	09/10/2014	15215	Amber Knudson	-500.00
Bill Pmt -Check	09/10/2014	15216	AT&T	-66.29
Bill Pmt -Check	09/10/2014	15217	Big Bear Bottled Water	-70.80
Bill Pmt -Check	09/10/2014	15218	CalPERS	0.00
Bill Pmt -Check	09/10/2014	15219	Carmel Marina Corporation	-4,218.56
Bill Pmt -Check	09/10/2014	15220	Cintas	-489.80
Bill Pmt -Check	09/10/2014	15221	Express Printing	-2,866.28
Bill Pmt -Check	09/10/2014	15222	Green Valley Supply	-56.74
Bill Pmt -Check	09/10/2014	15223	Jedidian Beck	-625.00
Bill Pmt -Check	09/10/2014	15224	Marc J. Del Piero	-1,250.00
Bill Pmt -Check	09/10/2014	15225	Marty Lima	-500.00
Bill Pmt -Check	09/10/2014	15226	Mid Valley Supply	-128.34
Bill Pmt -Check	09/10/2014	15227	Office Depot	-166.02
Bill Pmt -Check	09/10/2014	15228	Pajaro/Sunny Mesa C.S.D.	-2,441.72
Bill Pmt -Check	09/10/2014	15229	Paul Miller	-349.00
Bill Pmt -Check	09/10/2014	15230	PG&E	-20,000.00
Bill Pmt -Check	09/10/2014	15231	Pius Morozumi	-550.00
Bill Pmt -Check	09/10/2014	15232	Port Supply	-49.43
Bill Pmt -Check	09/10/2014	15233	Principal Financial	-604.50
Bill Pmt -Check	09/10/2014	15234	Rabobank	-738.03
Bill Pmt -Check	09/10/2014	15235	Redshift	-136.85
Bill Pmt -Check	09/10/2014	15236	Register Pajaronian	-150.00
Bill Pmt -Check	09/10/2014	15237	Robert Eads	-250.00
Bill Pmt -Check	09/10/2014	15238	Social Vocational Services, Inc.	-845.00
Bill Pmt -Check	09/10/2014	15239	Sunrise Express	-43.33
Bill Pmt -Check	09/10/2014	15240	Tech Auto Repair	-220.68
Bill Pmt -Check	09/10/2014	15241	U.S. Bank	-924.87
Bill Pmt -Check	09/10/2014	15242	Valero Marketing and Supply Company	-448.42
Bill Pmt -Check	09/10/2014	15243	VALIC	-3,870.78
Bill Pmt -Check	09/10/2014	15244	Verizon Wireless	-212.49
Bill Pmt -Check	09/10/2014	15245	Vince Stone	-418.00
Bill Pmt -Check	09/10/2014	15246	Vision Sevice Plan	-164.99
Bill Pmt -Check	09/10/2014	15247	WASH	-202.08
Bill Pmt -Check	09/22/2014	15248	Airgas	-70.64
Bill Pmt -Check	09/22/2014	15249	AT&T	-132.22
Bill Pmt -Check	09/22/2014	15250	Byte Technology	-150.00
Bill Pmt -Check	09/22/2014	15251	CalPERS	-6,536.30
Bill Pmt -Check	09/22/2014	15252	Central Coast Systems, Inc.	-116.73
Bill Pmt -Check	09/22/2014	15253	Doug Hall	-25.00
Bill Pmt -Check	09/22/2014	15254	Haro, Kasunich and Assoc. Inc.	-380.00
Bill Pmt -Check	09/22/2014	15255	Home Depot	-1,179.80
Bill Pmt -Check	09/22/2014	15256	Jarvis, Fay, Doportto & Gibson, LLP	-5,320.00

