

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

Crescent City Harbor District

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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, September 2, 2014, 6:30 P.M.

COMMISSIONERS PRESENT:

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

COMMISSIONERS ABSENT:

None

OTHERS PRESENT:

Charlie Helms, CEO/Harbormaster
Robert N. Black, General Counsel
Tamera Leighton
William Cochran, Leavitt Redwoods Insur.

Karen Philips, PS Business Services
Jonathan Smith, Triplicate
Jon Olson, Stover Engineering
Beverly Noll, Port Safety Committee

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 at 6:30 p.m.

Pledge of allegiance.

The pledge was led by CEO Helms

Public Comment.

The following person(s) addressed the Commission: Bev Noll noted the Expired Flare program had long been a dream of hers to start in Crescent City and she was bringing the proposal from the Del Norte Marine Safety Committee to the Commission to consider. This has been on the Marine Safety agenda for about 10 years and they would like to implement a plan to take care of the exposed flares that are being "stockpiled" in the community with no viable disposal alternatives. She would like to clarify the fact that the transfer station could take them at the Hazardous Waste

collection day each year and the Authority would get the appropriate containers to dispose of them. She feels that \$25.00 per flare is an outrageous amount to charge for disposal. Humboldt Bay uses the collection day as a training and the flares of set off. Flares are good for about 2-3 years according to the Coast Guard. She speculated that there might be 1000 flares stored in the county that have expired and they cannot be burned or dumped in water; they contaminate water when dumped and are a fire/explosion hazard. Ms. Noll will work with the Commission on the program.

1. Consent agenda.

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

A) Approval of the warrant list since August 19, 2014.

B) Approve the minutes of the Special Meeting of August 12, 2014.

There were no requests to pull matters from the consent agenda. Commissioners discussed the payment timeframe for the backhoe. Staff will check on the payment schedule and get the information to the Commissioners. Commissioner Feller asked about the Pacific Power bill and what amount, if any, is reimbursable. Reese Electric is here and they are working on getting the electrical meters read and the billing system up and running. Page 4 and 5 of the warrants list shows two payment to Richterich and Jones for the same amount. Staff noted that the contract payments are made weekly in like amounts. As for the large deposits listed, staff noted they were for wire transfers and then paid out to RCAC as owed. Stover Engineering received a warrant for Anchor Way work which was for the trail extension scope of improvements. The Map 21 funds will be reimbursed within the next 30 days according to Tamera Leighton.

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED BY COMMISSIONER FELLER, 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 the insurance proposals from Redwoods Leavitt Insurance Agency for coverage of the new Inner Boat Basin Docks, including approval to increase the amount of coverage on the new docks/floats. Take action as necessary and appropriate.

Discussion was held regarding the insurance proposals. Bill Cochran reported on the coverage and premium costs. If the coverage were not to be added and a tsunami were to hit the docks the Harbor District would not be covered for the damage, even though CalOES and FEMA do not require it. The Admin Dock is not listed in the policy as it has not been built and it will take the brunt of any tsunami. The dock needs to be added to the water peril insurance when it is built. The Admin Dock will not be built for another three months according to Stover representative Jon Olson. Discussion was held regarding the risk, loan requirements, and maintenance of the docks. Staff recommended that the Commission approve increasing the amount of insurance coverage to include the value of the new Inner Boat Basin dock/floats, but excluding water exposure coverage at a cost of \$70,000 annual premium.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER BAILEY, AND CARRIED ON A THREE-FIFTHS POLLED VOTE WITH COMMISSIONER PHILLIPS ABSTAINING, AND COMMISSIONER RAMSEY VOTING NO, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED

INCREASING THE AMOUNT OF INSURANCE COVERAGE TO INCLUDE THE VALUE TO THE NEW INNER BOAT BASIN DOCKS/FLOATS BUT EXCLUDING WATER EXPOSURE COVERAGE AT A COST OF \$70K ANNUALLY WHILE MAINTAINING THE CURRENT INSURANCE AS IT IS NOW ON THE REMAINDER DOCKS .

3. **Discussion and consideration of approval of Contract Change Order No. 2 with Bellingham Marine in the amount of \$350,123.00 for the Citizens' Dock Fender Repairs project as presented by Stover Engineering.** Take action as necessary and appropriate.

