



Regular Meeting Minutes of the Board of Harbor Commissioners of the Crescent City Harbor District	
Harbor District Office, 101 Citizens Dock Road Crescent City, CA 95531	October 6, 2016 5:30 p.m.

Call to Order

President Ramsey called the meeting to order in open session at 5:32 p.m.

Roll Call

Present were Commissioner Bailey, Commissioner Phillips, Commissioner White, Secretary Feller, and President Ramsey. Staff present included Harbormaster Helms, Deputy Harbormaster Tavasci, and Finance Director Fansler.

Pledge of Allegiance

The Pledge of Allegiance was led by Commissioner Phillips.

Public Comment

President Ramsey asked for public comment and received none.

Business Items

1. Consent Agenda

- A) Approval of the warrant list since the September 10, 2016 Harbor Commission Regular Meeting
- B) Approval of the minutes of the September 20, 2016 Harbor Commission Regular Meeting

Action: On a motion by Secretary Feller, seconded by Commissioner Bailey, and carried on a 5-0 polled vote, the Board of Harbor Commissioners of the Crescent City Harbor District voted to approve the consent calendar items A through B as presented.

2. Presentation of the lease for 128 Anchor Way.

Harbormaster Helms presented the agreement and stated that it was drafted by Harbor counsel and approved by the proposed leaseholder.

Action: On a motion by Commissioner White, seconded by Secretary Feller, and carried on a 5-0 polled vote, the Board of Harbor Commissioners of the Crescent City Harbor District approved the lease agreement for 128 Anchor Way.

Secretary Feller requested that staff have counsel “approve as to form” all future agreements prior to presentation to the Commission.

3. Presentation of the lease for 191 Citizens Dock Road.

Harbormaster Helms presented the agreement for the old Englund Marine facility which had been approved by counsel. The address is actually 201 Citizen’s Dock Road.

Commissioner Phillips moved to approve the agreement and Secretary Feller seconded.

Commissioner White asked if the lease included the sale of the old building and Harbormaster Helms stated that yes, it includes the quit claim deed sale. Commissioner White noted that he had already expressed his feelings on the subject.

Action: On a motion by Commissioner Phillips, seconded by Secretary Feller, and carried on a 4-0 polled vote with Commissioner White opposed, the Board of Harbor Commissioners of the Crescent City Harbor District approved the lease for 191 Citizens Dock Road.

4. Presentation on the RECARGO California Electric Highway Project license agreement for participation in their electric vehicle charging facility program

Harbormaster Helms presented the item and conveyed that the Chamber had shared this potential opportunity with the Harbor. RECARGO is backed with public grant funding and is in the process of building charging stations throughout California. They require a license agreement that allows that stations to be accessible 24 hours per day, 365 days per year. If chosen, RECARGO would pay the Harbor annually depending on the number of charging stations placed on the premises. Deputy Harbormaster Tavasci has had an initial conversation with them and provided them a Google map showcasing the 101 frontage.

Secretary Feller asked how many sites the company was looking to place in Del Norte County. Deputy Harbormaster Tavasci stated that he believed RECARGO was looking for one, possibly two, sites in Del Norte County. Tavasci further noted that from the flyers it looks like they would provide the charging at a cost to users and relayed to RECARGO that there was a TESLA station ½ mile away. They replied that TESLA would only charge TESLA cars. Tavasci expressed concern over this fact as he observed a VW charging at the TESLA station without an adaptor.

Commissioner Phillips questioned how RECARGO covers their costs and makes their profit, especially if the station ends up being underutilized. Tavasci was advised that people sign up on a subscription basis to use the stations throughout the state. He also noted that the company supplies the stations, signage, permits, and other costs, but he was unsure if the Harbor would have to provide electricity. RECARGO expressed interest in the area behind Fisherman’s Restaurant due to its location. The way that Tavasci

understood the conversation is that the Harbor would be responsible for maintaining the area, and RECARGO would maintain the stations. Once the stations were installed the Harbor would receive a \$1,000 check and once they had been approved, permitted, and operational there would be annual payments beginning from that date. Commissioner Bailey requested clarification if the Harbor or RECARGO would be responsible for power; Tavasci reviewed the proposed lease and noted that RECARGO would indeed be responsible for the cost of power and noted that the nearest place to run power from was about 80 feet away.

