

RONALD A. PHILLIPS
President

PATRICK A. BAILEY
Secretary

SCOTT R. J. FELLER
Commissioner

JAMES RAMSEY
Commissioner

WES WHITE
Commissioner

Board of Harbor Commissioners

of the

Crescent City Harbor District

Phone (707) 464-6174 Fax (707) 465-3535

101 Citizens Dock Road

Crescent City, California 95531

www.ccharbor.com



RICHARD D. YOUNG
CEO/Harbormaster

ERNEST PERRY
Harbor Planner

MINUTES

Board of Harbor Commissioners of the Crescent City Harbor District Regular Meeting, Tuesday, March 19, 2013

COMMISSIONERS PRESENT:

Ron Phillips, President
James Ramsey
Scott Feller
Wes White

COMMISSIONERS ABSENT:

Patrick Bailey, Secretary

OTHERS PRESENT:

Richard Young, C.E.O./Harbormaster Karen L. Phillips, P.S. Business Services
Lindsey Wheelon, P.S. Business Services Mary Wilson, Ocean World
Martha Rice, Deputy Counsel

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

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

Public Comment prior to closed session.

President Phillips asked to public comments prior to the closed session, there being none, the open session was recessed at 5:30 p.m.

CLOSED SESSION. The Board of Harbor Commissioners will now meet in closed session to discuss the following items:

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8.

Property: 160 Marine Way; 160 Anchor Way

Agency Negotiators: Richard Young, Ron Phillips, Wes White

**(2) CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION:
Significant exposure to litigation pursuant to subdivision (b) of Section
54956.9: one case.
REPORT OUT OF CLOSED SESSION.**

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

President Phillips convened the closed session at 5:30 p.m. to discuss the closed session matters listed above. The closed session was adjourned at 6:28 p.m. and the meeting was reconvened in open session at 6:30 p.m. Counsel announced that no final action was taken in closed session.

The pledge of allegiance was led by Commissioner Ramsey.

Public comment.

The following person(s) addressed the Commission: none.

1. **Consent agenda.**
Public comment: Requests to remove items from the Consent Agenda may be heard at this time.
 - A) **Approval of the warrant list since March 5, 2013.**
 - B) **Approval of the minutes of the Regular Meeting of March 5, 2013**

There were no public comments regarding the consent agenda. Commissioners discussed the following items: Commissioner White asked about the outside consultant services warrant for Nichols Consulting. Staff noted that the cost was for the SB 90 reimbursement from the state for mandated activities. Mr. Nichols cut his fee to a fixed fee of \$800. The McMurray and Sons warrant was classified as "docks", the Commissioners asked if it should be something else. Staff noted that the warrant was for the repairs on the Fashion Blacksmith building and it will be reclassified. Commissioner Feller asked about the Pacific Power bill and whether or not it was metered for reimbursement. Staff noted that it is metered.

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 AND ADOPTED THE CONSENT AGENDA, CONSISTING OF ITEMS 1.A, AS PRESENTED. NO MINUTES WERE INCLUDED IN THE AGENDA PACKET AND THEREFORE THEY WERE NOT APPROVED.

2. **Discussion and consideration of approval of the Lease of Easement for Underground Intake and Discharge Lines, Pumphousing and In-Water Collection Lines with Mary Wilson, dba Ocean World. Take action as necessary and appropriate.**

CEO Young discussed the lease with the Commission, noting that the lease was presented and has been signed by Ms. Wilson and her attorney. Staff recommended approval of the lease. Ms. Wilson stated that she appreciated working with the Commission and noted that this is a critical component of their business. Dutra has some cost savings from the project, but she stated that she will have some out of pocket expenses. She thanked the Commission for working with her regarding this issue.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY COMMISSIONER WHITE, AND UNANIMOUSLY CARRIED, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS, APPROVED AND AUTHORIZED THE PRESIDENT TO SIGN THE LEASE OF EASEMENT FOR UNDERGROUND INTAKE AND DISCHARGE LINES, PUMPHOUSING AND IN-WATER COLLECTION LINES WITH MARY WILSON, DBA OCEAN WORLD AS PRESENTED.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER WHITE, AND UNANIMOUSLY CARRIED, WITH COMMISSIONER BAILEY ABSENT, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS, AUTHORIZED COMMISSIONER RAMSEY TO SIGN ALL THE AGENDA ITEMS AS ACTING SECRETARY IN THE ABSENCE OF SECRETARY BAILEY, WHO IS OUT OF THE COUNTRY.