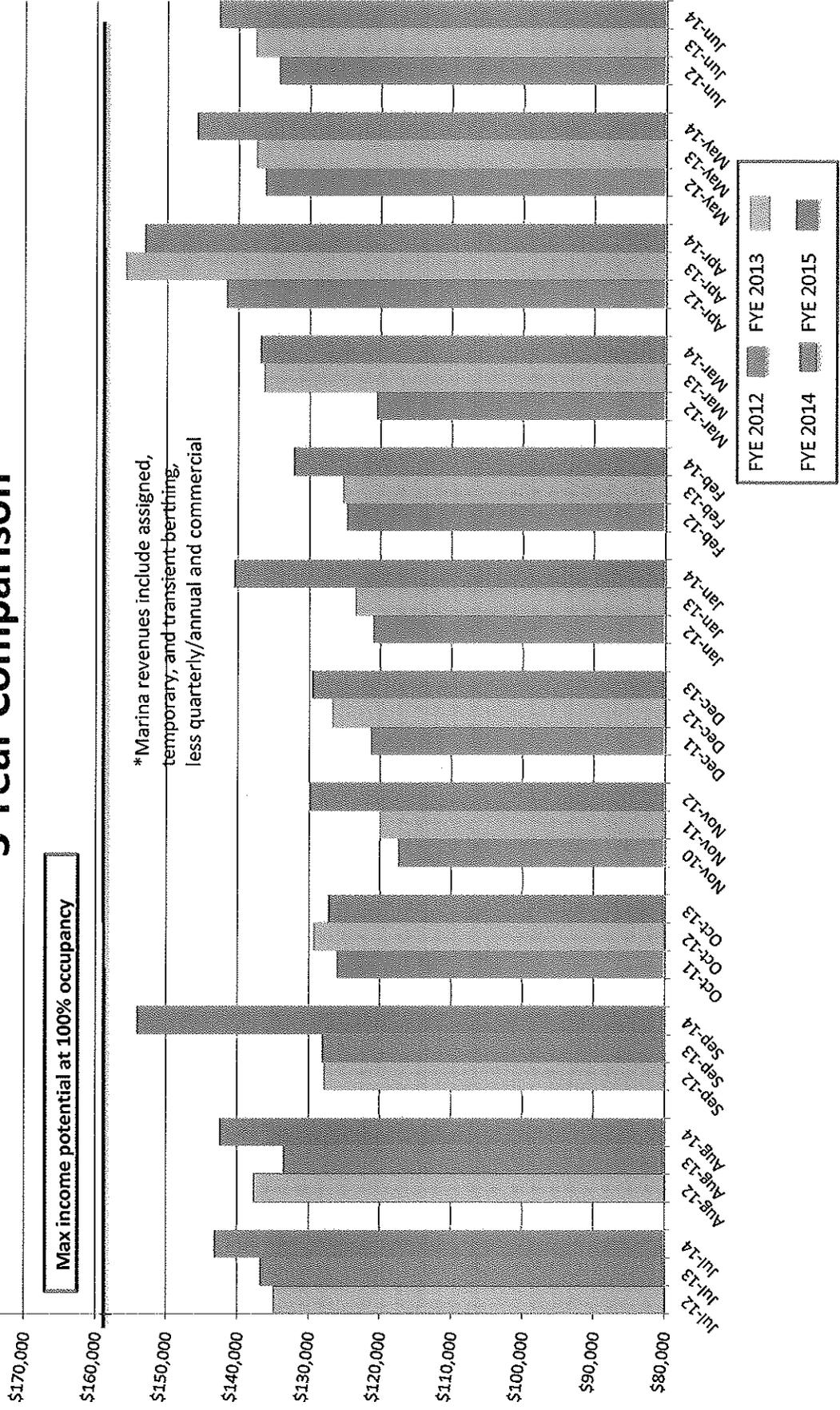
**Moss Landing Harbor District**  
**Warrant Listing**  
**As of September 30, 2014**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	09/22/2014	15257	Linda G. McIntyre	-400.00
Bill Pmt -Check	09/22/2014	15258	MBS Business Systems	-2.52
Bill Pmt -Check	09/22/2014	15259	Mid Valley Supply	-132.26
Bill Pmt -Check	09/22/2014	15260	Pajaro Valley Lock Shop	-110.00
Bill Pmt -Check	09/22/2014	15261	Pamela or Jarmon Lynch	-787.00
Bill Pmt -Check	09/22/2014	15262	Plus Morozumi	-25.00
Bill Pmt -Check	09/22/2014	15263	Ralph Kemp	-40.00
Bill Pmt -Check	09/22/2014	15264	SDRMA	-2,051.67
Bill Pmt -Check	09/22/2014	15265	Tom Pelich	-500.00
Bill Pmt -Check	09/22/2014	15266	U.S. Bank Equipment Finance	-260.59
Bill Pmt -Check	09/22/2014	15267	Wald, Ruhnke & Dost Architects, LP	-5,163.90
Bill Pmt -Check	09/22/2014	15268	AT&T	-457.74
Bill Pmt -Check	09/30/2014	15269	Alan Serio	-258.50
Bill Pmt -Check	09/30/2014	15270	Alex Schmidt	-525.00
Bill Pmt -Check	09/30/2014	15271	Big Creek Lumber	-145.27
Bill Pmt -Check	09/30/2014	15272	Carmel Marina Corporation	-106.93
Bill Pmt -Check	09/30/2014	15273	Ferrante, Vincent	-100.00
Bill Pmt -Check	09/30/2014	15274	Gideon, Yohn	-100.00
Bill Pmt -Check	09/30/2014	15275	Gomes, Jr., Frank	-100.00
Bill Pmt -Check	09/30/2014	15276	Jeffries, Russell	-100.00
Bill Pmt -Check	09/30/2014	15277	Marshall Ruhl	-512.49
Bill Pmt -Check	09/30/2014	15278	Mike Signs	-270.00
Bill Pmt -Check	09/30/2014	15279	Monterey County Tax Collector	-538.78
Bill Pmt -Check	09/30/2014	15280	Pettigrew & Foletta	-102.84
Bill Pmt -Check	09/30/2014	15281	SCott Landis	-525.00
Bill Pmt -Check	09/30/2014	15282	Sea Engineering, Inc.	-4,991.00
Bill Pmt -Check	09/30/2014	15283	Stephen Clause	-738.00
Bill Pmt -Check	09/30/2014	15284	Tech Auto Repair	-789.50
Bill Pmt -Check	09/30/2014	15285	Tony Leonardini	-100.00
Bill Pmt -Check	09/30/2014	15286	U.S. Bank Corporate Payment Systems	-483.67
Bill Pmt -Check	09/30/2014	15287	Wendy L. Cumming, CPA	-4,961.25
Total 1009 · Union - Operating				<u>-88,817.60</u>
<b>TOTAL</b>				<u><u>-88,817.60</u></u>

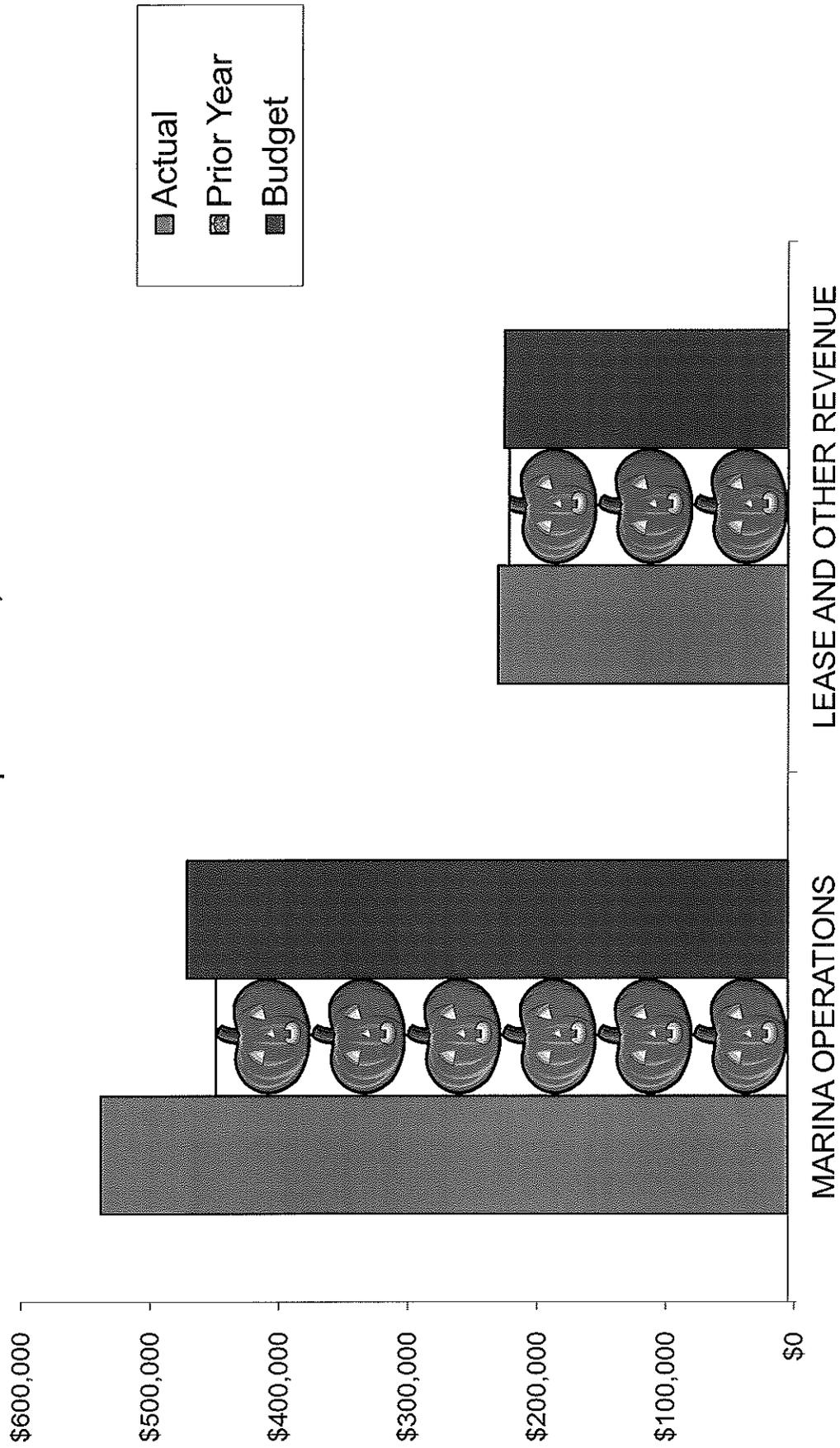
# Moss Landing Harbor District Marina Revenue\* (Berthing) 3 Year Comparison

