

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

June 1, 2010

COMMISSIONERS PRESENT:

Scott Feller, President
Ray Martell, Secretary
Jack Reese
Ron Phillips

COMMISSIONERS ABSENT:

James Ramsey

OTHERS PRESENT:

Richard Young, C.E.O./Harbormaster	Wilma Madden, P.S. Business Services
Paul McAndrews, Facilities Manager	LaVonne Sparks
Garry Young	Patti Sparks
Wayne Gavin, Alber Seafood	Bob Ginocchio
John Brubaker	Kelley Atherton, The Triplicate
Kenneth Towe, Harbor RV Anchorage	Bill Renfro, Tri-Agency

President Feller opened the meeting at 6:30 P.M. in open session to discuss the following agenda items.

Commissioner Phillips led the Pledge of allegiance.

Public comment.

The following persons addressed the Commission: No comments were received from the public.

1. Consent agenda.

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

A) Approval of the minutes of the Regular Meeting of May 18, 2010.

B) Approval of the warrant list since May 18, 2010.

There was no public comment on the consent agenda or requests to pull items for separate action.

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

2. Discuss and approve a final lease with Rika Blue, dba Talking Crow Studio. Take action as necessary and appropriate.

Mr. Young reported they have the final lease signed by Ms. Blue. It is a five year lease with a stepped rent increase. No comments were received from the public. Commissioner Phillips commented the step increase in December was going to be a big jump for Ms. Blue and wished that she had taken the Harbor's offer of applying the remaining credit to spread out over several months. President Feller confirmed that Counsel has approved the lease. Mr. Young confirmed that he had. Commissioner Martell indicated he was happy they were able to come to terms that satisfied both parties. Commissioner Reese requested that legal Counsel's initials be on future documents as having been approved as to form before being placed on the agenda.

ON A MOTION BY COMMISSIONER MARTELL SECONDED BY COMMISSIONER REESE, AND UNANIMOUSLY CARRIED BY POLLED VOTE, WITH COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE FINAL LEASE WITH RIKA BLUE, DBA TALKING CROW STUDIO.

3. Discuss and consider installing the dock and ramp on Anchor Way for the charter vessel Tally Ho II. Take action as necessary and appropriate.

Mr. Young reported that the installation of the dock and ramp has been done in the past, but it is expensive for the Harbor. This year the cost is even higher, due to the ramp being in poor repair. He indicated that it will take at least 80 more hours and the total repair estimate, including the dock work, is \$5,500. Mr. Young added that the revenue from the Tally Ho II does not increase during the time it is moored off Anchor Way instead of moored in the inner boat basin. Mr. Young indicated that the other two charter boats will be operating from the inner basin. He further indicated they would be willing to put the Tally Ho II in an advantageous position in the inner basin to make them visible to the public. Commissioner Reese asked how long the Tally Ho II has been using the outer basin dock for its charter operations. Mr. Young replied that it has been for some time, as it predates his tenure. Bob Ginocchio, owner of the Tally Ho II, stated he has been in the same spot in the outer basin for 10 years. He added that his customers use the R.V. parks, The Chart Room, and Englund Marine, which benefits the harbor. Mr. Ginocchio commented that his signage is already on Anchor Way, and that C Dock, down at the end where he is right now, is not in good repair either and he is hesitant to have customers use it. Commissioner Phillips commented that he walked

both locations today and both are a similar distance. Mr. Young suggested they could moor the Tally Ho II in slip 12 on E Dock, which would make for a shorter walking distance. John Brubaker commented that the finances did not seem to be as a great issue as staff was indicating, since they bring in a lot of business in to the harbor, which the district realizes in rent. Mr. Brubaker added that some of their customers are elderly and disabled and need the safer ramp on Anchor Way. In addition, they have their fixed signage at Anchor Way. Ken Towe, Harbor R.V. Anchorage, asked whose fault it was that the dock and ramp needed repair; the Tally Ho II or the harbor district. It seems that the issue was one of lack of maintenance, which would not be the responsibility of the Tally Ho II. Commissioner Martell requested that Mr. Ginocchio be able to meet with Mr. Young to resolve these issues, perhaps in concert with the other charter boats.