Discussion was held regarding the change order #2 in the amount of \$350,123.00 for Bellingham Marine and the adoption the findings as follows: 1) proposed work is of a specialized nature with limited manufacturer of proprietary products. Over 50% of the cost of the work consists of design, fabrication and installation of the float; 2) proposed work consists of equipment and materials recently installed on a much larger project of the District providing for maintenance efficiencies; 3) contractor is the fabricator of the recently constructed floats for the Inner Boat Basin project; 4) time is of the essence; 5) the change order was originally contemplated on a much large project amounting to roughly 1% of the value of that larger project; 6) contractor was procured using a competitive bid process providing a bid approximately 46% lower than the next lowest bidder. The contract has not been deemed complete and currently remains open permitting a change order to be processed; 7) proposed change order costs were broken down sufficiently to be evaluated by the District's engineer as reasonable and necessary; and 8) the negotiated cost approach for the change order is in the best financial interest of the taxpayer, as it generates significant cost savings for the District, CalOES and FEMA. This will mean that 12.5% of the change order is coming out of the Harbor's budget. Jon Olson of Stover Engineering noted that the report from Mr. Stover outlined the need for the change order. The change order is for the installation of the Admin Dock and the pump-out station for the sewage disposal, which is a concern (in violation of permits) to the engineers. This change order covers necessary changes over what the insurance company reimbursed the Harbor for. This is the last portion of the docks to be replaced.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED CHANGE ORDER #2 IN THE AMOUNT OF \$350,123.00 WITH RECOMMEND FINDINGS 1-8 AND WITH THE STANDARD 10% CONTRACT ADMINISTRATION BY CEO/HARBORMASTER.

4. **Conduct a Public Hearing, waive full reading, and read by title only Ordinance No. 44, *AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT ESTABLISHING QUARTERLY BERTHING FEES.*** Take action as necessary and appropriate.

CEO Helms reported on the ordinance as re request from customers regarding the berthing fees. The public hearing was opened at 7:25. No public comments were received. Commissioners discussed the rate survey and having it conducted annually. Staff feels that is it a critical part of the Harbor's work. The public hearing was closed at 7:27 p.m.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY COMMISSIONER PHILLIPS, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS WAIVE THE FULL READING, READ IN TITLE ONLY ORDINANCE NO 44.

5. **Conduct a Public Hearing, waive full reading, and read by title only Ordinance No. 45, *AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT PROHIBITING CAMPING, CONSUMPTION OF ALCOHOLIC BEVERAGES, DISORDERLY CONDUCT AND CERTAIN SOLICITATIONS ON HARBOR DISTRICT PROPERTY.*** Take action as necessary and appropriate.

CEO Helms reported on Ordinance No. 45 regarding Harbor property which prohibits camping on Harbor property and use of alcoholic beverages and solicitation on Harbor property. The public hearing was opened at 7:29. No public comments were made. Public hearing was closed at 7:30 p.m. This ordinance could apply to vessels in the Harbor or parties on vessels in the Harbor. This ordinance was noticed in the local paper.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY COMMISSIONER BAILEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS WAIVED THE READING, READ IN TITLE ONLY, AND ADOPTED ORDINANCE NO. 45 AS PRESENTED.

6. **Conduct a Public Hearing, waive full reading, and read by title only Ordinance No. 46, *AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT AMENDING ORDINANCE NO. 32 TO CLARIFY FISHING REGULATIONS IN THE CRESCENT CITY HARBOR.*** Take action as necessary and appropriate.

CEO Helms reported on Ordinance No 46 that clarifies fishing in the Harbor. The public hearing was opened at 7:34. No public comments were made. The hearing was closed hearing at 7:35p.m. Staff noted that the ordinance was noticed in the local paper.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER FELLER, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS WAIVED THE FULL READING, READ IN TITLE ONLY, AND ADOPTED ORDINANCE NO 46 AS PRESENTED.

7. **Discussion and consideration of adoption of Resolution 2014-004, entitled *A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT ENDORSING SAFE STAA ACCESS ON CALIFORNIA STATE ROUTE 197 AND US HIGHWAY 199 FROM US HIGHWAY 101 TO INTERSTATE 5.*** Take action as necessary and appropriate.

Discussion was held regarding the resolution. Tamera Leighton reported that the resolution was important to support the STAA project.

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED BY COMMISSIONER BAILEY AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED RESOLUTION NO. 2014-004 ENTITLED A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT ENDORSING SAFE

STAA ACCESS ON CALIFORNIA STATE ROUTE 197 AND US HIGHWAY 199 FROM US HIGHWAY 101 TO INTERSTATE 5, AS PRESENTED.

8. **Discussion and consideration of approving a month-to-month rental agreement for Kenyon Hensel (dba Hensel's Seafood) for 191 Citizens' Dock Road.** Take action as necessary and appropriate.

Discussion was held regarding the rental agreement noting that the month to month rental agreement was prepared by Deputy Counsel and will save time and costs regarding the matter. A 20 day notice has been requested by Mr. Hensel and staff concurs.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE MONTH TO MONTH RENTAL AGREEMENT BETWEEN THE HARBOR DISTRICT AND KENYON HENSEL, DBA HENSEL'S SEAFOOD, WITH A 20 DAY NOTICE AS REQUESTED BY THE TENANT.

Commissioners asked to have the signature line for the President listed the same each time for consistency. Staff will also check lands held in trust versus fee simple.

9. **Discussion and consideration for approval of updated and new job descriptions for Crescent City Harbor District present and future staff positions.** Take action as necessary and appropriate.

