

**MINUTES OF THE REGULAR SESSION  
OF THE BOARD OF HARBOR COMMISSIONERS OF THE  
CRESCENT CITY HARBOR DISTRICT**

**November 11, 2008**

**COMMISSIONERS PRESENT:**

Garry Young  
John Yingst  
Ron Phillips  
Patrick Bailey  
Ray Martell

**COMMISSIONERS ABSENT:**

None

**OTHERS PRESENT:**

Richard Young, C.E.O/Harbormaster  
Kenneth Towe, Harbor RV Anchorage  
LaVonne Csutoras  
Dana Maciel  
Paul McAndrews, Facilities Manager  
Scott Feller, Commissioner Elect  
Larry Keller, Kennedy/Jenks (by phone)

Karen Phillips, P.S. Secretarial  
Kathy Yingst  
Robert N. Black  
Ward Stover  
James Ramsey  
Bob Ginoccio

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**Call to order.**

President Bailey called the meeting to order in regular session at 5:15 p.m. for the purpose of holding a closed session.

**Public Comment prior to closed session.**

President Bailey asked for public comments, there being not the closed session was convened at 5:15 p.m.

**At \*\*\*5:15 P.M.\*\*\* The Board of Harbor Commissioners will meet in closed session regarding two items:  
Pursuant to Government Code Section 54956.9(a) CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION, 3 cases**

**Crescent City Harbor District v. Haddad.**

**Crescent City Harbor District v. Conover**

**b) Pursuant to Government Code Section 54956.9(b) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION, 3 cases.**

The closed session was held from 5:15 p.m. to 6:30 p.m.

**Call to order for the regularly scheduled meeting. \*\*\*Time certain 6:30 P.M.\*\*\***

President Bailey reconvened the regular session at 6:30 p.m. and counsel reported that the following action was taken during the closed session: On a motion by Commissioners, the Harbor District took action directing the filing of litigation against Barbara Amis (F/V Blue Pointer ), Ben Samples (F/V Polaris), Danny Schnacker (F/V Smokey II), James Kovacs (F/V Sea Grit), and authorized staff to file small claims actions against Raymond Toste (F/V Chinook) and Charles Brown (F/V Amber Lynn ), primarily for unpaid berthing fees. The motions were unanimous.

**Pledge of allegiance.**

Commissioner Bailey led the pledge.

**Consent calendar. Possible Board action. (Estimated time: 5 minutes).**

**REMOVAL OF ITEMS FROM THE CONSENT CALENDAR:**

**Public comment: Requests to remove items from Consent Calendar.**

**Motion to approve the following consent Calendar items.**

**Approval of the warrants issued since October 21, 2008.**

**Approval of the minutes of the regular meeting of October 21, 2008.**

President Bailey requested comments regarding the consent calendar agenda. There were no public comments with regard to removing items from the consent agenda.

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED BY COMMISSIONER YINGST, AND UNANIMOUSLY CARRIED, THE HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE CONSENT CALENDAR, CONSISTING OF ITEMS A-I AND A-II, AS PRESENTED.

**Public comment.**

The following public comments were made: None.

**Discussion and consideration of setting a date for a public workshop to discuss design guidelines. Possible Board action.**

Discussion was held regarding setting a date for a public workshop with the committee to discuss design guidelines as reported by C.E.O. Richard Young. There is an existing guideline committee. After a brief discussion, the public workshop was set for Wednesday the 3<sup>rd</sup> of December at 1:15 p.m., for a design discussion by the committee and the public.

