



Board of Harbor Commissioners of the Crescent City Harbor District

Wes White, President

Scott R. J. Feller, Secretary

Patrick A. Bailey, Commissioner

Ronald A. Phillips, Commissioner

James Ramsey, Commissioner

MINUTES

Board of Harbor Commissioners of the Crescent City Harbor District

Regular Meeting Tuesday, July 7, 2015 6:30 P.M.

COMMISSIONERS PRESENT:

Patrick Bailey, via teleconference
Scott Feller, Secretary
Ron Phillips
James Ramsey
Wes White, President

COMMISSIONERS ABSENT:

None

OTHERS PRESENT:

Charlie Helms, CEO/Harbormaster
Nicole Burshem, PS Business
Bill Cochran, Rep. of Redwood Leavitt Insurance
Kathy Helms, Retail Specialist

6:30 P.M. The Board of Harbor Commissioners will meet in open session to discuss the following agenda items.

President White opened the meeting in regular session at 6:30 p.m.

Pledge of Allegiance.

The pledge was led by Commissioner Ramsey

Public Comment.

The following person(s) addressed the Commission: none

Commissioner Bailey left the meeting at 6:35 p.m.

1. **Consent agenda.**

Requests to remove items from the Consent Agenda may be heard at this time.

- A. Approval of the warrant list since June 16, 2015.
- B. Approval of the minutes of the regular meeting of June 16, 2015.

No requests were made to pull matters or delete matters from the consent agenda; however, the following items were discussed: None

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER RAMSEY, WITH COMMISSIONER BAILEY ABSENT, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE CONSENT AGENDA, CONSISTING OF ITEMS 1. A-B, AS PRESENTED.

2. Discussion and consideration of approval of the Insurance Proposal from Redwoods Leavitt Insurance Agency for Harbor District insurance for Fiscal Year 2015/2016. Take action as necessary and appropriate.

Bill Cochran representative of Redwoods Leavitt Insurance Agency held discussion in regards to the approval of the Insurance Proposal. Mr. Cochran commented that an overview was put together and placed in the agenda packet for review. Mr. Cochran asked if there were any questions. President White asked if employment practices liability/ public officials coverage is like D&O insurance. Commissioner Feller asked if that is what most of the harbors liabilities go against. Mr. Cochran commented that it is compared to D&O insurance and that it goes against the harbor itself and employee liabilities. President White asked if Englund Marine coverage is actual or current values. Mr. Cochran commented it is actual values. Commissioner Feller asked what does the COIN % mean. Mr. Cochran stated it is Co-insurance percentage and that it covers 90% of the replacement value. Mr. Cochran commented Co-insurance comes into place if you have a partial loss. President White asked why it's called Co-insurance. Mr. Cochran commented if you were under insured you might not get full value for the damage, so it becomes a Co-insurer. Commissioner Ramsey asked if \$1.19 million was what covers citizens dock if there were damage done. Mr. Cochran commented that is what will be covered. Commissioner Ramsey noted that this amount of insurance would not cover the damages that may occur. Mr. Cochran noted that the harbor requires boat owners to have liability insurance and they would be paying their portion of damage if any happened. President White asked what the deductible is on the loss of rent. Mr. Cochran commented there is no deductible on loss of rent and in order to receive loss of rent status the building would have to have physical damage. Commissioner Feller asked what liability is included for vessel protection and indemnity. Mr. Cochran commented the liability coverage covers things such as slips and falls. President White asked about the Vessel Physical damage coverage. Mr. Cochran noted that was for owned vessels. President White asked about the navigation warranty. Mr. Cochran commented this would cover the inner boat basin to cover physical damage to vessels working within the harbor. President White asked about the difference between vessel physical damage and vessel protection damage. Mr. Cochran noted physical damage is harm to itself and protection damage is harm to something else. President White asked if some of the vehicles listed on the commercial automobile outline could be taken off. Mr. Helms commented the 95' Chevy S10, 89' Ford (diesel), and the Taurus would be

able to be taken off. Commissioner Feller asked if this is the physical damage and not liability insurance. Mr. Cochran commented it is the other way around, this is just liability to cover if our vehicle hits someone/something else. President White asked what is the special form, excluding theft mean. Mr. Cochran commented it is basically a product to the public that they can buy such as fire, hail, wind, storm, collapse, vandalism, and smoke explosion.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER PHILLIPS WITH COMMISSIONER BAILEY ABSENT, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE APPROVAL OF THE INSURANCE PROPOSAL FROM REDWOODS LEAVITT INSURANCE AGENCY FOR THE HARBOR DISTRICT, AS PRESENTED.