COMMISSIONER MARTELL THEN MOVED TO TABLE THE ITEM UNTIL THE NEXT MEETING. COMMISSIONER PHILLIPS SECONDED THE MOTION.

Mr. Brubaker pointed out that fishing season started May 15, so this issue needs to get resolved quickly as they are losing revenue. Commissioner Martell suggested arranging an alternate pickup location for their customers until the issue is resolved. President Feller indicated they would have the issue resolved in 2 weeks maximum. President Feller asked Mr. McAndrews how many hours were remaining to complete the needed work. Mr. McAndrews replied that the ramp came from another sport dock and is many years old. The other ramps are aging as well. He indicated they would need to finish painting the ramp, finish the work on the dock, as well as repairing the concrete walkway up above. Commissioner Reese stated he felt something was wrong with this situation. He added he was not happy at moving a tenant who had been in the same location 10 years. He also stated he was not in favor of delaying the installation of the dock and ramp. President Feller expressed concern that the installation of the dock and ramp is a service of the harbor. Further, if the Tally Ho II is moved, the Harbor needs to be prepared to pay for relocating their fixed signage. Mr. Ginocchio inquired about the other charter operations in the harbor. Mr. Brubaker commented the single dock makes it easy to moor on either side depending on weather conditions.

ON A POLLED VOTE, THE MOTION TO TABLE THE ITEM FAILED TO PASS WITH 2 AYES (COMMISSIONERS MARTELL AND PHILLIPS), 2 NOES (COMMISSIONER REESE AND PRESIDENT FELLER) AND 1 ABSENT (COMMISSIONER RAMSEY).

Commissioner Phillips commented that the current expenses are exceeding budgeted amounts and the District is already using reserve funds. He added that they also only have 4 staff persons. Commissioner Martell asked Mr. Ginocchio when he was informed of the status of the dock and ramp. Mr. Ginocchio responded that there had been no communication. Mr. Young remarked they usually have the dock installed by the start of the season. Commissioner Reese asked where the ramp was located right now. Mr. Young replied that it was in the shop, ready to be painted. Mr. McAndrews commented on the remaining work to be done. Commissioner Reese wants it stated that he wanted the dock back in and the ramp repaired. Commissioner Phillips asked if all the work discussed would still total 136 hours. Mr. McAndrews replied that was correct and that approximately 80 hours remain. Commissioner Phillips asked if it would be safe for the elderly or disabled. Mr. Young indicated it has been repaired. Commissioner Martell asked if ramp was serviceable last year. Mr. Ginocchio replied

that it was. Commissioner Phillips asked if the number of remaining repair hours could be reduced. Mr. McAndrews commented on the future need for new ramp. Garry Young commented the former commission had a Maintenance and Operations Committee to provide oversight for needed maintenance. President Feller indicated they recently reactivated that committee.

ON A MOTION BY COMMISSIONER REESE SECONDED BY COMMISSIONER FELLER, AND CARRIED BY POLLED VOTE OF THREE AYES, WITH COMMISSIONER PHILLIPS DISSENTING AND COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE INSTALLATION OF THE DOCK AND RAMP ON ANCHOR WAY FOR THE CHARTER VESSEL TALLY HO II.

4. Discuss and approve Resolution 2010-1 A RESOLUTION APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE CALIFORNIA COASTAL CONSERVANCY TO PREPARE DESIGN GUIDELINES, WATERFRONT PROMENADE DESIGN(S), AN EXTENSION OF THE COASTAL TRAIL THROUGH THE HARBOR, AND OTHER ACCESS IMPROVEMENTS. Take action as necessary and appropriate.

Mr. Young presented the staff report for this grant application and resolution. They have already been working on assembling the needed components of the application package due to a tight time frame for submittal of the package. The Coastal Conservancy has requested the package be submitted by the end of the week. There were no questions from the Commissioners, nor any comments from the public.

