



STOCKTON PORT DISTRICT

Board of Port Commissioners

May 20, 2019

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on May 20, 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
Elizabeth (Liz) Blanchard
Michael Patrick Duffy, Vice Chairman
Stephen Griffen, Chairman
Victor Mow

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: Gary Christopherson

OTHERS PRESENT: Richard Aschieris, Port Director
Steve Escobar, Deputy Port Director
Michelle Bowling, Interim Director of Finance
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 Duffy moved, to adopt the following resolution:

MINUTES OF APRIL 15, 2019 MEETING

Resolution #8127: RESOLVED, that the minutes of the regular meeting of the Board of Commissioners of the Stockton Port District held on the 15th day of April 2019, as the same are endorsed on Page No. 036 to Page No. 052, inclusive, of Minutes Book No. 61, be and they are hereby approved.

Resolution #8127 was passed by the following vote:

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

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

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

INFORMATIONAL PRESENTATION OF THIRD QUARTER
2018/2019 FISCAL YEAR FINANCIAL STATEMENTS

Port Interim Finance Director Bowling provided an overview of the financial reports for the three month period of January 1, 2019 through March 31, 2019. Copies of the financial information were provided to the Commission prior to today's meeting. Information presented included financial highlights, operating revenues, expenses, and capital projects.

CONSIDERATION AND APPROVAL OF A CATEGORICAL EXEMPTION 15061(B)(3)
PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA);
AUTHORIZATION FOR PORT STAFF TO FILE A NOTICE OF EXEMPTION RELATED
THERE TO; APPROVE THE PORT'S 2019/2020 ENERGY EFFICIENCY PROGRAM
(PURSUANT TO THE STATE'S REQUIRED PUBLIC BENEFIT PROGRAM); AND
AUTHORIZE THE PORT DIRECTOR TO IMPLEMENT THE PROGRAM

Port Deputy Director Escobar provided an executive summary of this agenda item. Mr. Escobar's presentation included the following:

Background:

- In 2000 wholesale electricity deregulation was implemented in California
- As part of the deregulation, utilities were required to implement Public Benefit Programs (aka Public Purpose Programs)
- Utilities were allowed to collect 2.85 percent (2.85%) of retail sales as a Public Benefit Charge
 - The Port has been collecting the Public Benefit Charge since 2008

Public Benefit Program:

- Public Utilities Code Section 385 defines the areas where the funds can be used as:
 - Demand-side Management, Energy Conservation and Efficiency
 - Renewable Energy Investment
 - Research and Development
 - Low Income Rate Relief
- Applies to all customer classes
- Also applies to the Port's use for the benefit of the Port and Tenants (utility related solar, street lighting, etc.)

Types of Energy Incentive Programs:

- Business Computing
- Food Service
- Heating, Ventilating and Air Conditioning
- Lighting – Interior and exterior fluorescent, other types of lighting and lighting controls
- Refrigeration
- Motors and Appliances
- Natural Gas

Proposed Port of Stockton Program:

- The Port has no residential customers and has left Research and Development to other agencies because of the cost
- Most of the Port's retail electric load is made up of lighting and motor usage related to manufacturing or moving materials
- The Port's program assists with implementing energy programs related to:
 - Lighting and Lighting Control Systems
 - Motors involved with fans, pumps, compressors, industrial processes, exhaust and variable speed drives
- Other Public and Investor Owned Utilities have similar programs

Incentive Rates:

- The incentive amount is based on the impact on the Port's electric power supply costs and on retail revenue
- Incentive Rates:
 - Energy On Peak is \$0.042 per Kilo Watt Hour (kWh)
 - Energy Off Peak is \$0.036 per kWh
 - Energy 24 Hours is \$0.040 per kWh

- Demand Confirmed Permanent reduction of \$39.00 per Kilo Watt (kW)
- Energy Incentive is based on annual energy saved
- Available annual funding is on a first come, first serve basis

Project Financial Limitations:

- Maximum cost of an eligible Project is \$75,000.00
- Maximum incentive in any year is \$33,750.00
- Maximum percentage of the Project cost is forty-five percent (45%)
- Minimum Project cost is \$500.00

Program Funding:

- The proposed Fiscal Year 2019/2020 Program funding amount is \$75,000.00
- The March 31, 2019 fund balance is \$331,763
- Since 2008, \$661,892 has been collected, \$330,128 has been spent to date on the following projects:
 - Solar project studies/evaluations Renewable Portfolio Standard (RPS) requirements
 - PG&E System Impact Studies
 - Light emitting diode (LED) street lighting
 - Tenant lighting project
 - Tenant efficiency study

Implementation is a coordinated effort between:

- Port Development
- Maintenance and Construction
- HCS Engineering (Port's contract electrical engineer)

Program Control:

- Tenant is Contact Point (not a contractor)
- Project Proposal Application
- Pre-Project Inspection
- Post-Project Inspection
- Measurement and Verification

The Board was asked to consider and approve a categorical exemption 15061(b)(3) pursuant to the California Environmental Quality Act (CEQA); authorize Port staff to file a Notice of Exemption related thereto; approve the Port's 2019/2020 Energy Efficiency Program (pursuant to the State's required Public Benefit Program); and authorize the Port Director to implement the program.

