



Board of Harbor Commissioners of the Crescent City Harbor District

James Ramsey, President

Scott R. J. Feller, Secretary

Patrick A. Bailey, Commissioner

Ronald A. Phillips, Commissioner

Wes White, Commissioner

MINUTES

Board of Harbor Commissioners of the Crescent City Harbor District Regular Meeting, Tuesday, March 1, 2016, 6:00 P.M.

COMMISSIONERS PRESENT:

Wes White, President
Ron Phillips
James Ramsey
Patrick Bailey

COMMISSIONERS ABSENT:

Scott Feller, Secretary

OTHERS PRESENT:

Charlie Helms, CEO/Harbormaster
Nicole Burshem, PS Business
Jon Olsen, Stover Engineer
Keith Hochberg, owner of Crescent Sea Food

6:00 p.m. The Board of Harbor Commissioners will meet in open session to discuss the following agenda items.

President Ramsey opened the meeting at 6:00 p.m.

Public Comment prior to closed session.

The following person(s) addressed the Commission: None

President Ramsey closed the opened session and immediately reconvened in closed session at 6:05 p.m.

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

- (1) **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4), Conference with Legal Counsel, Possible Initiation of Litigation: (One case).**

- (2) **CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8, Property 140 Marine Way, Crescent City, Agency Negotiator: Charles Helms**

- (3) **PURSUANT TO GOVERNMENT CODE SECTION 54957: Personnel: Public Employee Performance Evaluation, position, Chief Executive Officer.**

REPORT OUT OF CLOSED SESSION

President Ramsey closed close session at 6:45 p.m. and immediately reconvened at 6:45 p.m. in open session.

The following was reported out of closed session: None

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

Pledge of Allegiance

Commissioner Bailey led in the Pledge Allegiance.

Public Comment

The following person(s) addressed the Commission: President Ramsey commented item 7 was removed due to lack of information. President Ramsey noted item 10 and item 9 would be moved to item 3 and item 4. Commissioner Phillips suggested moving item 10 and item 9 before the consent agenda. By consensus of the board item 10 and item 9 will be moved ahead of the consent agenda and the meeting will continue accordingly. Ward Stover commented last month Stover Engineering was awarded and recognized for the air tower in San Francisco. Mr. Stover brought in a brochure from the dinner and presented the Harbor Board with a plaque to hang for display. The Board of Commissioners gave thanks to Mr. Stover for presenting them with this award. Commissioner Phillips asked if these 14 projects were placed in classifications. Mr. Stover commented there are 12 categories and ours was the transportation. Mr. Stover commented there were 14 honor awards and any agency who received an honor award was invited to the national level. Mr. Stover reported that of the 14 agencies that received an honor award one of them gets the golden state award. Scott Foas commented he is representing the Sounds of Service Entertainment group. Mr. Faos would like to join the Fisherman's Benefit and already has a lot of participation from sponsors. Mr. Faos asked if he could come back next meeting to give an update on the Fisherman's Benefit. Mr. Foas noted he at that time would also give an updated list of agencies that have sponsored the benefit.

Commissioner Phillips asked if the email he received from Brigit was satisfactory. Mr. Foas stated that yes it was. Commissioner Phillips asked if he spoke with Renee from Bi-Coastal Media. Mr. Foas commented that he has not spoke with her yet. The Board of Commissioners thanked Mr. Foas for all his support and efforts towards the Fisherman's Benefit. Mr. Foas commented he wanted to thank the Board of Commissioners for giving him the opportunity. Kelly Burr reported they used to get seaweed and use it in the garden. Mr. Burr asked if they could unlock the gate from 9:00 a.m.-4:00 p.m., so that they can get some seaweed. Mr. Helms commented he would check into getting permission to unlock the gate and gain public access. Commissioner Phillips asked if it is just in the bay. Mr. Burr commented it is down towards the campground.