Chairman White pulled this matter from the agenda due to typographical errors.

10. **Discussion and consideration of approval of the U.S. Government Lease for Real Property for the U.S. Coast Guard Mooring Facilities at 101 Anchor Way for the period of October 1, 2013 through September 30, 2014, with provision for five successive one year renewal terms at a rate of \$25,000 per annum.** Take action as necessary and appropriate.

Discussion was held regarding the lease and renewal terms. The current lease expired September 30, 2013. The lease committee and counsel have reviewed and approved the proposed lease agreement. The fencing, parking and security listed in the lease area were discussed. President White thanked the CEO for his work on this lease agreement, noting the complexity.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE LEASE AGREEMENT WITH THE U.S. GOVERNMENT FOR REAL PROPERTY FOR THE U.S. COAST GUARD MOORING FACILITIES AT 101 ANCHOR WAY DURING THE PERIOD OF OCTOBER 1, 2013 THROUGH SEPTEMBER 30, 2014 WITH THE PROVISION OF FIVE SUCCESSIVE ONE YEAR RENEWALS AT A RATE OF \$25,000 PERE ANNUM.

11. **Committee Reports.** Reports from other standing and ad hoc committees.

The following committee reports were made:

Budget Committee – no report.

Design Oversight – work in continuing on the trail.

Events – the dedication ceremony will be September 27th, staff is working on getting the invitations out. Commissioners expressed dismay at the short notice and other conflicting events. Former CEO Richard Young and Boating and Waterways staff will be invited to attend, as well as the State Lands Commission and others. CEO Helms will get the timetable out and speaker timeframe for the event beginning at 2:00 p.m.

Landlord Tenant Committee – Commissioner Phillips noted that getting the Hensel matter resolved was important.

Park Model Construction – no report.

Real Estate Policy/Lease Committee – no report.

Visitor's Center Committee – Commissioner Ramsey noted that the two persons running for assembly and senate are interested in the center, as well as Congressman Huffman.

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, meeting will be held soon.

Tri-Agency – no report.

IGRC –no meeting.

Chamber – Thursday's mixer was cancelled.

Port Safety – no report

Land Use Plan – needs some changes that staff will be working on and they will bring it back at the next meeting.

Personnel – need to have a meeting.

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

The written report was included in the agenda packet included discussion of these topics: the pedestals and electric system contractors were supposed to be here next week for training. One of the contractors chose not to attend. The docks were walked today and the meters were manually read, that information will be compared to what was electronically relayed. The training will not take place at this time. Reese Electric will be working on getting the programmer here; Army Corps Col. Morrow was at the office on the 21st. He met with staff and introduced his new staff member, who was helpful and seemed knowledgeable. Staff noted that the emptying of the dredge ponds was important.

Commissioner Feller noted that he offered the dredge soil to the Airport Authority for the runway if they need it and can pay for the trucking costs; marketing of the Harbor by staff will include asking customers, when they come in, where they heard about the Harbor so that the businesses can be reached out to, etc.; USDA had site visit on the 26th and they were very pleased, they took a tour; the Harbor's treatment plant demolition is going quickly, although it may take longer than 3 weeks, according to staff; the stern section of the Christy R is being torn up and hauled off; a memo regarding the study of the breakwater was included in staff's report; the CEO is working on Miss Joanne, abandoned vessels, and delinquent accounts. Commissioners would like to have the delinquent accounts on the CEO's report each meeting; the QuickBooks program and Snapshot programmer Sandy Moreno were in and did some work on the financial reports, which staff hopes to have on the next meeting agenda; the list of businesses that will be audited has not been completed yet, staff feels that the Harbor needs to find the appropriate person to perform the audits and get bids first; CalOES Area Coordinator Michael McIntosh was only able to work on one project when he was here on the 27th, he will be back in three weeks

to go over other projects and staff will continue to answer questions and provide information; President White noted that the goals have been commented on by the CEO and he would like to include meeting or exceeding the budget, marketing, dredge ponds and close out projects and timeline to the list.

13. 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 Ramsey asked about when the railing guy would be back, Staff noted that he should be back soon. Commissioner Phillips commented on the meeting agenda and the large amount of reading required. Due to the holiday it was difficult to get the materials and read through them. He also noted that Congressman Huffman did check out the Harbor and he is still interested in the Visitor's Center. Commissioner Feller noted that the commissioner mailboxes need to be available on weekends. Staff will work of the access issue. Commissioner Phillips noted a person walking away from the new restrooms the other day with something in his hands and he wondered if anybody had reported a theft over the weekend. Staff noted nothing had been reported missing. President White asked about the recording system. The system has arrived and the will be checked out.

14. Adjournment to the next Regular Meeting scheduled on September 16, 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: 8:36 p.m. until the regular session held on August 19, 2014.

Wes White, President

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Scott Feller, Secretary

Approved this _____ day
of _____, 2014.