

WES WHITE
President

SCOTT R. J. FELLER
Secretary

PATRICK A. BAILEY
Commissioner

RONALD A. PHILLIPS
Commissioner

JAMES RAMSEY
Commissioner

Board of Harbor Commissioners
of the

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CHARLIE HELMS
CEO/Harbormaster

ERNEST PERRY
Harbor Planner

MINUTES

Board of Harbor Commissioners of the Crescent City Harbor District
Regular Meeting, **Tuesday, August 5, 2014, 6:30 P.M.**

COMMISSIONERS PRESENT:

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

COMMISSIONERS ABSENT:

Patrick Bailey

OTHERS PRESENT:

Charlie Helms, CEO/Harbormaster
Services
Robert N. Black, General Counsel
Harley Munger, Mural Artist
William Cochran, Leavitt Redwoods Insur.

Karen Philips, PS Business

Adam Spencer, Triplicate
Denny Haddad

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

President White called the meeting to order in open session at 6:33 p.m.

Pledge of allegiance.

Commissioner led the pledge.

Public Comment.

No public comments were made at this time. Later in the meeting Mr. Haddad addressed the Commission regarding the bid packet for the demolition of the wastewater tank and conditions that are included in the packet. He feels that the conditions will cause the cost of the project to be jacked up and the cost of the performance bond to be higher, thereby forcing the bids to come in higher. Staff noted that the bid packet was prepared by

counsel and there are time requirements that need to be met that are included in the packet. The bid process has closed at this time.

1. **Consent agenda.**
Requests to remove items from the Consent Agenda may be heard at this time.
 - A) **Approval of the warrant list since July 15, 2014.**
 - B) **Approval of the minutes of the Regular Meeting of July 15, 2014.**
 - C) **Approve the minutes of the Special Meeting of July 15, 2014.**

There were no public comments regarding the consent agenda items. Commissioners discussed the following warrants: the payment to Fashion Blacksmith was for electrical service when work is done on vessels using their meters; the Nautical Software Systems warrant was to catch the office up to the current version of the software system and for maintenance to run the office program; the State warrant was to pay for sales tax on bike racks and auto-tour guide; the City warrant was for \$90,000 to pay funds owed from the wastewater treatment plant, \$10,000 is still owed them; the warrants for moorage refund were discussed; the Stover Engineering warrants were for construction management. Staff will review the warrant paid from the Harbor funding line item. Also discussed was the mention in the July 15, 2014 minutes, item 8, noting that the CEO reported the rocks on the seawall would be reviewed. Staff noted that the engineer had not returned with information yet; however, this is being followed up on. The warranty clarification is unclear and staff will continue to check with the engineer.

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

2. **Discussion and consideration of insurance proposals for new IBB Docks.**
Take action as necessary and appropriate.

Discussion was held regarding insurance proposals for the IBB docks. Staff recommended that they be directed to research the definition of "flood" insurance and report back at the next meeting. William Cochran was present to answer questions. Mr. Cochran explained the history of the policy and the USDA requirement that "flood" insurance be provided and the new dock insurance requirements and coverage. OES, FEMA and USDA are all being checked with to ascertain their requirements. Water perils coverage was included in the premium provided by Mr. Cochran, it was increased the cost of the insurance significantly. This matter will come back to the Commission after staff gets the information back from the various agencies.

3. **Discussion and consideration of adding Hull Verification, and Pollution and/or Wreck Removal insurance provisions to Berthing Agreements for 2015.** Give direction to staff following discussion. Take action as appropriate.

Discussion was held regarding the hull verification and pollution and/or wreck removal insurance provision from the berthing agreements. Staff recommended that the Commission approve adding any or all of the following to berthing permits for 2014: a hull verification requirement; proof of pollution insurance; proof of hull/wreck removal insurance,

and that staff be directed to work with the insurance agent and counsel to implement the policy and to give timely and appropriate notification to current berthing permit holders. Resolution No 2012-18 was adopted requiring insurance in 2012, however, no pollution or wreck removal insurances were necessary at the time it was adopted. Staff now feel like it is in the best interest of the Harbor to have these coverages on vessels berthed at the Harbor. Current surveys would be needed for the wreck insurance, which can be costly for the vessel owner. Having the pollution insurance would protect the vessel owner and the Harbor in case of a spill or other pollution issue. Hull coverage would be good, but staff does not want to price the Harbor out of the market. Discussion was held regarding pollution coverage for recreational vessels. Mr. Cochran will research this. Hull verification can be a written statement by the vessel owner and is required according to Mr. Cochran for pollution coverage. The resolution would need to be put on an agenda for adoption and will help to give notice to the fishermen regarding the new pollution insurance requirement. Commissioner Feller suggested a discount on berthing costs with proof of insurance.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER RAMSEY AND UNANIMOUSLY CARRIED, ON A POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE POLLUTION INSURANCE REQUIREMENT AND A REVAMP OF THE RESOLUTION TO MAKE THE REQUIREMENT EFFECTIVE AT THE BEGINNING OF THE NEXT INSURANCE RENEWAL DATE FOR EACH VESSEL.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER PHILLIPS, AND CARRIED ON A THREE-FIFTHS POLLED VOTE, WITH COMMISSIONER WHITE VOTING "NO" AND COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS VOTED TO REQUIRE HULL WRECK INSURANCE ON VESSELS AND TO GIVE A 10% DISCOUNT ON ANNUAL BERTHING PERMITS UPON PROOF OF SUCH INSURANCE.

