



STOCKTON PORT DISTRICT

Board of Port Commissioners

June 17, 2019

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on June 17, 2019, in Room 18 of the Port of Stockton Administration Building located at 2201 West Washington Street in Stockton, California.

COMMISSIONERS PRESENT: R. Jay Allen
Anthony M. Barkett
Gary Christopherson
Stephen Griffen, Chairman
Victor Mow

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: Elizabeth (Liz) Blanchard
Michael Patrick Duffy, Vice Chairman

OTHERS PRESENT: Richard Aschieris, Port Director
Steve Escobar, Deputy Port Director
Jason Katindoy, Director of Maritime Operations
Jeff Wingfield, Director of Environmental &
Public Affairs
Michelle Bowling, Interim Director of Finance
Katie Miller, Human Resources Manager
Steven A. Herum, Port Counsel
Melanie Rodriguez, Secretary to the Board

A quorum being present, the meeting was called to order by Chairman Stephen Griffen at 3:30 p.m. Chairman Stephen Griffen presided and Melanie Rodriguez, Secretary to the Board, acted as Secretary for the meeting.

CONSENT CALENDAR

In compliance with Port Policy Statement #003, the Consent Calendar items of business, having been provided to each member of the Board prior to this meeting, the Commissioners present acted upon all Consent Calendar items of business under one vote.

Commissioner Allen moved, to adopt the following resolutions:

MINUTES OF MAY 20, 2019 MEETING

Resolution #8129: RESOLVED, that the minutes of the regular meeting of the Board of Commissioners of the Stockton Port District held on the 20th day of May 2019, as the same are endorsed on Page No. 053 to Page No. 059, inclusive, of Minutes Book No. 61, be and they are hereby approved.

APPOINTMENT OF COMMISSIONED PILOTS FOR FISCAL YEAR JULY 1, 2019 THROUGH JUNE 30, 2020

Resolution #8130: WHEREAS, the following Pilots have submitted applications and medical forms to the Stockton Port District for appointment as Commissioned Pilots for the ensuing fiscal year, it is hereby

RESOLVED, that the Board of Commissioners of the Stockton Port District approves the appointment of the following individuals as Commissioned Pilots of the Stockton Port District for the period of one (1) year commencing July 1, 2019 and ending June 30, 2020:

Captain Bruce Alden
Captain Donald A. Cloes
Captain Sam D'Aloisio
Captain Erik H. Fawcett
Captain Mark J. Haggerty
Captain Eric Johnson
Captain Drue Kasper
Captain Kristopher Laakso
Captain Jerney Lowe
Captain Thomas F. Miller
Captain David V. Pate
Captain Ray Ridens
Captain Eric Robinson

ADOPTION OF THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) AND CALIFORNIA'S STANDARDIZED EMERGENCY MANAGEMENT SYSTEM (SEMS)

Resolution #8131: WHEREAS, the President in Homeland Security Directive-5, directed the Secretary of the Department of Homeland Security to develop and

administer a National Incident Management System, which would provide a consistent nationwide approach for federal, state, local, and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to and recover from disasters, regardless of cause, size, or complexity; and

WHEREAS, California pioneered the development of standardized incident management systems to respond to a variety of catastrophic disasters, including fires, earthquakes, floods and landslides; and

WHEREAS, in the early 1970s, the California fire service, in partnership with the federal government, developed the seminal emergency incident command system that has become the model for incident management nationwide; and

WHEREAS, in 1992, California was the first state to adopt a statewide Standardized Emergency Management System for the use by every emergency response organization and implemented a system to ensure the continual improvement of the Standardized Emergency Management System; and

WHEREAS, California emergency management professionals have contributed their expertise to the development of the National Incident Management System; and

WHEREAS, it is essential for responding to disasters that federal, state, local and tribal organizations utilize standardized terminology, standardized organizational structures, interoperable communications, consolidated action plans, unified command structures, uniform personnel qualification standards, uniform standards for planning, training and exercising, comprehensive resource management and designated incident facilities during emergencies or disasters; and

WHEREAS, California's Standardized Emergency Management System substantially meets the objectives of the National Incident Management System; and

WHEREAS, the National Commission on Terrorist Attacks (9-11 Commission) recommended adoption of a standardized Incident Command System nationwide; and

WHEREAS, the Governor of the State of California has directed his Office of Emergency Services and the Office of Homeland Security in cooperation with the Standardized Emergency Management System Advisory Board to develop a program to integrate the National Incident

Management System, to the extent appropriate, into the state's emergency management system; now therefore be it

RESOLVED, that the Port of Stockton, will integrate the National Incident Management System, to the extent appropriate, into the Port's emergency management system; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port of Stockton will utilize the National Incident Management System which shall be consistent with the integration of the National Incident Management System and the Standardized Emergency Management System in California; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

APPROVAL OF THE PORT OF STOCKTON ELECTRIC UTILITY RATE SCHEDULES AND COST LIMITATION RULE

Resolution #8132: WHEREAS, the Stockton Port District is a public corporation created for municipal purposes pursuant to Section 6290 of the California Harbors and Navigation Code; and

WHEREAS, it is a goal of the Board of Port Commissioners to promote the economic development of the Port, including job creation; and

WHEREAS, the Port of Stockton operates a publicly owned electric utility on its West Complex; now therefore be it

RESOLVED, that the Board of Port Commissioners of the Stockton Port District hereby approves the following items related to its electric utility operation:

- Approval of the Port's retail electric rate schedules;
- Approval of the Port's electric utility approach for setting retail service rates at or below ninety-five percent (95%) of the comparable PG&E rates while maintaining a minimum ten percent (10%) operating reserve (cost limitation rule); and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port's objective is to offer its Tenants competitive electric rates and service as an economic incentive to locate at the Port; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that it is equally important to monitor costs associated with the operation of its electric utility, especially in regards to complying with the State's mandated renewable energy standards; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to implement the Port's approved rate schedules and cost limitation rule; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolutions #8129, #8130, #8131 and #8132 were passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Christopherson, Griffen, Mow
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Duffy

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

Chairman Griffen acknowledged there were no items removed from the Consent Calendar.