Max income potential at 100% occupancy

\*Marina revenues include assigned, temporary, and transient berthing, less quarterly/annual and commercial



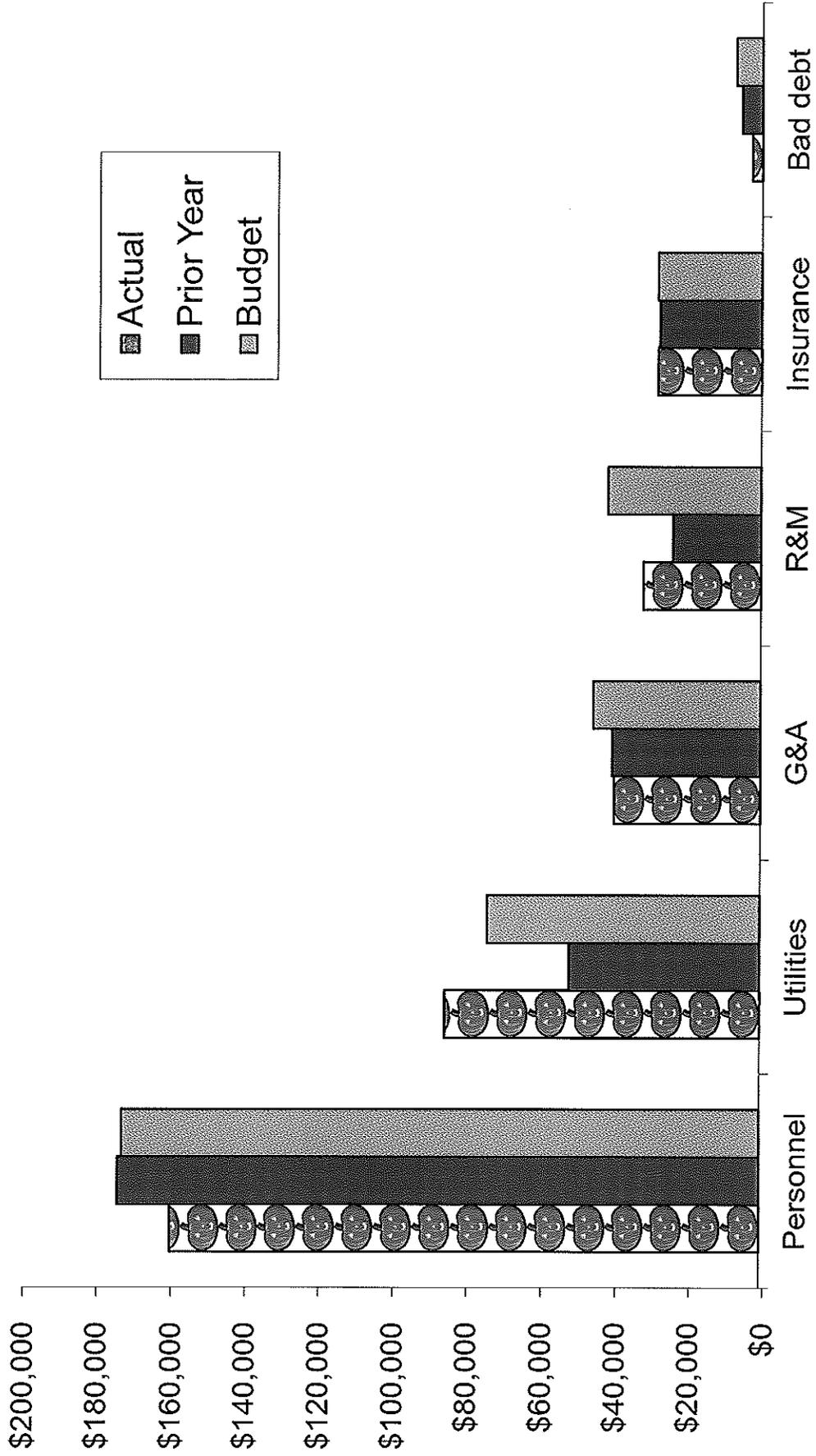
Marina, Lease and Other Revenue  
 Year to Date Actual vs. Budget and Prior Year  
 September 30, 2014



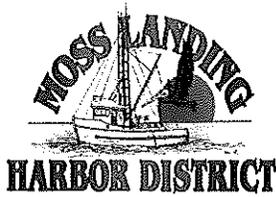
# Operating Expenses

## Year to Date Actuals vs. Budget and Prior Year

### September 30, 2014



**\*\*Expenses Exclude Dredging, Depreciation and Interest Expenses\*\***



BOARD OF COMMISSIONERS  
Russ Jeffries  
Yohn Gideon  
Vincent Ferrante  
Frank Gomes, Jr.  
Tony Leonardini

7881 SANDHOLDT ROAD  
MOSS LANDING, CA 95039

TELEPHONE – 831.633.5417  
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EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER  
Linda G. McIntyre, Esq.

