

MINUTES

Board of Harbor Commissioners of the Crescent City Harbor District
Regular Meeting, July 5, 2016, 5:30 P.M.

COMMISSIONERS PRESENT:

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

OTHERS PRESENT:

Charlie Helms, CEO/Harbormaster

Traci Fansler, CCHD Director of Finance

5:30 P.M. The Board of Harbor Commissioners will meet in open session to discuss the following agenda items.

President Ramsey called the meeting to order in open session at 5:30 p.m.

Public Comment

Public Comment prior to session: There were no public comments.

Pledge of Allegiance.

The pledge was led by Commissioner Phillips.

Consent agenda.

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

- A) Approval of the warrant list since June 21, 2016.
- B) Approval of the minutes of the meeting of June 21, 2016.

President Ramsey requested that Agenda Items #3 and #4 be removed from the agenda.

Following questions about certain Warrant List items by Commissioner Phillips and Commissioner White, Commissioner Feller made a motion to approve the Consent agenda. The Motion was seconded by Commissioner White. The polled vote was unanimous with Commissioners Bailey, Phillips, Feller, White and President Ramsey voting affirmatively.

Agenda Item #2: Presentation of proposal for the creation of a 501 (c) 3 nonprofit corporation.

Staff presented the background information related to this agenda item. CEO Helms shared that the creation of a 501 (c) 3 would provide additional avenues of funding from corporate and private foundations that limit their giving to 501 (c) 3 entities.

Following questions and comments from the Board of Harbor Commissioners, Commissioner White made the Motion to approve creation of a 501 (c) 3 for the Crescent City Harbor District. The Motion was seconded by Commissioner Feller and the measure was passed unanimously by polled vote with Commissioners Bailey, Phillips, Feller, White and President Ramsey voting affirmatively.

Agenda Item #5: Discussion of transferring a percentage of Harbor District funds to the State of California Pooled Money Investment Account (PMIA).

CEO Helms read the background documentation attached to the agenda. The State of California through the State Treasurer's office manages a Pooled Money Investment Account and the Local Agency Investment Fund (LAIF) is one of the PMIA funds. As of May 31, 2016, 1,591 Special Districts, 474 Cities and 53 Counties among others participated in the fund. To participate in the fund the Harbor has to initiate an account with one of the eight approved financial institutions for transferring funds in and out of the PMIA. U S Bank is the only approved financial institution that has a physical branch in Crescent City. The Commissioners expressed their preference for using local institutions to support Harbor District business.

After reviewing the attachments to the agenda addressing the PMIA and its particulars and asking clarifying questions about the amount to be transferred; the level of risk of depositing funds into the PMIA in comparison to depositing funds in institutions with the \$250,000 FDIC insurance limit; the availability of funds deposited in the PMIA; the necessity of opening accounts at U.S. Bank to participate in the PMIA; the rate of return on funds deposited in the PMIA; the track record of interest earned on funds deposited in the PMIA; a Motion was made by Commissioner Phillips to deposit \$1 million of Harbor funds into the Local Agency Investment Fund of the Treasurer of the State of California Treasurer's Pooled Money Investment Account. The motion was seconded by Commissioner Bailey. The vote was polled and Commissioner Bailey, Commissioner Phillips, Commissioner Feller, Commissioner White and President Ramsey all voted in favor of transferring \$1 million into the State of California PMIA fund.

Following the vote, Commissioner Phillips made a motion to transfer \$250,000 to U.S. Bank so that the Harbor District could transfer funds in and out of the State of California's Pooled Money Investment Account. The Motion was seconded by Commissioner Bailey. In the subsequent polled vote, Commissioners Bailey, Phillips, Feller and President Ramsey voted to approve and Commissioner White voted against the measure.

The Commissioners directed Harbor Staff to investigate the Harbor District's ability to invest in a Certificate of Deposit at rates superior to those of the PMIA and still be covered by FDIC deposit insurance. Staff will report their findings at the Harbor Commission meeting on July 19, 2016.

Agenda Item #6: Discussion of costs associated with marine survey of Citizens Dock support piles and structural repair systems to mitigate pile deterioration

After CEO Helms read the agenda background, Mr. Vic Markytan, owner of M&M Commercial Diving, addressed the Harbor Commissioners. He made reference to the June 27, 2011 survey conducted by Ben C. Gerwick, then a member of the COWI Group, which is now operating as COWI. As background for the Board of Harbor Commissioners, Mr. Markytan explained the process of the underwater survey of pile conditions and recommended what he considered to be a cost effective manner to affect repairs to piles that were not structurally compromised beyond repair.

Underwater survey costs were estimated at \$75,000 at 2011 rates for three commercial divers to conduct the survey. Mr. Markytan estimated his cost for the survey would be \$27,000.