- 4. Discussion and consideration of allowing the North Coast Marine Mammal Center to conduct a portion of their fundraising 10K and half-marathon on Harbor District property on October 4, 2014.** Give direction to staff following discussion. Take action as necessary and appropriate.

Discussion was held regarding the Marine Mammal fundraiser. Staff recommended Commission approval of the request and that staff be directed to work with counsel to prepare a liability waiver for access to the Harbor property on the day of the event.

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED BY COMMISSIONER FELLER, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED LETTING THE NORTH COAST MARINE MAMMAL CENTER HOLD A PORTION OF THEIR OCTOBER 4TH FUNDRAISER ON HARBOR PROPERTY AS REQUESTED.

Counsel left the meeting at 7:36 p.m.

- 5. Discussion and consideration of granting permission for, and the placement of, a mural on the exterior of the B/C Dock Restroom Building.** Take action as necessary and appropriate.

Discussion was held regarding the placement of a mural on the exterior of the restroom building at "B" and "C" Dock. Staff recommended that the Commission approve Mr. Munger's request, along with a budget of \$525.00 for labor and materials for the framing and installation of the mural when completed. Harley Munger addressed the Commission requesting approval on the mural and framing. The frame is being made of scrap metal order to keep the cost down.

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE PLACEMENT OF A MURAL ON THE EXTERIOR OF THE RESTROOM BUILDING AT "B" AND "C" DOCK AS REQUESTED, AND DIRECTED STAFF TO WORK WITH MR. MUNGER.

- 6. Discussion and Consideration of Approving a second 30-day ground lease extension to Hensel's Seafoods (191 Citizens Dock Road).** Give direction to staff following discussion. Take action as necessary and appropriate.

Discussion was held regarding a second 30-day ground lease extension with Hensel's Seafood. Staff recommended the Commission approve the second amendment to the short-term rental agreement and authorize the President to sign the same for 191 Citizens Dock Road.

ON A MOTION BY COMMISSIONER RAMSEY , SECONDED BY COMMISSIONER FELLER, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, WITH COMMISSIONER BAILEYS ABSENT , THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED A SECOND 30-DAY EXTENSION OF THE GROUND LEASE WITH HENSEL'S SEAFOOD UNTIL AUGUST 31, 2014.

Staff will ask counsel if a longer extension could be signed. Mr. Hensel is going to be moving the unit to an agreed upon location near the Harbor offices once Englund Marine gets their Coastal Commission approval.

- 7. Discussion and Consideration of Property to be Declared Surplus, including three vehicles and 79 used dock sections.** Give direction to staff following the discussion. Take action as necessary and appropriate.

Discussion was held regarding the declaration of property as surplus, including three vehicles and seventy nine used docks. Staff recommended approval of the surplus items and that direction be given to staff regarding the sale. It was pointed out that there were good docks that were being saved for the recreational uses. Staff noted that these are the same docks; however, it appears that they are no longer needed for that purpose. Staff will consult with counsel regarding the sale of the items and the process for the sale. Staff would like to have the sale on the 23rd of August.

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED BY COMMISSIONER FELLER, AND CARRIED ON A THREE-FOURTHS POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, AND COMMISSIONER RAMSEY VOTING "NO", THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND DECLARED THE PROPERTY AS SURPLUS AS REQUESTED.

8. **Discussion and Consideration of allowing the CEO/Harbormaster to attend the California Association of Harbor Masters and Port Captains 66th Annual Training Conference and Trade Show in Santa Barbara, September 29 through October 2.** Take action as necessary and appropriate.

Discussion was held regarding attendance at the California Association of Harbor Masters and Port Captains 66th Annual Conference and Trade Show.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY COMMISSIONER FELLER, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND AUTHORIZED THE CEO/HARBORMASTER TO ATTEND THE SEPTEMBER 29-OCTOBER 2ND CALIFORNIA ASSOCIATION OF HARBOR MATERS AND PORT CAPTAINS 66TH ANNUAL TRAINING CONFERENCE AND TRADE SHOW IN SANTA BARBARA.

9. **Discussion and Consideration of updating the Job Descriptions for Office Clerk 2 and Bookkeeper positions, and adding Clerk 1 and Marketing/Events Coordinator.** Give direction to staff following the discussion. Take action as necessary and appropriate.