## STAFF REPORT

### ITEM NUMBER 19 – PROPOSED ORDINANCE BOARD MEETING OF OCTOBER 22, 2014

As the Board is aware the State of California is suffering from a serious drought. As a result, the District should implement efforts to conserve potable water and minimize its use to the extent possible in order to not only protect valuable water resources but possibly reduce the cost of water to the District and its slipholders.

Staff recommends that the Board consider enacting an Ordinance amending Section 6.100 of Chapter 6 - "Berthing Regulations" by adding a regulation requiring vessel owners to have direct control of water hoses when connected to MLHD spigots and to keep hoses contained on the vessel or otherwise removed when not in use. This will also improve safety by removing a potential tripping hazard on the docks.

Attached is a first draft of some language for the Board to consider. Before proceeding with formal action at a future meeting, staff recommends the Liveaboard Committee convene a meeting open to all slipholders and include this issue as an item of discussion.

However, staff would also like to hear Commissioner comments, feedback and concerns regarding the potential enactment of an Ordinance addressing the issue.

Staff recommends that the Board consider the proposed draft Ordinance as presented, discuss concerns and any recommended changes, and authorize staff to schedule a Liveaboard meeting to include discussion of this item. Of course the Ordinance would be subject to review and approval by District Counsel as well.

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS  
OF THE MOSS LANDING HARBOR DISTRICT AMENDING  
SECTION 6.100 OF CHAPTER 6 – “BERTHING REGULATIONS”  
OF THE MOSS LANDING HARBOR DISTRICT ORDINANCE CODE  
TO REGULATE WATER & WATER HOSES

**WHEREAS**, District is proposing to amend Section 6.100 of Chapter 6 - "Berthing Regulations" of the Moss Landing Harbor District Ordinance Code by adding a regulation requiring vessel owners to have direct control of water hoses when connected to MLHD spigots and to keep hoses contained on the vessel or otherwise removed from the docks when not in use, and

**WHEREAS**, the State of California is suffering from a serious drought and as a result, potable water must be conserved and its use minimized to the extent possible which will not only protect valuable water resources but may reduce the cost of water, and will improve safety by removing a potential tripping hazard; and

**WHEREAS**, it is in the best interests of the public and harbor patrons for the Harbor District to institute a policy that will provide slipholders, tenants and patrons with regulations for the use of potable water on District property.

**THEREFORE, BE IT HEREBY ORDAINED** by the Board of Harbor Commissioners of the Moss Landing Harbor District that Section 6.100 of Chapter 6 of the Moss Landing Harbor District Ordinance Code, titled "Berthing Regulations" is amended to add Paragraph P) **Water Use, Water Hoses** as follows:

(P) **Water Use, Water Hoses** Water Hoses may only be connected to MLHD spigots for the purpose of filling vessel water tanks or while in use and under the direct control of a responsible person associated with a vessel. When not in use, hoses must be contained on the vessel or otherwise removed from the District's docks. Hoses left unattended on MLHD docks and hoses left unattended and attached to MLHD spigots will be removed by Harbor staff and a \$10 storage fee will be immediately assessed to the owner's account and such fee will be assessed on the 1st day of each month thereafter until the hose is reclaimed by the vessel owner. Hoses will only be returned to the owner after all fees for such storage have been paid in full.

This Ordinance was introduced and adopted at a regularly scheduled meeting of the Moss Landing Harbor District Board of Harbor Commissioners on \_\_\_\_\_, 20\_\_, and is considered to be in full force and effect upon adoption.

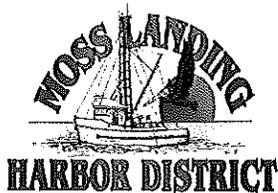
AYES:  
NOES:  
ABSENT:  
ABSTAIN:  
ATTEST:

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Russ Jeffries, President  
Board of Harbor Commissioners

---

Linda G. McIntyre, Deputy Secretary  
Board of Harbor Commissioners



BOARD OF COMMISSIONERS  
Russ Jeffries  
Yohn Gideon  
Vincent Ferrante  
Frank Gomes, Jr.  
Tony Leonardini

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EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER  
Linda G. McIntyre, Esq.

## STAFF REPORT

### ITEM NUMBER 20 – RESOLUTION NO. 14-13 AUTHORIZING PUBLIC UTILITY EASEMENT BOARD MEETING OF OCTOBER 22, 2014

The County of Monterey is currently in the process of obtaining all permits, contracts and authorizations required to perform the Underground Utility Project throughout Moss Landing.

The County's project manager, Nick Nichols, met with the GM and Assistant GM recently to describe the project and request that the District grant a public utility easement for the portion of the project taking place on District property.

Assistant GM Razzeca asked Mr. Nichols if the District would be allowed to install its own cables or fiber optics in the trench on District property and Mr. Nichols responded that he believed this could be done and he will pursue it with the utility company. This would present a great opportunity for cost savings to the District to stub in some lines for future use.

There is no financial impact involved with the execution or within the terms of the easement. Once completed, the District's property would be restored to its previous condition and used for parking as before. If there was a need at some time in the future, the utility would have the right to access the underground utilities through the easement granted by the District. The completion of the project greatly benefits the aesthetics of the community and specifically the Harbor District's properties. Among other things it would alleviate the several electrical outages experienced annually from pelicans shorting out the overhead transformers.

Staff impressed upon Mr. Nichols the importance of not doing any construction work during late March or in April because of the Salmon season opener and the maximized use of the parking lot during that period.

Staff recommends that the Board adopt Resolution 14-13 authorizing the General Manager to execute the Grant of Public Utility Easement to the County of Monterey subject to review and approval by District Counsel, and to execute any subsequent documents if necessary to carry out this request.