1. **Presentation by Rich Redder, President of the Board of Directors, Coast Redwood Art Gallery.** Take action as necessary and appropriate change to item 1

Richard Redder commented he runs the Crescent Harbor Gallery and have been having problems over a long period of time to maintain the funding for this operation. This past 8 months England Marine has been building and our visitors have dropped off due to lack of visibility. Mr. Redder noted they don't have a sign to bring people in. Mr. Redder reported they had a long negotiation with the Board to get a lease at the Harbor. Mr. Redder commented they ended up losing their building and the Harbor offered no compensation. Mr. Redder reported in December a couple bought a building and offered three times the space for rent-free. The location of the building is between 101 North and South. Mr. Redder noted it has good signage and parking. Mr. Redder commented the Board of Directors met on Thursday and unanimously accepted the offer to move the Gallery into that building. Now they look forward to possibly moving over in three to four months. Mr. Redder commented there was no decision made on whether or not they will continue to operate; this decision all depends on what they Harbor Commission will decide to do with their lease. Commissioner Phillips asked if there are two tenants upstairs. Mr. Redder stated there is. Commissioner Phillips asked if they would move with them. Mr. Redder commented that is possible depending what the Commission decides to do with the building. Commissioner Phillips commented he is sorry to see them go and directed staff to work out an agreement that may work out for both Mr. Redder and the Harbor. President Ramsey commented it is a loss that they are moving on and was hoping to come up with something else, but this is a good situation for the Gallery.

2. **Update on Solar Power study for the District.** Review, comment and direct staff to take action as necessary change to item 2

Mr. Tavasci commented the representatives of each solar agency are here today to give a presentation of what their services offer and answer any questions. Mr. Tavasci passed out the first packet to review.

Neil Goodman commented he represents Sunpower Solar out of Blue Lake. Mr. Goodman noted they have an office here in Crescent City so the Harbor will have a local office to go to if they have any issues or questions. Mr. Goodman commented the three things he wants to discuss are the durability, protection, and power. Mr. Goodman presented an illustration to show the capacity The Harbor may need to power the Harbor and where it can be placed. The idea is to try to produce as much power as we can on such a small footprint. President Ramsey asked would this be placed on a hood so there is still parking available or will it be down on the ground. Mr. Goodman commented the plan is for them to be placed down on the ground with a fence. Commissioner White asked what percent of power will this produce compared to somewhere with less overcast days. Mr. Goodman commented it would work better with the maximum amount of sun available. Commissioner White asked would we buy or lease this product. Mr. Goodman commented that is what the PPA is for. Mr. Goodman commented we are trying to have this available so it can be paid off in seven and a half years. Mr. Goodman reported the protection on the system will be for 25 years and this includes failure of the system. Sunpower will come out personally and replace any of the parts that need to be and we will cover the labor cost. Commissioner White asked are there any customers on the coast who have similar systems. Mr. Goodman stated we have a system in Hawaii and various other coastal locations. Mr. Goodman commented we will be able to monitor this system from our office, but in addition you will be able to as well. Commissioner Bailey stated the reason we asked why they were on a hood or the ground is because fisherman lay their nets down and work on them. Mr. Goodman commented a ground mount in this particular situation is the most appropriate build for the Harbors needs. Commissioner Phillips asked what the square footage is. Mr. Tavasci commented it is approximately an acre. Commissioner White asked what is the difference in the three different drawings presented. Mr. Goodman commented the first photo was just to address meters 9 and 10. Then there was discussion doing a system for the entire Harbor. Commissioner White asked what is the power usage of Meters 9 and 10. Mr. Tavasci commented approximately it is about 50% of the whole power used in the Harbor. Mr. Goodman commented the usage in photo 3 is the most efficient way of utilizing the power. Commissioner White asked if Sunpower manufactures the plates. Mr. Goodman commented we go from manufacturing to installing. Commissioner Phillips commented we could pay this off in seven and half years and guarantee for repairs for 25 years, but what happens in 25 years when technology outgrows what we have now. Mr. Goodman commented we have