**Discussion and consideration of report from Stover Engineering regarding status of projects. Possible Board action.**

Ward Stover of Stover Engineering and Larry Keller (via phone) from Kennedy Jenks were present to report on the work they are doing with regard to the Harbor Reconstruction Project. Basically the inner boat basin project is split into design and funding components. There are three funding components 1) Economic Development Administration or EDA, 2) Community Development Block Grant or CDBG; and 3) the Coastal Conservancy. Mr. Keller indicated that funds assessment, two from grants, and one from USDA, were reviewed since receiving direction from the Harbor to look for grants and not loans. The NOAA grants did not meet the needs of the Harbor, so the consultants focused their staff on the EDA grants. Area demographics, job creation, economic data and restoration information were gathered in addition to the Harbor's Master Plan, and the effect not reconstructing the harbor would have on the community were studied. The damage assessed initially was increased due to the new code requirements and the damage being more complex than originally thought. EDA seems to be interested in this project according to Mr. Keller. EDA wants to have a distinct piece that they could accomplish so the consultant picked the design piece with a price tag of \$2.9 million, of which EDA would fund \$2 million in the 2009 FY. The difficulty is that congress did not pass a budget this year and they are working with "bridge" funding. The funding cycle is very limited at this time. Congressman Thompson indicated that a new budget may not be available until March of 2009. The EDA indicated that there may be some early monies available to the Harbor. Congressman Thompson's office has been very supportive and there have been many letters from local organizations supporting the reconstruction. It was strongly suggested, by CDBG, that the Harbor apply for loans for gap funding with the California Infrastructure Bank. Mr. Keller indicated that this has been done already. The match funding (5%) will most likely need to come from a variety of sources over a multi-year process. Ward Stover indicated that the EDA has changed the way they are accepting grant applications and asked Mr. Keller to elaborate. Mr. Keller indicated that he received information over a weekend that the grant applications now need to be filed online. In addition, the EDA asked for an update online with new criteria, which was done by Mr. Keller and the application made the cut. The consultants were planning a trip to Seattle to sell the reconstruction project to funders; however, that has been put on hold for a while. Commissioner Young thanked Mr. Keller for his work on the application. Commissioner Phillips asked if the consultants were keeping in touch with CDBG staff. Mr. Keller indicated that he is not keeping in touch with them; that is being worked on by another person in Kennedy Jenks organization. Commissioner Yingst asked if it would help to change the name of the Harbor to AIG Harbor to get some funding assistance. President Bailey also thanked Mr. Keller for his work. C.E.O. Young indicated that Mr. Keller worked very hard on this grant application and that it would not have gone this far without his assistance. Ward Stover reported that the source of funds from CDBG - Over the Counter funding, which are being worked on at this time. This is a state-wide competitive grant program. For every job we retain the Harbor gets \$35,000. CDBG stated that they wanted to work with someone (Susan Dockell) they like and so Mr. Stover hired her. The information Susan collected has been put into a document that can be used for the purposes of obtaining funding. The pre-application will need to be packaged and in three years the jobs will need to be retained. Eighteen businesses have been interviewed, which equals about 150 jobs. Eight businesses have filled out the documents, for approximately 56 jobs, and a number of appointments have been set

up with other businesses to occur over the next week or so. We need to retain 146 jobs to receive the \$5 million. When the application is signed by the Harbor businesses, who participated, will receive the \$200 credit from the Harbor. Tax returns for the last three years and state quarterly statements are needed to file the documents. SBDC staff (Barbara Burke) is filling out the forms for the grant application. The pre-application packet will be ready in December. The Coastal Conservancy's goal is to have a trail system from the state line through to Monterey. They encouraged the Harbor to put in an application for funds for the trail and the master plan. Conservancy staff encouraged the consultants to ask for \$4+ million dollars and they have been here to review the project. Conservation Solutions (Patty McCleary) has worked with the Coastal Conservancy and they are now working with Stover Engineering to put together the grant application. Conservation Solutions will be trying to get the application on the Conservancy's agenda for February. The Conservancy is asking for more complex data and that ensures Mr. Stover that they are more serious about the application. Commissioner Phillips asked about loan applications. Mr. Stover indicated that two have been sent in; one to RDA; and one to the Infrastructure Bank as a fall back or place holder. The design is being funded in large part by the State Office of Emergency Services (OES) and meetings have been held to get feedback from fisherman on the design, which has been submitted to OES for review. Discussion was held between OES staff and the consultants with a detailed estimate sheets, dredging piles, etc. Their staff indicated that they will review the design changes and the consultants believe that it should be back shortly. Construction of the project can be done as early as 2011 (June 2010-October 2011) and be completed once all the design and funding issues are done. There are a number of studies that need done under the design phase of the project before the project can begin construction phase. Commissioner Young asked to have a quarterly meeting with Mr. Stover. Mr. Stover indicated that he would encourage commissioners to call him directly if they have questions.