3. **Consideration and adoption of Ordinance No. 40, AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT GOVERNING PARKING AND VEHICULAR TRAFFIC ON THE GROUNDS, DRIVEWAYS, PATHS AND PARKING FACILITIES OF THE HARBOR DISTRICT. Waive the full reading and read by title only. Take action as necessary and appropriate.**

CEO Young presented the ordinance to the Commission for waiver of full reading, reading by title only, and approval. No public comments were received.

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, WAIVED THE FULL READING OF THE ORDINANCE, READ IN TITLE ONLY AND ADOPTED ORDINANCE NO. 40 AS PRESENTED.

4. **Discussion of Resolution No. 2000-9, A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CRESCENT CITY HARBOR DISTRICT TO ESTABLISH A HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE RETIREES UNDER PUBLIC EMPLOYEE'S MEDICAL AND HOSPITAL CARE ACT. Take action as necessary and appropriate.**

Discussion was held regarding Resolution No. 2000-9 and the fiscal impacts of the resolution. Under the current resolution the graduated medical insurance is being paid at a maximum of 100% after 20 years. This 2000 resolution was a substantial change from the previous resolution. Staff noted that the union has indicated that any changes need to be negotiated with them. Staff asked for guidance on this matter. The cost of the 20 year employees is about \$560.00 per month and there are around 11 of those past employees at this time. In the near future there are only a few who would qualify for this benefit; however, the Commissioners would like counsel to look into the resolution for possible change alternatives, such as changing the benefit for any future employees and bring back the information. Commissioner Ramsey stated that he is opposed to changing the benefit for current employees since that has been part of what they have planned on for retirement. Staff sees the issue as three different classes – past retired employees, current employees and future employees. President Phillips asked that Commissioners White and Ramsey sit on a committee to work with staff and make recommendations regarding this matter, which will be brought back for consideration.

- 5. Discussion and consideration of a request from the Harbor Deli to have a jazz band play at their location during the Tall Ships visit and festival. Take action as necessary and appropriate.**

CEO Young discussed the request with the Commission for a jazz band to play at the Harbor Deli during the Tall Ships Festival. The owners have indicated they will keep the performance to mid-day to early evening so that the RV park tenants are not disturbed.

ON A MOTION BY COMMISSIONER RAMSEY, SECONDED BY COMMISSIONER WHITE, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS, APPROVED ALLOWING THE HARBOR DELI OWNERS HAVE A JAZZ BAND PLAY DURING THE TALL SHIPS FESTIVAL.

- 6. Discussion and consideration of a mid-year review of the current fiscal year budget. Take action as necessary and appropriate.**

President Phillips asked that this matter be tabled and dealt with in a budget workshop. By consensus it will be set as a workshop.

- 7. Discussion and consideration of approval of the Rental Agreement for 245 Anchor Way with Vic Markytan of MM Diving. Take action as necessary and appropriate.**

Discussion was held regarding approval of a rental agreement for 245 Anchor Way with Vic Markytan. Staff noted that there is a typo on item 2 "Either party can terminate with 30 day notice..." which should be "...60 days notice...". The rental amount per month will be \$470.00 effective March 1, 2013. Counsel approved and wrote the lease agreement. Commissioner White asked about the insurance coverage as to an additional insured clause. The Commission felt that it was important to have that provision in the lease. Counsel agreed that listing the Harbor as an additional insured provides extra coverage

and the language will be amended to indicate that the Harbor District will be added as an additional insured under the tenants insurance policy.

ON A MOTION BY COMMISSIONER WHITE, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE LEASE WITH VIC MARKYTAN, DBA MM DIVING, CORRECTING THE CONTRACT TO INCLUDE STANDARD LANGUAGE THAT WILL REQUIRE THE TENANTS LIABILITY INSURANCE TO LIST THE HARBOR DISTRICT AS AN ADDITIONAL INSURED.

8. Standing Agenda Item. Discussion and consideration of the status of inner boat basin rebuilding project. Give direction to staff as necessary and appropriate.