developed an inverter in the system itself to convert the energy into electricity and even if the technology changes the panels will change with it. Commissioner Bailey asked if the solar panels will produce with AC. Mr. Goodman commented there would be a fixed KW guarantee for a specific amount of time. Mr. Helms asked how long is the agreement for. Mr. Goodman stated it is negotiable. Mr. Phillips commented there is no storage. Mr. Goodman noted that is correct, there is no storage. Mr. Goodman commented it will activate and shutoff sooner and later than conventional systems. Commissioner Bailey asked if there are minimum levels of installation to start. Mr. Goodman commented our cell is like a flat screen TV. Commissioner Bailey asked if it is amorphous panels. Mr. Goodman commented he is not sure. Mr. Tavasci commented when we do a ground mount system the fencing is quoted in price.

David Farrell presented the board with a packet of information on his solar panels. Mr. Farrell is a representative of Green Energy. Mr. Farrell reported there have been several discussions with Mr. Tavasci about who they are. Commissioner White asked what is EPC. Mr. Farrell reported it stands for Electronic Power Control. Mr. Farrell commented the system they are proposing is right at 500 KW hours and is 150 KW hours less than what the Harbor requires. This system will run for 25 years with a 2% escalator each year. Commissioner White asked if the 2% starts right away at year one or after year two. Mr. Farrell commented starting at year two it will begin to go up 2% and every year they're after. Mr. Farrell stated they are looking at putting in a ground mount system. Mr. Farrell commented some of the financing options are you can buy out the system or choose one of the finance options. Mr. Farrell noted you can also place these panels in a purchasing agreement and the system can be upgraded to the most recent technology. Mr. Tavasci asked in regards to the maintenance. Mr. Farrell gave an explanation of what no maintenance means. Commissioner White asked what is the difference between the two agencies he works for. Mr. Farrell commented they are just separate companies that can provide the solar systems. Commissioner White asked do they manufacture them. Mr. Farrell commented they do not manufacture their own systems they buy them from a trusted company. Commissioner Phillips asked how much energy do we use in the daytime. Mr. Tavasci commented he doesn't know off the top of his head, but he will research it to find out. Mr. Farrell commented one of the big things to go with the power purchase agreement you will not pay more than we would pay to Pacific Power would pay. Mr. Farrell noted from 6 to 5 you are paying 14.5 cents and what you don't consume will go back to the grid and Pacific Power will credit your account of what your consumption is during the day. Commissioner White asked if the Harbor gets the credit. Mr. Farrell commented the credit will go to the investor, but the Harbor is getting the credit of whatever is generated.

Brian Brown presented the board with the packet of what he proposes will happen with their solar system for the Harbor. Mr. Brown commented he was given a copy of all the power bills and he added them up and designed a system that would cover 86% of your power for the whole property. Mr. Brown reported we have two companies that are willing to finance the system with \$0 money out of the Harbors pocket. It will save the Harbor around 22% of power per month. Renewable Engineered Systems (RES) will pay for the warranty, maintenance, and monitor the system. Mr. Brown noted that at any time the Harbor can buy out the system and RES will fix any problem with in 72 hours. If it needs to be a canopy system they can work that out. Mr. Brown stated a third party insurance company backs up the panels they use. Commissioner White asked in regards to the interruption. Mr. Brown commented the insurance company pays you loss of use. Commissioner White asked 22-30% of power generated during the day or is that the total. Mr. Brown commented that would generate the total amount. Mr. Brown presented the process of how they get the amount of power they will use and how many panels they will need to run. Commissioner White asked how would these cover the times we do not have sun. Mr. Brown commented the grid would supply the power. Commissioner Bailey commented it is 5.4 year-even point and with the company that is willing to come, they guarantee and warrantee it. Mr. Farrell commented in addition to that you will have a monitoring system that will tell you how much power is going out of that panel. Commissioner Bailey commented it is making more power than your using; at nighttime it may not be making any power. Commissioner Bailey commented we are getting charged 80% of what we are producing. Mr. Brown commented the technology we use is tier one and has a 25-year warranty. Mr. Farrell asked what is the time frame you to make a decision. President Ramsey commented it would be approximately the first meeting of next month.