Attached are the following:

Grant of Public Utility Easement document describing the easement on Exhibit A thereto  
Drawing showing the easement on Exhibit B-2 (page 5 of 5 of the Grant)  
Google Earth aerial view of the Moss Landing community showing the undergrounding project in purple

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*

**RESOLUTION 14-13**  
**A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS**  
**OF THE MOSS LANDING HARBOR DISTRICT**  
**AUTHORIZING A PUBLIC UTILITY EASEMENT WITH THE**  
**COUNTY OF MONTEREY**

\* \* \* \* \*

**WHEREAS**, the County of Monterey is currently in the process of obtaining all permits, contracts and authorizations required to perform undergrounding of utility lines throughout the Moss Landing community, and

**WHEREAS**, in the course of pursuing these agreements, the County of Monterey has requested the District grant an 11,138 square-foot Public Utility Easement across a portion of the District's property as described in the map attached as Exhibit A, and

**WHEREAS**, said easement is created for the construction, maintenance, use and operation of electricity lines, telephone lines, cable television lines, internet service provider lines, and all the necessary appurtenances, and

**WHEREAS**, the removal of overhead utility lines and the above-ground poles and wires will improve the esthetics of the community, and

**WHEREAS**, said improvements resulting from the undergrounding project greatly benefit the Moss Landing community

**WHEREAS**, there is no financial impact involved with the execution or within the terms and provision of the easement, and

**WHEREAS**, in order to move forward with the undergrounding project, it is necessary to enter into a utility easement agreement with the County of Monterey.

**NOW THEREFORE, BE IT RESOLVED THAT** the Board of Harbor Commissioners of the Moss Landing Harbor District hereby authorizes the General Manager to execute the Grant of Public Utility Easement to the County of Monterey, attached here as Exhibit A, and any other documents as necessary, subject to the review and approval of District Counsel and confirmation that the involved Monterey County Project has been properly subjected to analysis pursuant to the California Environmental Quality Act.

**CERTIFICATION**

Resolution 14-13 was duly adopted by the Board of Harbor Commissioners of the Moss Landing Harbor District at a regular meeting of the Board held on the 22<sup>nd</sup> day of October, 2014 a quorum present and acting throughout, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Russ Jeffries, President  
Board of Harbor Commissioners

\_\_\_\_\_  
Linda G. McIntyre, Deputy Secretary  
Board of Harbor Commissioners

RECORDING REQUESTED BY )  
AND WHEN RECORDED RETURN TO: )  
 )  
Monterey County )  
RMA-Public Works )  
168 W. Alisal St., 2<sup>nd</sup> Floor )  
Salinas, CA 93901 )  
Attention: G.H. Nichols, PE )  
 )

No Fee per Govt. Code 6103

No Documentary Transfer Tax Required -  
Acquiring Agency is a Political Subdivision  
of the State of California  
(Revenue & Taxation Code 11922)

Space above this line for Recorder's use

## GRANT OF PUBLIC UTILITY EASEMENT

APN: 133-173-001 ("PUE GHI")

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**GRANTOR:** MOSS LANDING HARBOR DISTRICT, a Public Corporation,

does hereby GRANT to

**GRANTEE:** the COUNTY OF MONTEREY, a body politic and corporate of the State of California,

a PUBLIC UTILITY EASEMENT, hereinafter referred to as the "PUE", described in Exhibit A attached hereto and made a part hereof. Said PUE is created over, under, and upon the property for the construction, maintenance, use, and operation of electricity lines, telephone lines, cable television lines, internet service provider lines, and all the necessary appurtenances thereto, together with the right of ingress and egress from said easement.

GRANTOR:  
Moss Landing Harbor District

Dated: \_\_\_\_\_

\_\_\_\_\_  
Linda G. McIntyre, Esq.  
General Manager, Harbormaster



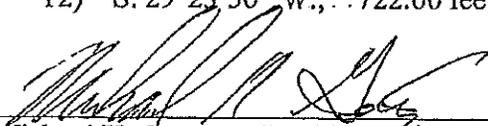


EXHIBIT A  
PUBLIC UTILITIES EASEMENT

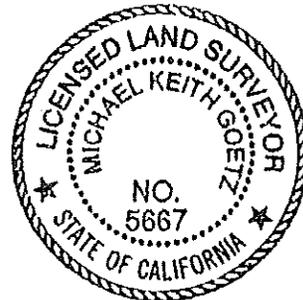
Situate in the unincorporated area of the County of Monterey, State of California, and being a portion of that certain parcel of land described in the Agreement between the State of California, Wilbur C. Sandholdt, et al, and the Moss Landing Harbor District, dated April 26, 1955, and recorded October 21, 1955 in Book 1653 of Official Records, at Page 534, Records of Monterey County, and being a portion of that certain parcel of land conveyed by deed from Wilbur C. Sandholdt, et al, to Moss Landing Harbor District, dated March 30, 1960, and recorded July 19, 1960 in Book 2068 of Official Records, at Page 203, Records of Monterey County, said portions being more particularly described as follows:

Beginning at a point on the Northeasterly line of Sandholdt Road, a County Road, said point being at Engineer's Station 12+77.80, 40.77 Rt., as said road and stationing are shown on that certain map filed for record in Volume "A" of Property Monumentation Maps, at Page 126, Records of Monterey County, said point of beginning also being a point on the Southwesterly boundary of the aforesaid parcel conveyed from Sandholdt, et al, to Moss Landing Harbor District, said Southwesterly boundary being Course Numbered "(9)" in said deed from which the Northwesterly terminus of said course bears N. 55°38' W., 87.00 feet distant; thence from said point of beginning and along said Southwesterly boundary and said Northeasterly road line

- 1) N. 55°38'00" W., 55.00 feet; thence leaving said boundary and road line
- 2) N. 34°22'00" E., 30.00 feet; thence
- 3) S. 55°38'00" E., 42.35 feet; thence
- 4) N. 29°23'30" E., 780.00 feet; thence
- 5) N. 54°00'00" W., 25.00 feet; thence
- 6) N. 36°00'00" E., 20.00 feet; thence
- 7) S. 54°00'00" E., 32.75 feet; thence
- 8) S. 29°23'30" W., 97.96 feet; thence
- 9) S. 60°36'30" E., 105.00 feet; thence
- 10) S. 29°23'30" W., 10.00 feet; thence
- 11) N. 60°36'30" W., 105.00 feet ;thence
- 12) S. 29°23'30" W., 722.00 feet to the point of beginning.