Commissioner White asked for further clarification about the proposed placement of the stations and Deputy Harbormaster Tavasci relayed that it would be on Citizens Dock Road between Bayside RV Park on the parking lot behind Fisherman's restaurant. White said that he believed that TESLA did require a special fitting and questioned if this station would charge all types to which Tavasci stated yes. White continued by asking how long the land would be reserved. Tavasci replied that it was a 10 year lease with a 10 year option, but either party could terminate the lease.

President Ramsey recalled that there had been previous discussion around placing storage units in the proposed area and Harbormaster Helms agreed that this proposal would encroach on that area by about 50 feet. Commissioner Bailey opined that the stations should be placed so that users would patronize the Harbor tenants and that the proposed location would not accomplish this. President Ramsey agreed. Bailey also offered that placing a station within the RV Park may be beneficial due to convenience. Commissioner White was unsure as stations would still be relatively nearby.

Commissioner White requested that staff investigate how long RECARGO would take to make a decision so that the land was not tied up and Commissioner Phillips proposed a 3-4 month period. Phillips also offered that if 4 pedestals would provide \$4,800 in revenue annually perhaps another 1-2 pedestals could be installed near the Chart Room it could provide the benefit proposed by Commissioner Bailey and additional revenue. Commissioner Bailey stated that the installation of charging stations would be another marketing statement for the Harbor and a sign on the highway could help direct people to them.

President Ramsey restated that the Commissioners wish staff to look into how long the land would be tied up while RECARGO makes a decision, and to ask about exclusivity requirements (would the Harbor violate the contract if they wish to put in their own charging stations at a later date). Harbormaster Helms acknowledged the request and recapped the positive reasons for moving forward. Deputy Harbormaster Tavasci noted that Lionchase had quoted the Harbor \$2,500 per unit, stated that RECARGO would place their own security cameras, and opined that it would add significant burden to Harbor staff to manage their own units.

Secretary Feller offered that after doing the math this option would bring approximately \$0.20 sq/ft to land that is making them no money currently and asked if RECARGO had stations out of state. Tavasci replied that they have stations located in California and Vegas. Commissioners White and Bailey both expressed their approval and Commissioner Phillips added that this would add to the Harbor's "Clean

Marina” image. Secretary Feller noticed that the lease must be signed by November 1st leaving little time and Tavasci offered to send a follow up email after investigating to prepare the Commissioners for the next meeting.

Action: Commissioners consented to direct Harbor staff to investigate further the Harbor entering into an agreement RECARGO.

5. Presentation of revised By-Laws and Conflict of Interest Policy for Friends of Crescent City Harbor

Harbormaster Helms presented and recalled that at a previous meeting the by-laws and conflict of interest policy had been reviewed by the Commission and they had proposed a few changes. Harbor Counsel has since incorporated those and the documents have been brought back for further review and/or signature. Commissioner White led a discussion about timing of the “Friends” fiscal year and Helms suggested that it be left as stated because it aligns with the Harbor’s fiscal year; additionally, the six month gap from when Commissioners take office to when the budget is adopted allows them time to learn about the Harbor and the process. The Commission expressed agreement.

Commissioner Phillips moved to adopt the documents and Secretary Feller seconded.

Commissioner White questioned the use of the term “any employee” in the conflict of interest, article II, and whether or not the definition included board members. Harbormaster Helms reviewed the criteria and noted that a key employee is defined as one who makes more than \$50,000 per year plus meets one of the additional factors and that the board members will not meet that definition. Secretary Feller added that as a not-for-profit who supports the Harbor he does not see that anyone will ever meet that definition and expressed concern whether or not insurance would cover the entity if there are no “key employees”. Helms stated that his previous experience makes him believe that insurance would cover the entity even without key employees.

Secretary Feller requested that on page 2, section 5 of the bylaws if the word “volunteers” could be added so that it was explicitly stated that volunteers are covered by insurance. Harbormaster Helms opined that it would not be a problem but would run it by Harbor counsel.

Secretary Feller amended his motion to include this word change and Commissioner Phillips seconded.

President Ramsey asked for public comment and received none.