ON A MOTION BY COMMISSIONER MARTELL SECONDED BY COMMISSIONER REESE, AND UNANIMOUSLY CARRIED BY POLLED VOTE, WITH COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED RESOLUTION 2010-1, A RESOLUTION APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE CALIFORNIA COASTAL CONSERVANCY TO PREPARE DESIGN GUIDELINES, WATERFRONT PROMENADE DESIGN(S), AN EXTENSION OF THE COASTAL TRAIL THROUGH THE HARBOR, AND OTHER ACCESS IMPROVEMENTS.

5. Discuss and approve Resolution 2010-2, A RESOLUTION APPROVING ELECTRONIC SERVICES FROM NORTH VALLEY BANK. Take action as necessary and appropriate.

Mr. Young reported this will resolution would allow the bookkeeper to move funds electronically between the Harbor District's accounts, rather than having to take time for a trip to the bank in person, thereby improving staff efficiency. There were no questions from the Commissioners, nor any comments from the public.

ON A MOTION BY COMMISSIONER PHILLIPS SECONDED BY COMMISSIONER MARTELL, AND UNANIMOUSLY CARRIED BY POLLED VOTE, WITH COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED RESOLUTION 2010-2, A RESOLUTION APPROVING ELECTRONIC SERVICES FROM NORTH VALLEY BANK.

6. Discuss and approve engagement with Bickmore Risk Consulting Services regarding GASB 45 compliance. Take action as necessary and appropriate.

Mr. Young reported that compliance with GASB 45 is a required item, although it was not budgeted for at the beginning of this current fiscal year. Bickmore Risk Consulting Services is the firm Del Norte County uses for this service. There were no questions from the Commissioners, nor any comment from public

ON A MOTION BY COMMISSIONER MARTELL SECONDED BY COMMISSIONER REESE, AND UNANIMOUSLY CARRIED BY POLLED VOTE, WITH COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE ENGAGEMENT WITH BICKMORE RISK CONSULTING SERVICES REGARDING GASB 45 COMPLIANCE.

7. Discuss and approve travel by CEO and consultant to various meetings. Take action as necessary and appropriate.

Mr. Young reported on the number of meetings coming up in the next few months that may require attendance by staff. He commented they may not need to send a representative to the Coastal Commission hearing if there are no issues from the standpoint of Coastal staff. He added the meeting with CalEMA is a critical meeting for the inner boat basin reconstruction project. Commissioner Martell asked if this travel will exceed the budget. Mr. Young replied he would need to double check, but not all these meetings are in the current fiscal year. There were no comments from the public.

ON A MOTION BY COMMISSIONER MARTELL SECONDED BY COMMISSIONER REESE, AND UNANIMOUSLY CARRIED BY POLLED VOTE, WITH COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED TRAVEL BY THE CEO AND/OR THE CONSULTANT TO ATTEND THE JUNE 9 AND 10 CALEMA MEETINGS AS REQUESTED IN THE STAFF REPORT.

8. Discuss and consider a preliminary budget. And budget workshop. Take action as necessary and appropriate.

Mr. Young apologized for not having the revised budget spreadsheet available for tonight's meeting. Commissioner Phillips asked if there would be a budget committee meeting before the workshop. President Feller suggested adopting last year's budget as the preliminary budget at this time, and then have the committee meet with Mr. Young to review the budget in more detail before scheduling the day and time of the budget workshop. Further, President Feller requested the budget workshop be included in the regular meeting of June 15, if the budget is ready in time for that meeting.

ON A MOTION BY COMMISSIONER REESE, SECONDED BY COMMISSIONER MARTELL, AND UNANIMOUSLY CARRIED BY POLLED VOTE, WITH COMMISSIONER RAMSEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE ADOPTION OF THE PRELIMINARY BUDGET FOR FISCAL YEAR 2010/2011.

9. Standing Agenda Item. Discussion and consideration of status of inner basin rebuilding project.

Mr. Young indicated there was nothing new to report, they are waiting on the meeting with Greg Perry and the CalEMA Engineers on June 10. No action was needed or taken.