  
Michael K. Goetz - PLS 5667  
County Surveyor  
Monterey County, California

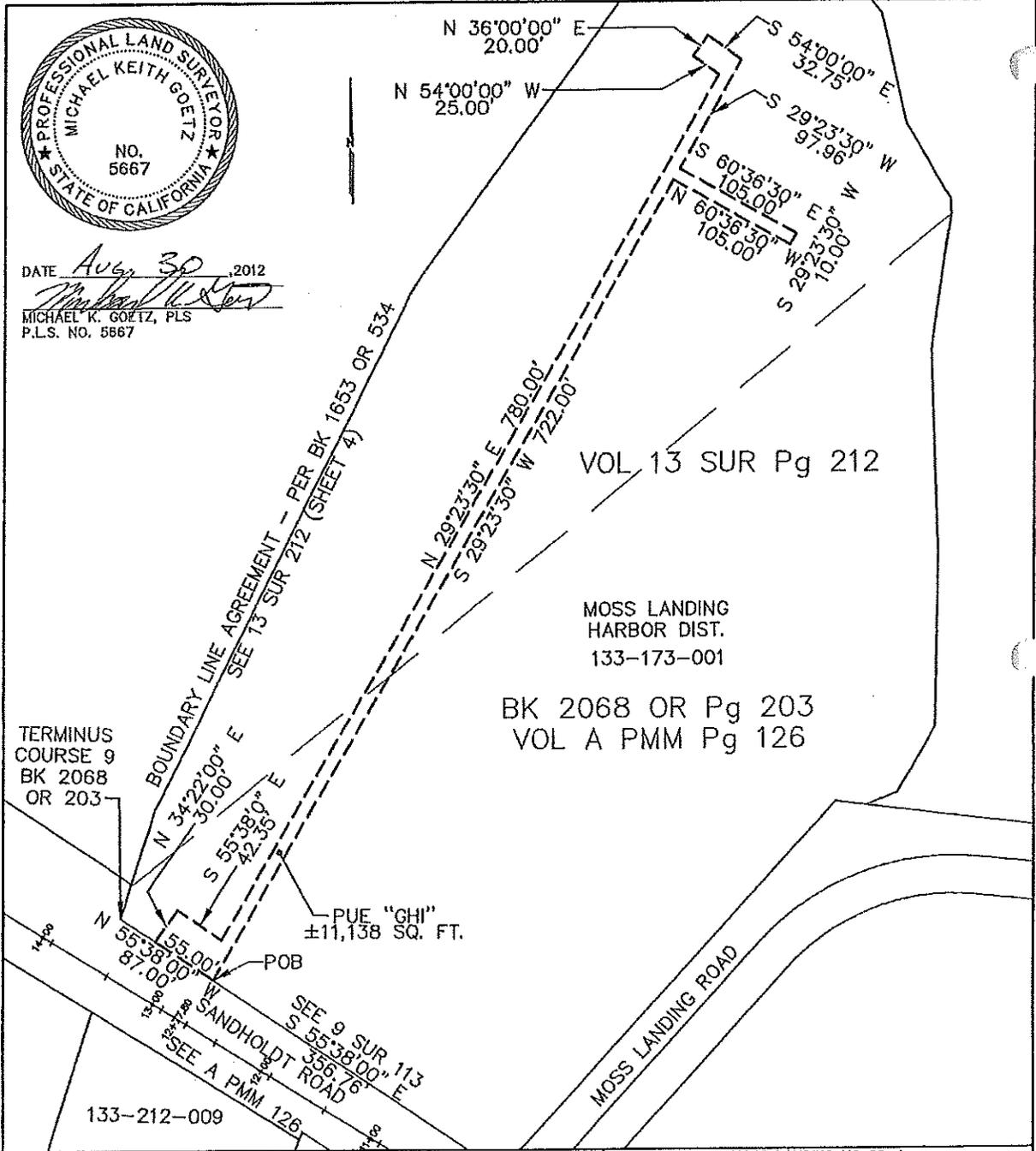
Aug 30, 2012  
Date



ML 20A - EASE GHI.docx  
APN 133-173-001



DATE Aug 30, 2012  
 MICHAEL K. GOETZ, PLS  
 P.L.S. NO. 5667

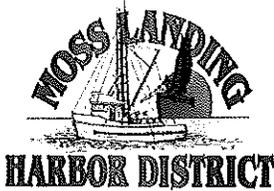


MONTEREY COUNTY PUBLIC WORKS  
 ENGINEERING DIVISION  
 SURVEY/ MINOR DESIGN SECTION  
 168 WEST ALISAL STREET  
 SALINAS, CALIFORNIA 93901  
 (831) 755-4800/FAX (831) 755-4938

MOSS LANDING UG 20-A PUBLIC UTILITIES EASEMENT "GHI"		
EXHIBIT "B-2"		
DATE 12/10/13	DRAWN C:\Land Projects 2011\MOSSLANDING20ALDD11	SHEET 1
SCALE 1"=100'	REV EXHIBIT 2071212	DRAWN BY K.A. PEAKE

# Moss Landing Projects RMA - Public Works





BOARD OF COMMISSIONERS

Russ Jeffries  
Yohn Gideon  
Vincent Ferrante  
Frank Gomes, Jr.  
Tony Leonardini

7881 SANDHOLDT ROAD  
MOSS LANDING, CA 95039

TELEPHONE – 831.633.5417  
FACSIMILE – 831.633.4537



EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER  
Linda G. McIntyre, Esq.

## STAFF REPORT

ITEM NUMBER 21 – RESOLUTION SUPPORTING CSUMB's PURCHASE OF THE NATIONAL STEINBECK CENTER (NSB), WAIVING UNANTICIPATED REVENUE & AGREEMENT TO RECEIVE PAYMENT OF SUCH REVENUE DIRECTLY FROM NSB BOARD MEETING OF OCTOBER 22, 2014

The General Manager was contacted last month by Colleen Bailey, the Executive Director of the National Steinbeck Center (NSB). Cal State University Monterey Bay (CSUMB) has offered to purchase NSB and lease approximately 1/2 back to them. Both entities support this proposal and would co-exist in the facility if the sale goes through. CSUMB would operate their portion as a satellite campus serving the City of Salinas and other inland residents.

NSB was the recipient of some redevelopment funding but redevelopment agencies have been dissolved by the State of California. As I understand it, this sale would therefore trigger the repayment of redevelopment revenues received by NSB and the Harbor District would be the recipient of a pro-rata portion of that repayment in the form of real property tax.