3. Discussion and consideration of the proposal to convert one of the front offices in the harbor administration building to a visitor information center and a Gift/Souvenir Shop. Take action as necessary and appropriate.

Discussion was held in regards to the proposal to convert one of the front offices to a visitor information center and a gift/souvenir shop. Mr. Helms commented that this is an effort to attract more visitors to the harbor. By attracting guests into the harbor office we can learn what attracted them to the harbor, where visitors come from, find out their likes and dislikes about the harbor experience, what the visitors would like to see offered at the harbor, how long visitors plan to stay and what they plan to do, promote the harbor tenants and their businesses, counter the "There's nothing to do in the harbor" comment, offer the opportunity to buy T-shirts and souvenirs for walking advertisement, track the strong selling souvenirs to boost revenue, demonstrate that retail business of this sort can be successful, generate additional revenue, and have additional venue to promote on Facebook, Trip-advisor, and Harbor website. Commissioner Phillips asked in regards to the design. Mr. Helms commented they are going to put a more open window up in place of the smaller one, so that visitors can see into the building to see what is available. Karen Helms, retail specialist commented the reason for the short wall in the office is to cut down on theft. Commissioner Feller commented he was concerned that there are no design criteria and the harbors security system should be updated. Mr. Helms noted he was already researching new security systems. Commissioner Feller offered to help give Mr. Helms suggestions on some good security systems. President White asked what would the net profit margin be. Ms. Helms stated that it would take approximately 12 to 15 months to get the \$25,000 back. Ms. Helms noted she is estimating about 30-35% net profit margin, due to the fact that there is no overhead and the harbor already has staff. President White commented that he thanks and appreciates Ms. Helms for putting in all the effort to get this information for them. Commissioner Phillips asked if this project would be designed around the tsunami. Ms. Helms noted everything would have the Crescent City Harbor logo only. Commissioner Ramsey asked if staff reassignments have been taken care of. Mr. Helms stated staff reassignments are and will be in affect if this gets approved. Commissioner Feller asked if the remodeling cost included moving Kathy from the front office to the back offices. Mr. Helms noted that it has been included.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY PRESIDENT WHITE, WITH COMMISSIONER BAILEY ABSENT, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE PROPOSAL TO CONVERT ONE OF THE FRONT OFFICES IN THE HARBOR ADMINISTRATION BUILDING TO A VISIT INFORMATION CENTER AND A GIFT/SOUVENIR SHOP, AS PRESENTED.

4. **Discussion and consideration of approval for the use of a portion of the Inner Boat Basin parking lot by Rural Human Services for the Farmer's Market on Saturday, August 8, 2015.** Take action as necessary and appropriate.

Discussion was held in regards to approval for use of a portion of the Inner Boat Basin parking lot for Farmers Market on Saturday. Mr. Helms commented the fairgrounds are being utilized by the County Fair and the Farmers Market is requesting to use the Harbor Parking Lot. Commissioner Phillips recused himself due to the fact he is the Farmers Market Manager. Commissioner Feller recused himself because he is the C.E.O.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE WITH COMMISSIONER PHILLIPS AND FELLER RECUSED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE USE OF A PORTION OF THE INNER BOAT BASIN PARKING LOT B RURAL HUMAN SERVICES FOR THE FARMER'S MARKET ON SATURDAY, AUGUST 8, 2015, AS PRESENTED.

5. **Committee Reports.** Reports from Board committees.

The following committee reports were made:

Financial – NONE

Budget Committee – Mr. Helms commented that the Harbor could do the budget the way the Harbor has been because the Harbor has the money to cover the short fall.

Design Oversight – NONE

Dredge –NONE

Events – NONE

Ordinance and Policy – Mr. Helms commented he found Rich Young's book with notes and will sit down with Commissioner Feller to compare the notes and make sure the Harbor is on tract.

Lease Committee –Mr. Helms noted the Harbor is waiting for leases to come back from legal council.

Park Model Construction – NONE

Real Estate Policy/Lease Committee – NONE

North Coast Tsunami Center Committee – NONE

Dutra Dispute Resolution Committee – NONE

Employee Negotiations – NONE

Insurance Committee – NONE

Zoning and Land Use – Mr. Helms noted Wilma Madden is making sure to stay in contact with them.

Strategic Planning - NONE

Marketing – NONE

Maintenance and Repair - NONE

IGRC – NONE

Chamber – Commissioner Phillips commented that we just put on the 4th of July parade and fire works show. The deck party was very well attended and there will be a meeting held on Friday the 10th of July to go over the pros and cons of the event. There will be a chamber mixer on Thursday the 9th of July at the airport for CAL ORE Life Flight. The new maps of the city with locations of chamber business are out now.

Land Use Plan – NONE

Personnel – NONE

6. **C.E.O.'s Report.** Report on current matters and issues planned or in progress.