10. Standing Agenda Item. Discussion and consideration of status of Marine Life Protection Act initiative on the North Coast. Zack Larson will attend the meeting to provide additional information on the status of the MLPA proposals.

Mr. Young indicated that Mr. Larson was unable to attend the meeting tonight. Mr. Young added that the Regional Stakeholders Group will meet in July in Fort Bragg. There will be four different arrays provided by the stakeholders group, as directed by the Blue Ribbon Task Force. They are a very conservative set of arrays, ranging from 8 to 12 marine protected areas in the arrays, with four in Del Norte.

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

Commissioner Phillips reported on his attendance at the Tri-Agency meeting on May 26. The Tri-Agency has hired Mr. Renfroe for three more years. The Highway 199 project is on schedule, and the EIR encompasses multiple projects on Highways 199 and 197. Commissioner Phillips also attended the Chamber of Commerce meeting, with the planning for July 3rd and 4th events coming along nicely. Commissioner Phillips added that they talked about the Vehicle License Fee of \$18.00 per car that is proposed to fund State Parks. Commissioner Martell reported that the Maintenance Committee met the Saturday before last and listed many issues that need attention, including many of the docks. There were several safety issues that the committee gave staff authority to repair, including repair of the undercutting of sidewalks in several locations. President Feller reported he was on the Maintenance Committee tour also and they are hiring temporary employees to help with the work. President Feller indicated that TriAgency had instructed Mr. Renfroe to work on a Memorandum of Understanding with the Harbor. President Feller also reported the Maintenance and Design committee met and travelled to Eureka and Woodley Island. It was a very worthwhile visit resulting in beneficial ideas for our harbor.

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

Mr. Young presented his report, which included 1) the recreational salmon season began this past weekend; 2) the Coast Guard has security concerns regarding fencing of their facility and parking area, and recently met with staff to discuss it. Commissioner Martell asked who would pay for the construction of the fencing, the necessary permits, etc. Mr. Young replied the Coast Guard will. It will require the need to further define their lease as that parking area is presently shared with the public. He added that he would bring that to the Lease Committee after they receive a response from Coast Guard for additional information; 3) Jack London Square docks and amenities in Oakland. Mr. Young showed photos he took of the facility during his recent

Harbormasters meeting there. Commissioner Phillips asked where the lighting is located on their docks. Mr. Young replied it is in the pedestals. President Feller indicated they have asked Mr. Stover to get feedback from other harbors as to their lighting. 4) Visit to Eureka and Woodley Island. Commissioner Martell asked if their percentage of budget for maintenance was discussed. Mr. Young responded they did not, but mentioned they had a service agreement for a period of time with installing company, which kept their docks in good repair longer.

13. Facilities Manager report on current matters and issues planned or in progress.

Mr. McAndrews reviewed upcoming projects and the work completed since May 1. Commissioner Phillips asked how the hiring of temporary employees was progressing. Mr. McAndrews responded they have hired one person and interviewed several more today, with three going for drug testing tomorrow. President Feller commented they may want to consider having a pressure gauge on the water line on each dock, making it easier to detect water leaks.

14. Board Comments.

Commissioner Martell indicated he had no comments. Commissioner Reese indicated he had no comments. Commissioner Phillips stated he had no comments at this time. President Feller reported there would be a Chamber mixer on June 17 to be hosted by the Coast Guard Auxiliary. President Feller also reported on the visit by Lt. Governor Abel Maldonado. The public officials had a joint meeting with him, and discussed issues such as Coastal Commission issues. President Feller added that the Lt. Governor has promised to visit again in the very near future, adding that the local participants made a favorable impression on him.

15. Adjournment

There being no further business to come before the Commission, President Feller adjourned the meeting at 7:41 p.m. until the next regularly scheduled meeting on June 15, 2010 at 6:30 P.M. at the Flynn Administrative Center, 981 H Street, Crescent City, California.

Scott Feller, President

Ray Martell, Secretary

Approved this _____ day
of _____, 2010.