Action: On a motion by Secretary Feller, seconded by Commissioner Phillips, and carried on a 5-0 polled vote, the Board of Harbor Commissioners of the Crescent City Harbor District approved the revised By-Laws and Conflict of Interest Policy for Friends of Crescent City Harbor with the change that the word “volunteers” would be added to page 2, section 5, of the bylaws as approved by counsel.

6. Update for the Harbor Commissioners on the status of the solar power project

Commissioner White recused himself due to a conflict of interest after entering discussions with Ken Brown on a solar project.

Harbormaster Helms stated that Deputy Harbormaster Tavasci would pass out a copy of the latest email and that the situation was very fluid.

Deputy Harbormaster Tavasci related that he had sent out an excerpt from the previous meeting covering everything that was discussed, including the battery option, to everyone including Ken Brown. Mr. Brown replied that they had a meeting with Pacific Power and that the utility was not pleased with the proposed plan, especially the storage option and that the utility prefers to move forward with one net metering unit. Tavasci was under the impression that this was because Pacific Power felt they would not get enough power back.

Mr. Brown proposed that the Harbor place a standby generator with a transfer switch in place of the battery option; this would go in at the one net metering site so it could feed all 12 buildings. This generator, Tavasci stated, would provide less than full power but it would provide for the essentials during an emergency. Again, Lionchase would cover the costs and it would run off of propane.

Secretary Feller asked how much draw the entire system pulls during normal operation and how much the generator would provide. Deputy Harbormaster Tavasci replied that normal draw is around 400,000 kw and the generator would provide approximately 150,000 kw but it should be remembered that this is for emergency situations only. Feller observed that in an emergency situation only about 1/3 of normal power used would be provided and questioned how the Harbor would prioritize what would receive power. Tavasci noted that yes, pre-planning would be needed. Commissioner Phillips asked if the generator would be on a switchboard to control who received the power and Tavasci acknowledged that would also have to be worked out. Harbormaster Helms noted that fridges and lighting would be important. Commissioner Bailey asked if the tenants would be receiving their power through this generator and Tavasci replied that yes, several go through the Harbor's meter. Secretary Feller offered that the Harbor would then have to decide which tenants would be given power in an emergency.

Secretary Feller asked Deputy Harbormaster Tavasci to do more research. He noted that previously the arrangement was with storage that there would be 3x times the Harbor's usage in a backup battery, now it is instead 1/3 of the Harbor's usage on a generator. Feller questioned how long 500 gallons of propane would last. Tavasci opined that an emergency would likely be short term but President Ramsey noted that an emergency in the region could last for weeks. Feller stated that the original proposal included a generator with a 30 supply of propane.

Commissioner Phillips observed that the Harbor does not know if this change is truly coming from the utility or from Lionchase and Deputy Harbormaster Tavasci acknowledged his point. Phillips requested Tavasci to call Monte at Pacific Power to get his take on the situation as Phillips' feeling is that this may

be coming only from Lionchase. President Ramsey expressed agreement with Secretary Feller that there needs to be emergency backup for at least 30 days. Commissioner Bailey observed that there is only one propane company in town and that the other trucks it in from Eureka. Tavasci clarified that one supplier keeps approximately 20,000 gallons on site and the other maintains around 40,000. Commissioner Phillips stated that the battery storage option was a good one.

Deputy Harbormaster Tavasci offered that Mr. Brown was supposed to send a letter laying out exactly what Lionchase would do, and that he had contacted Mr. Brown several times in order to try and get the letter but had not yet received it. Commissioner Phillips stated that as long as they are moving forward he is pleased. Tavasci stated that Lionchase did state that they did not want to move forward with the MOU because the Power Purchase Agreement would cover what they want to do which is to start the process to build the system.

Secretary Feller restated that staff should move forward with having a conversation with Monte from Pacific Power since he covers three counties and will likely be knowledgeable on the subject. Feller opined that the problem with the generator would be that it would kick on every day because solar would not be enough on its own to run the Harbor. Commissioner Bailey clarified that the Harbor would still be on the grid and thus would be able to purchase power and that the generator would only be needed if the grid was down. Feller noted his frustration with the conflicting specifications and that he wishes to know exactly what is on the plate. Bailey opined that with the battery storage option the Harbor would have had the best set up on the west coast.