Mr. Markytan also provided some background on dredging the area around the Synchronlift at Fashion Blacksmith.

After questions and discussion, Commissioner Feller made a Motion to approve using M&M Commercial Diving to conduct an underwater survey of the Citizens Dock Support Piles in an amount not to exceed \$27,000. Commissioner Phillips seconded the motion. The vote was polled with Commissioners Bailey, Phillips, Feller, White and President Ramsey voting to approve.

Agenda Item #7: Discussion of the Harbor Refund Policy

Following the reading of the agenda background, Harbor Staff and Commissioners discussed refining the refund procedure for vessels leaving the harbor before the expiration of their annual berthing permit. Following the discussion, it was recommended that when a vessel that has paid the annual rate for berthing, and wants to leave before the twelve months for which they have paid, that the vessel would be charged the monthly rate for the number of months it was moored in the harbor. In no instance would the refund exceed 25% of the published annual rate.

A Motion was made by Commissioner Feller that in the case of an annual slip holder leaving the Harbor District before the end of their annual term, they would be charged the monthly rate for the number of months they were moored in the Harbor but in no case would the refund exceed 25% of the published rate.

The Motion was seconded by Commissioner White and the motion was passed unanimously by polled vote with Commissioners Bailey, Phillips, Feller, White and President Ramsey approving the measure.

Agenda Item #8: Discussion about early termination of the South Beach Outfitters lease

Commissioner Feller made a Motion to table this discussion about the early termination of the South Beach Outfitters for one month. Commissioner White seconded the motion. The results of the polled vote were as follows: Commissioners Bailey, Feller and White voted to support the Motion; Commissioners Phillips and President Ramsey voted against the Motion.

Agenda Item #9: Discussion about moving the Farmer's Market to the Crescent City Harbor District on Saturday August 6, 2016.

Because the Del Norte County Fair will be held during the first week of August and the parking lot will not be available for hosting the Farmer's Market, it had been requested that the Farmer's Market be hosted by the Harbor District as has happened in prior years. Commissioners Feller and Phillips recused themselves from the discussion and vote. Commissioner White made a Motion to allow the Farmer's Market to set up at the Crescent City Harbor District on Saturday August 6. Commissioner Bailey seconded the motion. The measure passed unanimously with Commissioners Bailey, White and President Ramsey voting affirmatively.

5. Commissioner Reports. Reports from other standing and ad hoc committees.

The following reports were given:

Chamber of Commerce and Visitors Center – Commissioner White updated the Commission about the July 3rd Deck Party at the Cultural Center.

Tri-Agency – The USDA is requesting more information from the Tri-Agency about their loan package. Additional Broadband connections for the area are being discussed

IGRC – Nothing at this time.

Harbor Safety Committee- Bev Noll from the U.S. Coast Guard Auxiliary scheduled meeting with Sheriff Apperson, National Parks and the Harbor District to discuss regulations for Personal Watercraft on Wednesday June 29. Sheriff will schedule a follow up meeting with representatives of the Personal Watercraft community and users of South Beach.

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

Including the topics listed on the written report in the agenda packet, the following items were discussed: Status of repairs to electrical system at the Inner Boat Basin; scheduled meeting with Lorie Adams on CDBG funding possibilities; Close out status of remaining FEMA CAL EMA 2011 tsunami projects; Recap of Year 3 Post-mitigation Eelgrass Monitoring report which was favorable; Closing of commercial crab season; Monthly Harbor Maintenance update; snapshot of Harbor Gift shop sales from September through June; F/V Linda Dawn lawsuit status; TripAdvisor "Certificate of Excellence" awarded to CCHD, one of only 8 awarded to the 33 participants in the "Things to Do" category.

7. Board Comments.

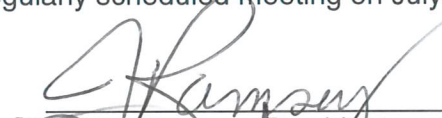
The following commissioners discussed items of general interest, provided a reference or other resource to staff, asked for clarification or requested staff to report to the Board on a certain matter: the Board of Commissioners complimented the Harbor Staff on their preparations for the Independence Day fireworks viewing at the Harbor.

8. Public Comment

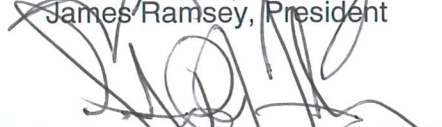
No public Comment

9. Adjournment to the next regular meeting scheduled for Tuesday, July 19, 2016 at 5:30 p.m.

There being no further business to come before the Commission, President Ramsey adjourned the meeting at 7:33 p.m., until the next regularly scheduled meeting on July 19, 2016.



James Ramsey, President



Scott Feller, Secretary

Approved this _____ day
of _____, 2016.