Because the Harbor District is a "taxing agency" that would receive approximately \$981.00 in property tax revenue as a result of the sale under the current circumstances, the State Department of Finance (which oversees former redevelopment agencies) will not allow the sale to go through without the approval/waiver of the Harbor District and other affected "taxing agencies".

In order to proceed with the sale to the mutual benefit of CSUMB, the Steinbeck Center, the City of Salinas, the County of Monterey and the residents served by the two agencies, the NSB has agreed to pay the Harbor District \$981.00 (the amount of tax revenue it would have realized from the above purchase/sale) in consideration for the Harbor District agreeing to waive the requirement that it be paid from property tax revenues. In other words, the District will be made whole; it's just that the payer will be the NSB rather than the Auditor-Controller's Office of the County of Monterey.

Attached is Resolution 14-14 supporting the purchase/sale and waiving the unanticipated revenues in the amount of \$981.00 along with an Agreement between MLHD and NSB whereby NSB agrees to pay MLHD \$981.00 on or before March 1, 2015 if the sale goes through. Staff recommends the Board adopt Resolution 14-14 and authorize the GM to execute the payment agreement subject to review, revision and approval by District Counsel.

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*

**RESOLUTION 2014-14**  
**A RESOLUTION OF THE MOSS LANDING HARBOR DISTRICT**  
**IN SUPPORT OF ESTABLISHING A CALIFORNIA STATE UNIVERSITY**  
**OF MONTEREY BAY CAMPUS AT THE STEINBECK CENTER IN DOWNTOWN SALINAS**  
**AND FORGIVING UNANTICIPATED TAX REVENUES**

**WHEREAS**, the City of Salinas had previously adopted the Salinas Central City Redevelopment Project Area ("Project Area") and had charged the Salinas Redevelopment Agency ("Salinas RDA") with its implementation; and

**WHEREAS**, the Moss Landing Harbor District (" District") is considered an "affected taxing entity" under the Community Redevelopment Law (Health and Safety Code sections 33000, et seq.), with regard to the Project Area; and

**WHEREAS**, one of the implementing activities of the Salinas RDA within the Project Area was the development of the National Steinbeck Center ("Steinbeck Center"), located on One Main Street; and

**WHEREAS**, the Salinas RDA used tax increment funding as part of its efforts to develop the National Steinbeck Center; and

**WHEREAS** the Salinas RDA and the National Steinbeck Center, a California non-profit public benefit corporation ("NSC"), entered into a Loan Agreement, dated as of June 15, 2010 ("Loan Agreement"), regarding a \$484,715.65 loan to NSC by the Salinas RDA ("Loan") to fund debt service payments on the bonds sold for the construction of the National Steinbeck Center building that the NSC was unable to make in 2009 and 2010; and

**WHEREAS**, effective June 29, 2011, the Community Redevelopment Law was significantly amended by the Dissolution Act (ABX 1 26), which had the effect of dissolving redevelopment agencies and requiring that assets and debts of redevelopment agencies be liquidated and funds transferred to "affected taxing agencies;" and

**WHEREAS**, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding the Dissolution Act largely constitutional; and

**WHEREAS**, under the Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Salinas RDA, were dissolved on February 1, 2012, and Successor Agencies were designated and vested with the responsibilities of winding down the business and fiscal affairs of the former redevelopment agencies; and

**WHEREAS**, on January 10, 2012, the City Council ("City Council") of the City of Salinas ("City") adopted Resolution No. 20142 accepting for the City the role of Successor Agency to the Salinas RDA ("Salinas Successor Agency"); and

**WHEREAS**, the Salinas Oversight Board ("Oversight Board") for the Salinas Successor Agency has been duly constituted pursuant to the Dissolution Act, with seven representatives of those agencies that receive property tax dollars from the properties within the former Salinas Redevelopment Project Areas, including two members representing County interests; and

**WHEREAS**, application of Section 34181 of the Health and Safety Code, as amended by the Dissolution Act, requires that the Oversight Board shall direct the Salinas Successor Agency to determine if any agreement between the Salinas RDA and private parties should be renegotiated to reduce liabilities, and to present a proposed termination agreement or amended agreement to the Oversight Board for approval; and

**WHEREAS**, the Successor Agency requested the Oversight Board's policy direction on NSC's request to terminate or amend the Loan; and

**WHEREAS**, the Oversight Board considered the documentary and testimonial evidence presented by the NSB at the public hearing on June 18, 2014 and unanimously approved resolution 2014-35, thereby approving the termination of the Loan Agreement, and on June 19, 2014, submitted said Resolution to the State Department of Finance ("DOF"); and

**WHEREAS**, on August 27, 2014, in a conference call with the DOF, it was argued that the "best interests" of most taxing entities is to contribute the long-term sustainability of the NSC, forgive the loan and assist the NSC to partner with the University Corporation at Monterey Bay to buy the Steinbeck Center; and at that point, the DOF suggested, among other things, that the NSC receive a resolution from each taxing entity agreeing that forgiveness of the loan is in the best interest of the taxing entities; and

**WHEREAS**, the District would have an opportunity to receive unanticipated property tax pass-through payment of approximately \$981.00 of a portion of property taxes assessed against properties within the Project Area, including the National Steinbeck Center; and

**WHEREAS**, the District has been requested by the Successor Agency of the City of Salinas to make a determination that forgiveness of the County's share of un-anticipated tax revenue is in the "best interests" of the NSC, the Downtown Vibrancy Plan and educational interests of California State University, Monterey Bay (CSUMB); and

**WHEREAS**, on October 22, 2014, the District, as an affected taxing entity, held a public meeting to, among other things, consider the public benefit and public purpose of the NSC and a new campus of the CSUMB in Downtown Salinas.

**NOW THEREFORE, BE IT RESOLVED**, that the District, as an "affected taxing entity" and recipient of property tax revenues from the Monterey County Auditor-Controller's Office from properties located within the Salinas Redevelopment-Central City Project Area, hereby finds, resolves, and determines as follows:

**SECTION 1.** The foregoing recitals are true and correct, and, together with the staff report and attachments, and information provided by the Salinas Successor Agency and the NSC, form the basis for the approvals, findings, resolutions, and determinations set forth below.

**SECTION 2.** The NSC is a valuable public, community and regional asset which provides both economic and educational benefits for all of the taxing agencies.

**SECTION 3.** The location of a downtown Salinas campus for CSUMB is a benefit to both the local community and the County as a whole, in that expansion of the CSU will allow more residents to increase their education, potential earning capabilities and income.