This item was pulled from the agenda at the request of Commissioner Feller.

10. **Discussion and Consideration of Event to Celebrate the completion of the Harbor Promenade and Coastal Trail segment ("Anchors Aweigh" Celebration) on Saturday, September 27.** Determine budget for the event. Give direction to staff following the discussion. Take action as necessary and appropriate.

Discussion was held regarding holding an event, including the budget, for a celebration for the completion of the Harbor Promenade and Coastal Trail segment on Saturday, September 27th. This is intended to be a community event to thank the funders and show off the trail. There will be games and art contests. The anchors that the Harbor currently has will be decorated by schools/colleges and voted on like the bears that are placed about the Grants Pass downtown.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY COMMISSIONER FELLER, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED HOLDING THE "ANCHORS AWEIGH" EVENT ON SEPTEMBER 27, 2014 AND SET THE BUDGET AT \$2,000

11. Discussion and Consideration of purchasing commercial laundry equipment for the North Restroom and current laundry room. Give direction to staff following discussion. Take action as necessary and appropriate.

Discussion was held regarding the purchase of commercial laundry equipment for the North Restroom and the current laundry room. Staff recommended that the Commission approve the purchase of laundry equipment as shown on the July 30, 2014 bid from Commercial Laundry Equipment after discussion. Commissioner Phillips asked about the hours the laundry room located behind the Harbor offices is available for use. The key to use the current laundry facility requires a deposit, which is returned to the user when the key is returned. The machines behind the Harbor offices are not being made any longer according to staff's research. Commissioners expressed concern regarding the extra expense of purchasing two sets of machines at this time. They would like to purchase a washer and dryer, soap dispenser and two coin machines and continue to use the washer and dryer that are in the current laundry facility due to budget constraints.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER WHITE, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED PURCHASING A COMMERCIAL WASHER AND DRYER FOR THE NORTH RESTROOM WITH A SOAP DISPENSER AND TWO COIN MACHINES.

12. Committee reports from other standing and ad hoc committees.

The following committee reports were made:

Budget Committee – no report.

Design Oversight – no report.

Events – there is a tractor coming to the Harbor this weekend celebrating our veterans. The tractor has traveled across country and will also be stopping at Home Depot prior to the Harbor visit.

Landlord Tenant Committee – no report.

Park Model Construction – no report.

Real Estate Policy/Lease Committee – no report.

Visitor's Center Committee – a meeting needs to be held.

Dutra Dispute Resolution Committee – no report.

Employee Negotiations – no report.

Insurance Committee – no report.

Zoning and Land Use – no report.

Marketing – no report.

Maintenance and Repair – no report.

Tri-Agency – no report.

IGRC – meeting next month.

Chamber – no report.

Port Safety – no report

Personnel – need to have a meeting.

13. C.E.O.'s report on current matters and issues planned or in progress.

The CEO's report included discussion of the following topics: 1) a \$2,400 check from Pacific Power was received for rebate program; Dutra – walked to the docks with staff, they will pay the Harbor for the electric usage and they will send a letter to Reese Electric to get the electrical issue worked out with the metering system so that it can be billed appropriately as soon as possible; Rich Salvaressa – was promoted to Maintenance Worker Foreman; Mac MacIntosh – will be coming to visit the Harbor on August 27 for pre-closeout of grants/projects, staff is attempting to get some other reviews done at that time also; Fish Cleaning Station – slowed down, the construction crew did not arrive, but they promised to be here in the next two weeks; Permit – above ground storage tank was certified; Harbor Logo- samples of the two logos were presented for marketing purposes, suggested changes were made to lighten the windows, leave the slogan “gateway to the redwoods”. The Marketing Committee will discuss the logo at the special meeting, to be held August 19th at 4:30 p.m.; Accounts receivable report - was included in the staff report, it appears that Alber's does not owe the amount previously reported and the amount is being settled by offsetting amounts that were owed to the Harbor. Staff is working on getting QuickBooks set up in the office and getting financial statements in a timely manner.

14. 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 thanked the Harbor for allowing the Farmers Market to be in the Harbor this last weekend; He also noted the fisherman that owns Blueberry Hill stated that vessels in the port pay a tax on the berth, which Mr. Phillips was unaware of. Commissioner Feller noted he was glad to be back in the cool weather and he added that Mr. Haddad, the man who spoke under public comment period, owes the Harbor a \$20,000 judgment. President White asked about setting annual goals at the marketing meeting on the 19th.

15. Adjournment to the next Regular Meeting scheduled on August 19, 2014, 6:30 P.M. at the Flynn Center, 981 H Street, Crescent City, California.

There being no further business to come before the Commission, President White adjourned the meeting at: 8:50 p.m. until the regular session held on August 19, 2014.

Wes White, President

Scott Feller, Secretary

Approved this _____ day
of _____, 2014.