Mr. Tavaschi presented the board with information of the Blue Sky Program through Pacific Power. The first day to apply is today. Mr. Helms commented the Triplicate participated in this and it does add \$10, but does generate power. Mr. Tavaschi commented after the end of 5 years there would no longer be an agreement for the lower rate. Commissioner White directed staff to come back with a recommendation of one of the systems and why. Mr. Tavaschi commented what do you want to focus. Commissioner Phillips commented if we are going to go along with this it is a showcase to show people what the Harbor is doing and what we are producing and when. Commissioner Phillips commented we are not happy with giving up an acre of our site. Mr. Tavaschi commented when we gave these options out we didn't want to put them on the roof because of wind sheer so we decided to

put this in an open spot and asked the board what they would like to do. Commissioner White commented we want roofs, PPA, and a bottom line.

3. **Consent Agenda**

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

- A) Approval of the warrant list since the February 16, 2016 Harbor Commission Meeting**
- B) Approval of the minutes of the February 16, 2016 Harbor Commission Meeting**

Commissioner White asked in regards to Fashion Blacksmith. Mr. Helms commented we get our power from Fashion Blacksmith. Commissioner White asked in regards to the engineering. Mr. Helms commented some of it is on the grant proposal for Coastal Conservancy. Commissioner White asked in regards to CCHD. Mr. Helms commented they are line items on the bills. Commissioner Phillips commented we would like to know if it is a grant or where it is going.

ON A MOTION BY COMMISSIONER WHITE, SECONDED BY COMMISSIONER PHILLIPS, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED THE CONSENT AGENDA ITEM 3 A. -B., AS PRESENTED.

4. **Discussion of possible relief for Commercial Fishermen whose vessels are moored in the Inner Boat Basin.** Take action as necessary and appropriate.

Mr. Helms commented this was brought up before. Mr. Helms reported on what other Harbors were doing to help the Commercial Fishermen. Mr. Helms suggested the commission to waive late fees. Commissioner Phillips commented the best we could do is to waive late fees to such time when fishing picks up for the majority of the fisherman. Commissioner Phillips asked do we have late fees in December. Mr. Helms commented the late fees were generated for January.

ON A MOTION BY COMMISSIONER WHITE, SECONDED BY COMMISSIONER BAILEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE WITH COMMISSIONER PHILLIPS VOTING AGAINST, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED TO WAIVE LATE FEES FOR TWO MONTHS.

5. **Discussion of changing the start time of Harbor Commission meetings to 5:30 or 6:00 p.m.** Take action as necessary and appropriate

Mr. Helms recommended moving the meetings to 5:30 or 6:00.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER WHITE, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED TO MOVE THE MEETINGS TO 5:30 P.M.

6. **Consideration of waiving event fees for the Preserve Our Pool Foundation's "Tsunami Fun Run" scheduled to begin at the harbor on Sunday March 20, 2016.** Take action as necessary and appropriate

ON A MOTION BY COMMISSIONER PHILLIPS, SECONDED COMMISSIONER BAILEY, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED WAIVING EVENT FEES FOR THE PRESERVE OUR POOL FOUNDATION "TSUNAMI FUN RUN".

Commissioner White asked who does this benefit. Mr. Helms commented it will benefit the fisherman and the preserve the pool will get the money for the people who enter the run. Commissioner Phillips asked for an update at the next meeting of the "Tsunami Fun Run".