Chairman Griffen acknowledged Mr. Kevin McDonnell from the International Longshore and Warehouse Union (ILWU) Local 34 Ship Clerks Association. Mr. McDonnell shared that the Port should look into the use of wind mills for electrical power savings.

Commissioner Duffy moved, to adopt the following resolution:

Resolution #8128: RESOLVED, that pursuant to Port staff review of, and belief that the Port's 2019/2020 Energy Efficiency Program is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) the Board of Commissioners of the Stockton Port District hereby adopts a CEQA Categorical Exemption for the Port's 2019/2020 Energy Efficiency Program and authorizes the filing of a Notice of Exemption related thereto with San Joaquin County; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port's 2019/2020 Energy Efficiency Program (pursuant to the State's required Public Benefit Program) is hereby approved; 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 2019/2020 Energy Efficiency Program; and

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

Resolution #8128 was passed by the following vote:

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

COMMITTEE REPORTS

International Association of Ports and Harbors (IAPH)

Chairman Griffen, Commissioner Blanchard, Port Attorney Herum and the Director of Environmental and Public Affairs Wingfield attended the IAPH World Ports Conference in Guangzhou, China May 5, through May 10, 2019. The worthwhile IAPH Conference focused on Port investments, environmental regulations and security. Commissioner Blanchard also served on the IAPH Women's Forum. Commissioner Blanchard will serve on the IAPH Women's Forum in 2020.

PORT DIRECTOR'S COMMENTS

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

- Since the last Commission meeting, the following short-term lease has been executed:

Lessee: Foundation Constructors, Inc.
Location: West Complex 1 acre at 416 Davis Avenue
Term: 1 year

- Current calendar year-to-date shipping reflects 99 ships. Shipping activity for the same period in 2018 reported 107 ships. Since the last Commission meeting, 25 ships have called at the Port.
- Current calendar year-to-date tonnage totaled 1,862,909 metric tons. Tonnage for the same period in 2018 totaled 1,881,596 metric tons. Since the last Commission meeting, 483,460 metric tons of anhydrous ammonia from Trinidad, bagged rice to Japan, cement/slag from China, steel from Japan and Korea, fertilizer from Belgium, Chile, Estonia, Russia, Germany, Holland, Trinidad and the Netherlands, food grade oil from Malaysia, molasses from Taiwan and dry bulk to Japan and sulfur have been handled.
- The Navy Drive Bridge Project is approximately ninety-five percent (95%) complete and the Navy Drive Widening Project is complete. The Dock 12/13 Rehabilitation Project is approximately seventy-seven percent (77%) complete. The Fyffe Avenue Grade Separation Project design phase is thirty-five percent (35%) complete.
- On Thursday, May 23, 2019 the Port will host the State of the City luncheon in Shed 20 on the West Complex beginning at 10:30 a.m.

COMMISSION COMMENTS

Chairman Griffen acknowledged there were no Commission Comments.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Chairman Griffen acknowledged there were no Public Comments.

ADJOURNMENT

On behalf of the Stockton Port District Board of Commissioners, it was announced by Chairman Griffen that today's Commission meeting would be adjourned in memory of Dr. Prabhjit Singh Purewal and Robert Alan Giovannoni.

Dr. Prabhjit Singh Purewal, was born on May 4, 1958 in New Delhi, India. He passed away suddenly on April 7, 2019 at the age of 60. Dr. Purewal attended St. Xavier's High School and the Armed Forces Medical College in Pune, India. He held several Indian National records in long distance running. After moving to the U.S. he completed his residency at the Long Island Jewish Medical Center and a fellowship in Hematology at Stanford University. Dr. Purewal moved his family to Stockton in 1994 to start his private practice. In 1995 he performed the first bone marrow transplant in Stockton. He started the St. Teresa Comprehensive Cancer Center in honor of his time spent working at Mother Teresa's leprosy center in India. Dr. Purewal was an avid golfer and wine enthusiast. He will be remembered as a devoted father and gracious host. He is survived by his three loving children, Paramveer, Tarunveer and Heer.

Mr. Robert Alan Giovannoni, was born in 1964 and was a life-long resident of Stockton. He passed away on April 27, 2019 at the age of 54. Mr. Giovannoni was a farmer for 38 years with his father Alan Giovannoni (deceased 2017). He and his father leased land on Roberts Island next to the Port for many years. He would disc the Port's land on Roberts Island and the West Complex and would keep the Port informed on what was happening upriver. Robert enjoyed spending time with his family in Santa Cruz and Lake Tahoe. He was a member of the Bersaglieri Club and a member of the Reclamation District. He is survived by his loving sons, Stefan and Jovanni (Jolene).

On behalf of the Commissioners, Port Director and staff, sincere sympathy and condolences were extended to the families of Dr. Prabhjit Singh Purewal and Robert Alan Giovannoni.

There being no further business to discuss, the meeting was adjourned at 4:14 p.m. by Chairman Griffen.

Melanie Rodriguez
Secretary to the Board

Chairman Stephen Griffen