The following topics were discussed: the work window for the RSP work was successfully approved through November 15th; Piling water work – opened for March and closed through May because of out migrating salmon smelts from Elk Creek. Coastal feels that caution is warranted. Dutra will begin gearing up for driving pilings for the outer boat basin. The testing of Elk Creek for smelt counts was discussed and it appears that Coastal is not interested in gathering information to support their claim. The rock slope protection work will begin this week; The gangway lighting proposal was discussed. There was a misstatement on the cost, which will cost about \$980 more than anticipated. Staff noted that LED lights will be used on the gangways; Docks - the change in the length/width of the A Dock was discussed and it was decided, that in order to prevent issues and to resist future tsunami action, it will be made 8 feet wide. The cost will be an additional \$70k. A, B, and C Docks have all the submittals in and the engineers are reviewing them; Reese Electric is back and pulling wire on D Dock and they have resolved some of the RSP issues. The pilings that are off keel will be discussed and remediation proposed by the engineers. They are being resurveyed to make sure they are in the right spot or if the survey was off. Gerwick will have to decide the matter regarding pilings off plumb.

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

The following reports were made:

Budget – nothing to report

Design Grant Oversight – nothing to report

Events – Commissioner Ramsey reported that the Tall Ships Festival will have vendors, food booths and they are ordering a 40x60 tent, which will hold informational booths and events during the festival

Harbor Maintenance and Repair – nothing to report

Inner/Outer Basin Reconstruction – Commissioner Ramsey noted that there were a few smaller issues discussed at the meeting, such vinyl bumpers, D Dock finish, tanks being ordered. The new three week look ahead was presented also at that meeting

Landlord/Tenant – nothing to report

Marketing – nothing to report

Park Model Construction – nothing report

Port Maritime Safety Advisory – nothing to report

Real Estate Policy – nothing to report

Visitor Center – Commissioner Ramsey reported there was a meeting on the 15th where discussion was held regarding the wall sections. Next Thursday there will be another meeting to discuss the miscellaneous items, displays, etc. They did talk about a room by the gift shop, which will be a supervisory (work station near the gift shop) space. The 30% drawings will be done by May 31st and the plans are still being worked on. The participants at the meeting also expressed concern about coming in on budget. There will be a meeting with Congressman Huffman on the 24th, according to Commissioner Ramsey, he is in support of the building

WiFi – nothing to report

Zoning and Land Use – nothing to report

Chamber of Commerce – Commissioner Ramsey noted the Chamber retreat was held, which he missed. The Chamber will have another meeting this Friday. Commissioner Ramsey was assigned to a committee to work on the websites

IGRC – Commissioner Feller noted that there was no meeting this month

Tri-Agency – Commissioner Feller reported that the meeting would be held next week

Lease – nothing to report (see above item 7)

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

The CEO's report consisted of the following topics: 1) Work window – staff does not think that the work window will be expanded, need to work with what we have; 2) North Restroom Bids – staff and the contractor are looking for ways to reduce the costs. Crowe/Clay is working on the estimates and staff authorized them to go ahead with work in the amount of \$1,500 to reduce the costs, this is a cost split with the Harbor; 3) Waste Oil Tanks – staff is investigating alternatives for replacing the waste oil tanks around the Inner Boat Basin. The existing tanks have failed and two have been removed. The remaining tank is leaking into the concrete containment system. All the tanks have been patched in the past. The estimate to replace the tanks is \$4,000 per tank and three need to be replaced in stages. The tanks sit inside a concrete vault; 4) Dredge Pond Material - staff finally received the final report regarding the material in the dredge pond from the Army Corps of Engineers. Staff was happy to receive this report and will be evaluating it later this week. The Water Board will be asked where the dredge materials can be used; and 5) Temporary Employees – hired George Purgold, he worked for the Harbor last year and did a great job.

11. Board Comments.

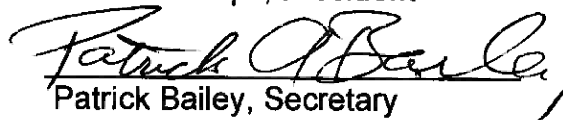
The following Commissioners discussed items of general interest, provided a reference or other resource to staff, asked for clarification or requested staff to report to the Board on a certain matter: Commissioner Ramsey is grateful that the agreement with Mary Wilson, dba Ocean World is done. Commissioner Feller noted that he attended the memorial service for Sandie Crockett and the Celebration of Life for Dale Long. He also noted that Commissioner Bailey was also in attendance.

12. Adjournment to the Regular Meeting scheduled on April 2, 2013, 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 Phillips adjourned the meeting at 7:38 p.m., until the next regularly scheduled meeting on April 2, 2013.



Ronald Phillips, President



Patrick Bailey, Secretary

Approved this _____ day
of _____, 2013.