7. **Declaration of Substantial Completion of the California Coastal Trail Project – Starfish Way.** Take action as necessary and appropriate

Mr. Helms commented we have received confirmation from Stover Engineering. The Coastal Trail is complete. All the documentation is taken care and the proper

paperwork will be sent out accordingly. Commissioner Phillips asked would that be in the letter. Mr. Helms commented there is hold back for 10% and there are no guarantees of damages. Commissioner White asked in regards to the damages. Mr. Helms commented in regards to the water damage. Commissioner White asked does this not prompt a payment to them. Mr. Helms stated yes this would be and will prompt a \$54,000 reimbursement.

ON A MOTION BY COMMISSIONER WHITE, SECONDED BY COMMISSIONER BAILEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONER APPROVED THE DECLARATION OF SUBSTANTIAL COMPLETION OF THE CALIFORNIA COASTAL TRAIL PROJECT – STARFISH WAY.

8. **Review of a Professional Services Agreement for Ms. Heather Holt.** Take action as necessary and appropriate

Mr. Helms presented the background. We are trying to promote the Harbor as much as we can through Social Media. Mr. Helm's recommendations are to approve this. Commissioner Phillips asked how do you evaluate whether you are getting your money's worth. Mr. Helms commented it is written in the contract in metrics to show what is going on. Commissioner Phillips asked would she do this. Mr. Helms commented that she would be doing this. Commissioner White asked could we afford this right now. Mr. Helms commented she could analyze the money we will be getting back on this. Mr. Helms commented this is to show what the Harbor can offer and have people come here from other places more often. President Ramsey commented we could take a look at it for one year and see how it works out. Mr. Helms commented he would look at making it less than that. Commissioner Phillips asked is this her rate. Mr. Helms commented yes it is hers. President Ramsey commented social media isn't something he uses, but he does know that the biggest majority of the public does and thinks this will be beneficial. Commissioner Phillips asked if there is some way to evaluate what we have now. Mr. Helms commented he thinks so. Mr. Helms suggested putting this in a packaged deal.

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 THE PROFESSIONAL SERVICES AGREEMENT FOR MS. HEATHER HOLT.

9. **Review and consideration of an updated Purchasing Agent Resolution and Purchasing Procedure for the Harbor District.** Take action as necessary and appropriate

This item was pulled from the agenda due to lack of information.

10. **Discussion about raising the credit limit on one of the Harbor District's three credit cards to that the District can take advantage of quantity purchase discounts from vendors supplying the Harbor Gift Shop.** Review and take action as necessary.

ON A MOTION BY COMMISSIONER WHITE, SECONDED BY COMMISSIONER PHILLIPS, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED RAISING THE CREDIT LIMIT ON ONE OF THE HARBOR DISTRICT'S THREE CREDIT CARDS SO THAT THE DISTRICT CAN TAKE ADVANTAGE OF QUANTITY PURCHASE DISCOUNTS FROM VENDORS SUPPLYING THE HARBOR GIFT SHOP.

11. **Review job description for Crescent City Harbor District Finance Director.** Take action as necessary and appropriate

Mr. Helms presented the background. Mr. Helms commented we are consolidating Debbie and Kathy's position. Commissioner White asked why the Term Finance Director. Mr. Helms commented it is because of the consolidated positions. Commissioner Phillips asked would the actual book keeping be consolidated now. Mr. Helms commented we basically use QuickBooks. This position will also do feature projections. Commissioner White asked what her background is. Tracy commented she was a CFO for a company for 6 and half years, owns 1/3 of an IT company back east, works for IBDC, worked for many businesses to do their QuickBooks, does a lot of analysis and make sure a lot of things get spent correctly, sign contracts, enter negotiations, did acquisitions, and negotiated leases. Commissioner White asked about educational background. Tracy commented some college and high school. Commissioner Phillips commented we just spend \$4500 and what is her evaluation on that. Tracy commented her evaluation is that she believes in social media. Commissioner White asked if she

would be responsible for accounts receivables. Tracy commented she would be responsible for everything.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS APPROVED JOB DESCRIPTION FOR CRESCENT CITY HARBOR DISTRICT FINANCE DIRECTORS.