**SECTION 4.** The public purposes and public benefits of retaining the NSC, and having a new campus location for the CSUMB at the NSB outweighs the receipt of unanticipated revenue from the Monterey County Auditor-Controller's office, estimated to be \$981.00, and the costs to the County of enforcement of the Loan support a request to terminate or amend the Loan Agreement in a manner that forgives such unanticipated revenue from the Monterey County Auditor-Controller's office, in the best interests of the taxing entities.

**SECTION 5.** The District requests that the Salinas Oversight Board reconvene on the matter of the NSC Loan Agreement, and use this Resolution as evidence of the District's support for the termination of the Loan Agreement to the State Department of Finance.

**SECTION 6.** This Resolution shall take effect immediately.

**PASSED AND ADOPTED** this 22<sup>nd</sup> day of October 2014, at a regular meeting of the Moss Landing Harbor District Board of Commissioners by the following vote, to-wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

Russ Jeffries, President  
Board of Harbor Commissioners

ATTEST:

---

Linda G. McIntyre, Deputy Secretary  
Board of Harbor Commissioners

**AGREEMENT BETWEEN  
MOSS LANDING HARBOR DISTRICT  
AND THE NATIONAL STEINBECK CENTER**

THIS AGREEMENT is made and entered into this 22<sup>nd</sup> day of October 2014 by and between the Moss Landing Harbor District (the "District"), a Subdivision of the State of California, and the National Steinbeck Center ("NSC"), a California non-profit public benefit corporation in consideration of the following:

NSC desires to sell the NSC to the University Corporation at Monterey Bay for use by Cal State University Monterey Bay (CSUMB) and for lease-back of a portion of the NSC for continued use by NSC.

Upon such a sale the District is entitled to a distribution of unanticipated tax revenue from the Monterey County Auditor-Controller's office in the approximate amount of Nine Hundred Eighty One and no/100 (\$981.00) Dollars.

In order to facilitate the above purchase/sale, the District has been requested by the Successor Agency of the City of Salinas to adopt Resolution No. 2014-14 making a determination that forgiveness of the District's share of unanticipated tax revenue from the Monterey County Auditor-Controller's Office to which the District is entitled upon such a sale is in the "best interests" of the NSC, the Downtown Vibrancy Plan and educational interests of CSUMB;

In consideration of the District adopting Resolution 2014-14 to facilitate the sale of NSC for use by CSUMB and NSC and other valuable consideration, NSC agrees to pay the DISTRICT Nine Hundred Eighty One Dollars (\$981.00), the equivalent of the DISTRICT's pro-rata share of the tax revenue that would be distributed to the DISTRICT from the net proceeds of the repayment of debt owed by the NSC to the former Redevelopment Agency due in 2018, if the State of California Department of Finance approves the forgiveness of said debt.

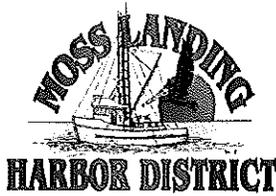
The entire balance due under this Agreement shall be paid to the DISTRICT following the close of the sale of NSC's building located at One Main Street in Salinas, California to the University Corporation at Monterey Bay on or before March 1, 2015.

\_\_\_\_\_  
Colleen Bailey, Executive Director  
National Steinbeck Center

\_\_\_\_\_  
Date

\_\_\_\_\_  
Linda G. McIntyre, Esq.  
General Manager/Harbor Master  
Moss Landing Harbor District

\_\_\_\_\_  
Date



**BOARD OF COMMISSIONERS**

Russ Jeffries  
Yohn Gideon  
Vincent Ferrante  
Frank Gomes, Jr.  
Tony Leonardini

7881 SANDHOLDT ROAD  
MOSS LANDING, CA 95039

TELEPHONE – 831.633.5417  
FACSIMILE -- 831.633.4537

**EXECUTIVE  
GENERAL MANAGER  
HARBORMASTER**  
Linda G. McIntyre, Esq.

## STAFF REPORT

### ITEM NUMBER 22 - CANCELING NOVEMBER & DECEMBER 2014 REGULAR MEETING BOARD MEETING OF OCTOBER 22, 2014

Regularly scheduled Board meetings are on the 4<sup>th</sup> Wednesday of each month. The fourth Wednesday in November falls the day before Thanksgiving day and the fourth Wednesday in December falls on Christmas Eve.

Historically the Board has canceled the regular meetings and fixed one day in early December to accomplish the November and December business of the District.

Staff proposes that the Board adopt Resolution No. 14-15 fixing the date of December 10<sup>th</sup> as a Special Meeting to accommodate the November and December regular meetings. Regardless of the date chosen for that meeting, Staff recommends setting the time of the closed session of the special meeting at 2:00 p.m., and the open session at 2:30 p.m.

*SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947*

## RESOLUTION NO. 14-15

### A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE MOSS LANDING HARBOR DISTRICT CANCELING THE NOVEMBER AND DECEMBER 2014 MEETINGS AND FIXING A SUBSTITUTE DATE THEREFOR

**WHEREAS**, the Moss Landing Harbor District Board of Commissioners does not anticipate the need for the regular November 26<sup>th</sup> meeting which falls on the day before the Thanksgiving holiday, and

**WHEREAS**, the following regularly scheduled meeting of the Board is December 24, 2014, and

**WHEREAS**, the public would not be served by holding a regular meeting either the day before a 2-day holiday or on Christmas Eve, and

**WHEREAS**, historically the Commissioners, District Counsel and General Manager have all agreed to a rescheduled meeting sometime early in December.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Harbor Commissioners of the Moss Landing Harbor District hereby cancels the regularly scheduled meetings of November 26<sup>th</sup> and December 24<sup>th</sup>, 2014 and fixes the date of \_\_\_\_\_, 2014 as the substitute meeting date for both.

\* \* \* \* \*

#### CERTIFICATION

Resolution 14-15 was duly adopted by the Board of Harbor Commissioners of the Moss Landing Harbor District at a regular meeting of the Board held on the 22<sup>th</sup> day of October, 2014, a quorum present and acting throughout, by the following vote, to wit:

AYE:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Russ Jeffries, President  
Board of Harbor Commissioners

ATTEST:

\_\_\_\_\_  
Linda G. McIntyre, Deputy Secretary  
Board of Harbor Commissioner