### **Committee reports from other standing and ad hoc committees.**

The following committee reports were made: C.E.O. Young reported on the Maintenance & Operation Committee meeting that was held to review the Harbor's ordinances. The last review of the ordinances is being completed and staff anticipated that the ordinances will be on the board's December agenda. The IGRC meeting will be next week. Commissioner Martell indicated that Tri-Agency held a meeting and voted to continue the search for an executive director for another 30 days. Commissioner Phillips indicated that he and Commissioner Yingst need to meet with the folks from the VFW regarding the veterans' memorial.

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

The C.E.O.'s report included discussion of the following topics: 1) Dredging – Abalone International area was completely dredged by the end of October, the dredge was moved to the inner basin to protect it from inclement weather and staff has since removed the dredge pipe from the outer harbor. 3300 cubic yards of material was actually removed, they ran into more rock that anticipated, he feels that the crew deserves a thank you from all the Commissioners, the water depth is now around 12 feet, dredging will continue until December 31, which is the end of the permitted season; 2) Pacific Fishery Management Council - Rich Young attended a meeting in San Diego on November 5-7, 2008 and he testified in opposition to allocating individual fishing

quota shares to processors, while the PFMC did not finalize all issues surrounding individual quotas at this meeting, they did adopt IFQ's for the shore based trawl groundfish fishery, they distributed the initial shares to fishermen 90%, processors 0%, adaptive management 10/% for not Whiting and for Whiting fishermen 80%, processors 20% and adaptive management 0%, this will make is more difficult for new processors to enter the Whiting fishery, adaptive management is a new concept that would reserve some portion of the fish quota that could be allocated to vessel owners in order to preserve community stability, enhance conservation, promote gear switching, or for other goals as determined by the PFMC; 3) Art Gallery Lease – is in the hand of their board; 4) Talking Crow Studio Lease – in is the final stages of negotiation; 5) Maintenance Crew – is removing the last of the temporary docks at I and J Docks, and is preparing to make repairs to C Dock ; and 6) Klamath Management Zone Fishery Coalition – will meet at the Harbor on Friday to discuss the status of Klamath River Salmon stocks, marine reserves in Oregon and California and strategy for Pacific Fishery Management Council meetings.

### **Board comments.**

The following commissioners made comments: Commissioner Yingst commented on today being Veteran's Day and he thanked the folks that were in the armed forces for being able to have this kind of meeting. Commissioner Martell congratulated and gave condolences to the winners and losers of the recent election. Commissioner Young reported that the Search and Rescue 911 calls need to get current boat owners emergency contact numbers. Commissioner Young indicated that Messrs. Ramsey and Feller were present and welcomed them. He wants the South Beach ramp removed. Commissioner Phillips thanked Paul McAndrews for taking him through the wastewater treatment plant to show him the method that will be used to monitor the samples and he stated that he was glad the elections were over. The Clerk-Recorder will recount the ballots and the election will hopefully be resolved next week.

### **Adjournment.**

There being no further business to come before the Harbor District Board of Commissioners, President Bailey adjourned the meeting at 7:57 p.m., until the next regular session scheduled on November 18, 2008 at 6:30 p.m.

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Patrick A. Bailey, President

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Ray Martell, Secretary

Approved this \_\_\_\_\_ day  
of \_\_\_\_\_, 2008.