Harbormaster Helms noted that the work done so far does not rule out the other group in Florida. Secretary Feller requested that more research be done into Lionchase as he had searched them on the internet and found more than 30 articles; the organization had its headquarters in New York but operated out of Miami, there were 2 years it did not operate and now it is re-establishing. Deputy Harbormaster Tavasci also noted that the details of the Power Purchase Agreement had fluctuated from 20 years to 25 years, and that originally it would take 7 years to break the current cost point but now Lionchase was saying that it would take 13 years. Harbormaster Helms stated that the Commissioners in Humboldt Bay Harbor District did not approve moving forward because the 14.5 cents offered to them was higher than what they currently pay. Helms acknowledged that he had reviewed the PG&E rates but they were very confusing and spanned three pages.

Commissioner White rejoined the Board.

7. Discussion concerning investigating, selecting and contracting an RV Park consultant to develop conceptual plans for the Harbor RV Anchorage site and adjoining proposed tourist serving accommodations

Harbormaster Helms stated that this item is in response to the Commissioners' request for additional information on the two possible RV park consultants. He stated that the Boards questions were sent to both and responses were received from both. However, Surls' file was 18 MB and it took time for Harbor

staff to extract the information. It has been printed and is available to view, but Helms acknowledged that this left little time to make a decision. Helms stated that he is still partial to Surls as he has a fair price, asks quality questions, and is blunt, whereas the other candidate almost seems too diplomatic. Commissioner White expressed that he would not have a problem giving additional funding to receive a proper market study and Helms agreed. Helms noted that Surls price was \$12,500 to include the study and the other candidate was considerably more expensive. Secretary Feller offered that there was a map somewhere of the Harbor that had been printed to a scale of 1:100. Facilities can be placed to create a visual of what will fit and perhaps it could be used again. Feller also agreed with White on providing additional funding to have proper planning; he noted that the Harbor already has a business plan on park models. White questioned how long it would take to receive a master plan and Helms replied that he thinks it could be done within 30 days. White also questioned when the Harbor would take over the RV park and Helms stated June 1st.

Commissioner Phillips motioned to have Surls do the full master plan and planning and Commissioner Bailey seconded.

Secretary Feller asked if the market analysis could include consideration of things such as development. Feller opined that perhaps tents, RVs, and park models would not necessarily be the optimal answer and he would like all things considered. Harbormaster Helms agreed that it was important to receive the most value for every square foot of land. Commissioner White also asked that staff find out if Surls is capable of including a review of motels, restaurants, and other options. Feller stated that it would also be good to know the best approach to managing whatever goes into the location – staff or contracted out. Commissioner Bailey noted that whatever the decision is will change the area for years to come. Feller offered other ideas for use including a convention center and noted a need to figure out a way for the Harbor to collect tax. Commissioner Bailey stated that it would need to go to a vote. Harbormaster Helms offered that he would like to see a simple structure with maximum return that is easy for the Harbor to manage.

Action: On a motion by Commissioner Phillips, seconded by Commissioner Bailey, and carried on a 5-0 polled vote, the Board of Harbor Commissioners of the Crescent City Harbor District directed staff to move forward with having RV park consultant Surls create a full master plan including a marketing analysis.

8. Discussion about rescheduling or cancelling the November 1, 2016 Harbor Commission meeting

Harbormaster Helms stated that he would be out of town on November 1st and that his schedule was set. Commissioner Bailey questioned if staff expected any pressing issues at that time and Helms said no but there is always the chance.

Action: The Board of Harbor Commissioners consented to discuss the topic again at the next meeting.

9. Presentation of Electrical Maintenance Services Contract

Harbormaster Helms stated that staff had only just received the revised contract. Harbor counsel had prepared the document but staff had not had a chance to have it signed. Secretary Feller expressed concern that the base of operations is not explicit and would like an addendum declaring that the Harbor would not be responsible for travel charges and that the base of operations would be Crescent City for this contract.

Action: On a motion by Commissioner White, seconded by Secretary Feller, and carried on a 5-0 polled vote, the Board of Harbor Commissioners of the Crescent City Harbor District approved the Electrical Maintenance Services Contract with an addendum to include that there needs to be local representation for emergencies, there would be no travel charges and the base of operations for the contract would be Crescent City, except in the case of a catastrophic event where the Harbor would pay what was reasonably expected for travel from Eureka.

