



**OXNARD HARBOR DISTRICT
BOARD OF HARBOR COMMISSIONERS
OPERATIONS COMMITTEE
(COMMISSIONERS FOSSE AND RAMIREZ)**

**FRIDAY, MARCH 16, 2007
AT 11:00 A.M.**

THE FOLLOWING ARE ITEMS OF BUSINESS TO BE DISCUSSED AT THE MEETING OF THE OPERATIONS COMMITTEE TO BE HELD ON FRIDAY, MARCH 16TH, AT 333 PONOMA STREET, PORT HUENEME, CALIFORNIA.

A. ORAL COMMUNICATION

Opportunity for members of the audience to present information on items within the subject matter jurisdiction of the District.

B. STAFF REPORTS

1. Review and make recommendation on proposed Amendment No. 4 to the Oxnard Harbor District and Brusco Tug and Barge Contract for Tug Service.
2. Report on Navy Outlease Program and Joint Use.
3. Report on Terminal Agreement with Global Auto Processing Services Inc. for the unloading, storage and distribution of automobiles associated with US Navy Outlease Program.

C. HARBOR COMMISSIONERS' COMMENTS

Opportunity for committee members to request information on items within the subject matter jurisdiction of the Operations Committee.

D. NEXT MEETING DATE

To be determined.

The Oxnard Harbor District complies with the American with Disabilities Act (ADA). A person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting should contact the District's Executive Secretary by telephone at (805) 488-3677 as far in advance of the meeting as is reasonably possible.

**BOARD OF HARBOR
COMMISSIONERS**

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PORT MANAGEMENT

*Anthony J. Taormina
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**CONSIDERATION OF TERMINAL AGREEMENT BETWEEN OXNARD
HARBOR DISTRICT AND GLOBAL AUTO PROCESSING SERVICES INC FOR
THE UNLOADING, STORAGE AND DISTRIBUTION OF AUTOMOBILES
ASSOCIATED WITH THE US NAVY OUTLEASE PROGRAM**

BACKGROUND

The Oxnard Harbor District and Global Auto Processing Services Inc. are in the process of negotiating a Terminal Agreement in conjunction with the recent US Navy Outlease Program.

SUMMARY

The negotiations of the Terminal Agreement have not been completed at this time.

FISCAL IMPACT

The Terminal Agreement will generate tariff operating revenue for the Oxnard Harbor District.

Attachment

RECOMMENDATION: No action to be taken.

**REPORT ON PROPOSED AMENDMENT NO. 4 TO THE OXNARD HARBOR
DISTRICT AND BRUSCO TUG AND BARGE CONTRACT
FOR TUG SERVICES**

BACKGROUND

The Oxnard Harbor District and Brusco Tug and Barge Company entered into a tug services contract in May of 1989. At that time, Brusco Tug and Barge Company agreed to provide continuous tug support services to the Port of Hueneme at a time when the Port was faced with the loss of tug services from the Crowley Tug and Barge Company.

Since 1989, Brusco has provide superior services to the Customers of the Port of Hueneme. In 1999, Brusco Tug and Barge agreed to an Amendment to their existing contract to provide the Oxnard Harbor District, Port of Hueneme, with the services of a new "Tractor Tug". The addition of a "Tractor Tug" would provide the Port with the latest state-of-the-art tug service.

Brusco not only fully complied with the addition of one "Tractor Tug", but Brusco provided a second "Tractor Tug". Brusco also maintains a third back up tug for assist services in the unlikely event that the District would need a back up capability.

All of the equipment provided by Brusco operates with the low sulfur fuels. Brusco also has "shore-side power" for hostelling of the tugs at the Port of Hueneme.

SUMMARY

In reviewing Amendment No. 3 of the Contract for Tug Services, Brusco has requested the staff to consider extending the existing term of the current contract and to provide one additional five (5) year extension. The current contract expires June 30, 2009. The extension will assure the District with continuous "state-of-the art" tug services, and it will allow Brusco to better service existing Customers through a contractual services over a longer term in order to amortize the investment of the two new "Tractor Tugs".

While the proposed amendment has not been drafted, the suggested language would include the following provisions:

1. Recognize that Brusco Tug and Barge has made a significant capital investment into the Oxnard Harbor District vessel services with the construction and operation of two “Tractor Tugs”.
2. Extend the current term of the Contract for tug service from expiring on June 30, 2009 to expiring on June 30, 2014.
3. In addition to the current five year extension, the Agreement will provide Brusco Tug and Barge with two additional five year extensions.

FISCAL IMPACT

There is no direct fiscal impact on the Oxnard Harbor District.

Attachment – Amendment No. 3 Contract for Tug Service

RECOMMENDATION: Refer the request from staff for consideration of Amendment No. 4 to the Brusco Contract for Tug Services to the District’s Operations Committee for recommendation at the next regular scheduled Board meeting.