12. Review update to Crescent City Harbor District Rates of Pay and Range.

Take action as necessary and appropriate

Mr. Helms commented this is to compensate for the consolidation of Kathy and Debbie's job. President Ramsey asked if this needed to be cleared with the union. Mr. Helms commented they are not union employees. Commissioner White asked how were the ranges determined. Tracy commented it was converted over. Commissioner White asked if this is comparable to what the county does. President Ramsey asked how do we determine the range. Mr. Helms commented this has been approved, but doesn't know where it originated. Tracy commented it goes off of the cost of living. Commissioner White commented he is not comfortable approving this without knowing where the county is. President Ramsey asked what does range 17 mean. Mr. Helms commented they all have their own descriptions. Mr. Ramsey asked if anyone gets to range 65. President Ramsey asked if we have people in just these ranges. Commissioner White asked how is it determined she is at a range 48. Mr. Helms commented in order to have this consolidation of jobs we have to have this document.

ON A MOTION BY COMMISSIONER WHITE, SECONDED BY COMMISSIONER BAILEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT THE BOARD OF COMMISSIONERS APPROVED AND ADOPTED THE UPDATE TO CRESCENT CITY HARBOR DISTRICT RATES OF PAY AND RANGE WITH THE VERIFICATION OF SIMILARITIES BETWEEN THE CITY AND COUNTY AND AMENDMENT AT THE NEXT REGULARLY SCHEDULED MEETING.

13. Commissioner Reports. Reports from Commissioners who represent the Harbor District on the Chamber of Commerce, Tri-Agency, Inter Governmental Relations Committee and any other civic or community groups and from any current ad hoc committees

Chamber of Commerce- Commissioner White reported on the bureau meeting tomorrow. The Redwood National and State Parks Visitors Center is moving from Crescent City to Hiouchi. There is a Ribbon cutting this Thursday at 5:00 at the high school.

Tri-agency- None

IGRC- None

14. **CEO Report.** Report on current and planned items

Mr. Helms reported on revenue generation focus, cost reduction focus, inner boat basin electrical and Eaton pedestals, domoic acid levels in crabs, California Dungeness Crab Task Force, DCTF executive committee conference call, legislative visits, CCHD dredging update, close out status of Federal and State projects, harbor tenant meeting – commercial fishing, new Englund marine construction update, ocean protection council proposition grant funding proposal, lease existing harbor buildings, tsunami experience, RV park focus, old Englund marine building, starfish way trail, 110 anchor way, information center/gift shop, harbor maintenance team, harbor staff update, harbor security assessment, USCG station security fencing project, harbor marketing and promotion, and overview of other current CCHD projects.

15. **Board Comments.** The Agenda allows Board of Harbor Commission members the opportunity to discuss items of general interest, provide a reference or other resource to staff and to ask for clarification or request staff to report to the Board on certain matters

Commissioner Phillips commented the meeting with our congressman was an exceptional meeting. Our tour with Rob was a good opportunity. We have a meeting with representative Woods next Tuesday afternoon and then go to the Senators office. President Ramsey commented the meeting with Congressman Huffman went very good as well. Commissioner Phillips asked if the first meeting in April would have a thank you to Wilma Madden. President Ramsey

asked if there is need for an Ad-hoc committee for this solar power issue. Mr. Tavasci commented he would like to get more information first.

16. **Adjournment**

There being no further business to come before the Commission, President White adjourned the meeting at 9:05 p.m., until the next regularly scheduled meeting on March 15, 2016 at 5:30 p.m.

James Ramsey, President

Scott Feller, Secretary

Approved this _____ day
of _____, 2015.
Possession