PRESENTATION, CONSIDERATION AND POSSIBLE APPROVAL OF BUDGET FOR FISCAL YEAR 2019/2020

On June 3, 2019, an Ad Hoc Committee comprised of Vice Chairman Duffy and Commissioners Blanchard and Christopherson met with Port Director Aschieris and staff to review and discuss the proposed 2019/2020 fiscal year budget. The Commissioners commended Port Director Aschieris and staff for the presentation, comprehensive analysis, and detailed information provided in the budget.

Port Interim Finance Director Bowling provided a financial briefing of the proposed 2019/2020 budget. Information presented compared and highlighted the budget and forecast for the current fiscal year to the proposed budget for the upcoming fiscal year. Port Interim Finance Director

Bowling's presentation included financial highlights, operating revenues, operating expenses and planned or in-process capital projects.

Fiscal year-end 2019 unrestricted cash is forecasted at approximately 338 days of operation. Projected fiscal year-end 2020 unrestricted cash is expected to yield 268 days of operation. The Cash and Investment Policy established by the Commission identifies a goal of unrestricted cash sufficient for 350 days of operation.

Thanks were conveyed to the Ad Hoc Committee members for their time in meeting with staff to discuss the 2019/2020 budget as well as to Port staff for all of their work on the budget.

Chairman Griffen acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Christopherson moved to adopt the following resolution:

Resolution #8133: RESOLVED, by the Board of Commissioners of the Stockton Port District that the budget for fiscal year 2019/2020, a copy of which is on file with the Secretary, be and it is hereby adopted.

Resolution #8133 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Christopherson, Griffen, Mow
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Duffy

COMMITTEE REPORTS

Ad Hoc Committee

On June 3, 2019, an Ad Hoc Committee comprised of Vice Chairman Duffy and Commissioners Blanchard and Christopherson met with Port Director Aschieris and staff to review and discuss the 2019/2020 budget.

PORT DIRECTOR'S COMMENTS

Port Director Aschieris provided an executive summary of recent Port activities.

- Since the last Commission meeting, the following short-term leases have been executed:

Lessee: Next Energy, LLC
Location: West Complex 25 acres south of McCloy, east of the Expressway
Term: 6 months

Lessee: Pelton-Shepherd (Blue Ice)
Location: West Complex Building 812, Center Section
Term: 5 years

- Current calendar year-to-date shipping reflects 121 ships. Shipping activity for the same period in 2018 reported 131 ships. Since the last Commission meeting, 23 ships have called at the Port.
- Current calendar year-to-date tonnage totaled 2,243,332 metric tons. Tonnage for the same period in 2018 totaled 2,328,090 metric tons. Since the last Commission meeting, 372,487 metric tons of anhydrous ammonia from Trinidad, bagged rice to Japan, cement/slag from China, steel from Japan, Taiwan and Korea, fertilizer from Holland, Trinidad and Norway, food grade oil from Malaysia, molasses from El Salvador and Panama, petroleum coke to China, project cargo from India and dry bulk to Japan have been handled.

COMMISSION COMMENTS

Commissioner Anthony M. Barkett was congratulated for his recent appointment to the Board of Commissioners of the Stockton Port District. Commissioner Barkett shared that he is excited to be a member of the Port Commission. He also shared that he was impressed with the financial strength of the Port. He thanked Port staff for helping him get up to speed on the Port's workings.

Commissioner Mow inquired as to the status of the Port's Strategic Plan. Port Director Aschieris responded that the Strategic Plan is currently being worked on at the staff level.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Chairman Griffen acknowledged Mr. Marc Cuevas from the International Longshore and Warehouse Union (ILWU) Local 34. Mr. Cuevas inquired if additional tariffs would be increased and if it would be done as a Public Hearing.

CLOSED SESSION: PURSUANT TO GOVERNMENT CODE §54956.9:
CONFERENCE WITH LEGAL COUNSEL, PENDING LITIGATION: ONE CASE,
SAFE FUEL & ENERGY RESOURCES CALIFORNIA VS. PORT OF STOCKTON,
CASE NO. STK-CV-UWM-2019-00006382

At 4:08 p.m., Chairman Griffen announced that, in accordance with the Ralph M. Brown Act, an executive session would be conducted by the Board of Commissioners pursuant to Government Code §54956.9. The general public and other Port staff were excused from the meeting, and the closed session commenced at 4:10 p.m. Deputy Port Director Escobar, Director of Maritime Operations Katindoy, Environmental & Public Affairs Manager Wingfield and Attorney Herum, remained for the executive session.

At 4:29 p.m., Chairman Griffen re-opened the meeting in public session. He reported that the Port Commission took no formal, reportable actions during the closed session.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 4:30 p.m. by Chairman Griffen.

Melanie Rodriguez
Secretary to the Board

Chairman Stephen Griffen