10. Commissioner Reports

Commissioner White reported from the Chamber meeting that SeaCruise is next weekend, October 7-9 with Live from Downtown on Friday night and Blues Brews and BBQ on Saturday. Both Port o Pints and Sequake will be vending. There is a Visitor Bureau meeting tomorrow.

Commissioners reported no updates from Tri-Agency, IGRC, or the Harbor Safety meetings.

President Ramsey noted that there is the Bi-national Health Fair on Sunday afternoon on the corner of Washington and Northcrest.

11. CEO Report

Harbormaster Helms stated that he would update the Commission on what he has not shared through email since the previous meeting. The letter sent to the legislators and CalOES created a stir and have prompted them to seek resolution. Helms was able to meet with Senator McGuire's head of staff for over half an hour when he stopped in last week and it provided an opportunity to discuss development plans including the one for the tsunami experience. This was received with support and McGuire's staff requested to be kept informed on how they could help. After that meeting Helms went to the lobbyist for the Harbormasters and Port Captains and met the Deputy Director for Boatings and Waterways. She had only been there 18 months but it was Helms' impression that she would not be supportive in their endeavor to keep B&W as she did not offer a long term attitude. Helms believes that the lobbying groups need to go public with the issue, then go through the Cabinet Secretary to make a case to Governor Brown because the Deputy Director will not lead the fight. Helms stated that he thinks that the Harbor should draft another letter to send to the Governor and other authorities on the importance of B&W.

Harbormaster Helms noted again that the last letter to CalOES and others did get attention and that a high ranking official from CalOES contacted him and apologized for FEMA's actions. People have been contacted and from now on all contact from FEMA will go through CalOES. Helms relayed to him that the Harbor was too short-staffed to complete the requests. Helms noted that help came from many people who contacted CalOES including, but not limited to, Sisk and Driscoll.

Commissioner White noted that there still had not been a release of the money. Commissioner Phillips asked if Humboldt Bay and others should join in sending letters regarding B&W; Helms stated that he will be meeting with Harbormasters and Port Captains the following week and could request it. Phillips opined that the Sheriff should get involved because they directly benefitted from B&W the previous year to the tune of \$140,000. Helms did note that the Deputy Director was unaware of some of the things the funding provided such as the water safety day for the 5th graders. Helms stated he would draft a letter for the Commissioners.

Helms also met with the Coastal Commission in Arcata. The office used to have 6 people but now only employs 4. He shared the land use plan with them and they could not promise approvals but did state that the ideas fit the philosophy of the Coastal Commission. Additionally, the Harbormaster met with Jim Baskin, now retired from the Coastal Commission, who cannot do paid consulting but is willing to help. Commissioner White asked if there was a timeline on updating the land use plan. Helms said that it is up to him and Deputy Harbormaster Tavasci to do so, the data is old and needs to be updated from Richard Young's survey, staff just needs to find time. Commissioner Phillips asked if Eric Taylor could help and Helms stated that he was unable. White asked if another consultant could be retained to help and Helms said yes he just had not had time to digest it yet. Secretary Feller conveyed that it likely just needs fine tuning and data updates and Helms replied that it also needs to reflect sea level rise. Feller stated that Lorie Adams had provided information that the land here actually rises faster than the sea level rise and that should be included. Phillips questioned if this is a project that Richard Young could take on and staff and the Commissioners agreed that it was a good idea.

Commissioner Phillips asked for information on the aging summary. Harbormaster Helms noted that Finance Director Fansler had been going after some people, including legal action against several. Phillips noted that Senator McGuire stated on TV that the sea is colder and crab season is expected to kick off at normal time this year, but questioned if some of the boats are active boats who couldn't crab last year. Fansler replied that some were active and some were not; staff is pursuing ten in small claims court. She stated that everyone had been sent letters and Helms noted that the letters had generated a response from several who have paid up or have gotten on a payment schedule. Fansler stated that about \$10,000 had been retrieved since they begin going after these past invoices. Helms offered to have Fansler prepare a summary for the next meeting and Secretary Feller asked that results of actions be included. Commissioner Bailey added that there could be footnotes to relay the information.