The CEO's report included the written report in the agenda packet and the following: Mr. Helms commented the Harbor District staff is preparing promotional spaces so that auto and truck dealers, RV dealers, and boat dealers can display one or more of their units on Harbor property. Mr. Helms noted the fee schedule would be \$30 per day for a 15 foot by 50-foot space to display one unit and any additional space beyond +/- 750 square feet for an additional \$30 increment. President White asked who was the point of contact. Mr. Helms noted the point of contact would be him. President White asked if there is possibility for the dealers to display a whole lot rather than a single unit. Mr. Helms commented that is the long-term goal. Commissioner Feller suggested also doing a crab or food festival. Mr. Helms commented that staff has placed "I Want You to Open Your Business here at the Harbor" signs in various locations throughout the Harbor. Mr. Helms commented the Harbor maintenance team would begin trenching to bring electrical to the corner of Starfish and Anchor Way. Mr. Helms noted rehabilitation work continues on the Harbor dredge and Maples has agreed to replace all the out of specification stainless steel bolts on the potable and fire systems. Mr. Helms commented that he attached the one page overview of the Harbors stockpiled dredge material characteristics. Commissioner Feller commented that he does not agree with the assessment done. Commissioner Feller noted that the disclaimers stated the materials were in violation of different roles and he feels that they need to base it on what the material is being used for before they make that assessment. Mr. Helms noted he was already talking to Erik Nielson about the situation. Mr. Helms commented that Englund Marine met yesterday the 6th of July to get water trenching done, but still waiting to get bids back. Mr. Helms noted the appraisal from Brown, Chudleigh, Schuler, Meyers, and Associates should be here by mid July. Mr. Helms commented Starfish Way finally got all their permits to start construction. President White asked how long it took to get the permits. Mr. Helms commented it took three months and was only granted a temporary permit. Mr. Helms commented that the Harbor previously placed an ad in the Triplicate advertising 170 Marine as available lease space. Mr. Helms commented that he spoke with some leasing companies in town on what their guidelines are for leasing buildings. President White asked if there was consideration of hiring a real estate agent. Mr. Helms commented he spoke with an agent and she said that it wouldn't be worth their time to take on the assignment. Mr. Helms commented that the Harbor received a letter from California State Lands Commissioner regarding sea levels rising. Mr. Helms commented there is over 600 likes on the Harbors Facebook page. Mr. Helms noted there was an article published in "Stack Tide" about the Water Safety Day at the Crescent City Harbor District. President White asked what

is happening with FEMA. Mr. Helms noted it is still in FEMA's hands. President White asked where the Harbor stands with the Chart Room getting a liquor license. Mr. Helms commented he hasn't received an answer about it yet. President White asked what was the status of the prospect list to fill the available spaces in the Harbor. Mr. Helms commented the list was just to get a spark out there of what is available and find out whom we can market the spaces to. President White asked who would be contacting the prospects. Mr. Helms stated he would have Mr. Tavasci start doing that. President White suggested adding the son of the owners of the Lost Whale, a little bed and breakfast in Trinidad. President White asked in regards to the revenue rate of \$600+6% for Porcinis. Mr. Helms suggested putting in a camping area for a revenue generating opportunity. Commissioner Phillips noted the Harbor had already pitched an idea of putting in yurts, but the decision was denied. Mr. Helms suggested putting in a tent camping area over by the fish scaling station.

7. **Board Comments.**

The following Commissioners discussed items of general interest, provided a reference or other resource to staff, asked for clarification or requested staff to report to the Board on a certain matter: Commissioner Phillips asked if we own the docks and could the Harbor sell dock spaces to people. Mr. Helms commented the 30-foot slips can be and that would change them into condos. Commissioner Phillips commented he would like to see this explored so that the Harbor can see if this could generate more revenue. President White directed staff to look into the possibility of selling dock spaces to people. Commissioner Feller asked if an additional clause for the ordinance regarding the 30-foot slips could be changed to a summer and winter rate at the discretion of the Harbor Master. Mr. Helms noted as long as they are a published rate. Commissioner Feller asked in regards to the condo idea of having a houseboat anchor in the cove. Mr. Helms commented it would be a tougher sell because it would be a vacation rental.

8. **Adjournment to the next Regular Meeting scheduled on Tuesday, July 21, 2015 at 6:30 P.M. at the Harbor District Office, 101 Citizens' Dock Road, Crescent City, California.**

There being no further business to come before the Commission, President White adjourned the meeting at 7:50 p.m., until the next regularly scheduled meeting on July 21, 2015.

Wes White, President

Scott Feller, Secretary

Approved this _____ day
of _____, 2015.