Commissioner White said signs are out of control and many out of compliance; asked when staff will push for compliance. Harbormaster Helms acknowledged the problem and stated he has been trying to prioritize; he will start by sending out letters. White also asked if there was an update on the sea wall and staff replied there was not. Lastly, White questioned if the pilings were on schedule and Tavasci

said they were beginning, behind schedule due to needing to bring in a crane from Sacramento; it will be here Monday morning and it will probably come down right to the wire.

Commissioner White also inquired if Brookings had recruited a new Harbormaster yet and Helms replied that he believes one starts in December. White observed many charges on the credit card for the postal service and Fansler replied that it was for stamps.

12. Board Comments

Secretary Feller stated that there was a homeless coalition meeting next Friday and that Senator McGuire would be in town on Thursday at 4 p.m. and that everyone was invited. The committee has created a sheet that lists numerous services that can be handed out to those in need of a hand up or a hand out. The committee is also looking into creating an app because many homeless have cell phones.

Commissioner Phillips thanks staff for all that they have accomplished recently.

Deputy Harbormaster Tavasci related that there was an issue with a boat about a year ago. At that time, when staff contacted the Coast Guard at that time they were told it was a non-issue. Staff recently contacted the new USCG representative and contacted the individual on the following day to inform him of the penalties he could face. Harbor Counsel also supported staff in pulling the boat from the water, for if it had sunk it would cost the Harbor somewhere between \$25-50,000.

Secretary Feller stated that he had been observing Fashion Blacksmith rebuilding their lift. Harbormaster Helms stated that yes, they are facing some challenges but they are working on it. They have a three year backlog of work. Feller also asked if depth measurements had been recently taken to which Helms replied no; staff can reposition some silt but without a dredge permit their hands are tied.

Commissioner Bailey asked if there had been progress on obtaining the dredge permit and Helms said yes, dredging down south is finished and the Harbor was at the top of the list but things are moving slowly.

Secretary Feller asked if prior to the Harbor rebuild if it was dredged below the lift. Helms replied that since Dutra had done their part there have been issues and it could be added to the legal action.

Commissioner Bailey questioned if there has been progress on the electrical work. Helms responded that a walkthrough had been done with Colburn Electric and testing of the isolation work shows that it is registering zero amps, which means it is working. They will perform monthly testing and are also testing to ensure there is no ghost movement on the meters. Helms further noted that Colburn has asked to have breakers sent; it is a big job and they are trying to obtain a price; the work is difficult because the wiring on every pedestal is different. Bailey asked if the grounding was complete and Helms stated yes the entire basin was done.

Commissioner White asked if the AMR (auto billing) was ready to use? To which Harbormaster Helms replied that he wants to finish the testing first. Finance Director Fansler stated that they may try billing November 1st but Helms would not guarantee that. Commissioner Phillips opined that he would like to

see billing begin January 1st. Secretary Feller stated that he would like to see it begin prior to crabbing season and questioned if it would be included with the lawsuit. Helms replied that he had met with Harbor counsel this afternoon and was awaiting a final determination from Colburn to know if the pedestals were bad enough to include in the suit.

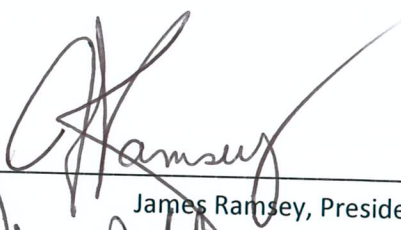
13. Adjournment

The Board of Harbor Commissioners adjourned at 7:28 p.m. to the next scheduled meeting on Tuesday, October 18, 2016 at 5:30 P.M. at the Harbor District Office, 101 Citizens Dock Road, Crescent City, California.

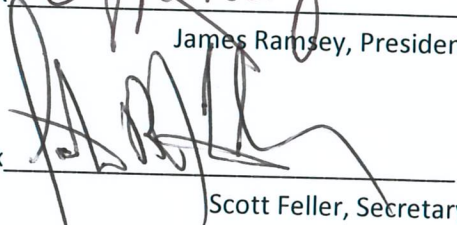
Attest:



Kymmie Scott, Secretary to the Board

x 

James Ramsey, President

x 

Scott Feller, Secretary