

WES WHITE  
President

SCOTT R. J. FELLER  
Secretary

PATRICK A. BAILEY  
Commissioner

RONALD A. PHILLIPS  
Commissioner

JAMES RAMSEY  
Commissioner

## Board of Harbor Commissioners

of the

Crescent City Harbor District

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CHARLIE HELMS  
CEO/Harbormaster

ERNEST PERRY  
Harbor Planner

### MINUTES

Board of Harbor Commissioners of the Crescent City Harbor District  
Regular Meeting, Tuesday, December 2, 2014, 5:30 P.M.

#### COMMISSIONERS PRESENT:

Scott Feller, Secretary  
Patrick Bailey  
Ron Phillips  
James Ramsey  
Wes White, President

#### COMMISSIONERS ABSENT:

None

#### OTHERS PRESENT:

Charlie Helms, CEO/Harbormaster  
Robert N. Black, Counsel  
Ted Long, Fashion Blacksmith

Karen Philips, PS Business Services  
Ward Stover, Stover Engineering  
Rich Salvaressa, Harbor

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

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

#### **Public Comment prior to closed session.**

There were no public comments regarding the closed session.

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

- (1) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
Initiation of litigation pursuant to Government Code Section 54956.9(d)  
**(4): 2 cases.**
- (2) CONFERENCE WITH REAL PROPERTY NEGOTIATIONS:** Pursuant to Government Code Section 54956.8.  
**Property: 730 Hwy. 101 South, Crescent City, CA**  
**Agency Negotiator: Charles Helms**

## **REPORT OUT OF CLOSED SESSION.**

President White recessed the open session at 5:30 p.m. and immediately convened in closed session to discuss the matters listed above. The closed session was recessed at 6:32 p.m. At 7:51 the closed session was reconvened and adjourned at 8:20 p.m.

The open meeting was reconvened at 8:20 p.m., and Counsel announced that the following action was taken in closed session: ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER PHILLIPS, AND UNANIMOUSLY CARRIED, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS AGREED TO RELEASE THE OWNERS OF SHORTY'S OIL CHANGE AND CAR WASH FROM FURTHER OBLIGATION UNDER THEIR LEASE CONDITIONED ON ALL CAR WASH BAYS BEING FULLY OPERATIONAL, COMPLETION OF AN INVENTORY, AGREEMENT TO LEAVE ALL INVENTORY IN PLACE, AND THEIR PAYMENT OF ATTORNEY EXPENSES NOT TO EXCEED \$300.00.

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

The meeting was reconvened in open session at 6:36 p.m.

### **Pledge of allegiance.**

Commissioner Ramsey led the pledge.

### **Public Comment.**

The following person(s) addressed the Commission: None

1. **Consent agenda.**  
**Requests to remove items from the Consent Agenda may be heard at this time.**
  - A) Approval of the warrant list since November 18, 2014.**
  - B) Approval of the minutes of the regular meetings of October 21, 2014.**

There were no public comments or requests to remove items from the consent agenda.

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

2. **Discussion and consideration of allowing The World Edventures Boosters Club to hold a Polar Bear Swim and Chili Cook-off fundraiser on Harbor District property on January 1, 2015. Take action as necessary and appropriate.**

Discussion was held regarding the Polar Bear Swim and Chili Cook-off. Access to the restrooms may be necessary. An insurance certificate will be required for the event and staff recommended that legal counsel draw up a limited license agreement, which will

include that the event hosts take care of the event traffic, management, clean-up, etc. at their expense, and that electricity will be provided.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS, APPROVED ALLOWING THE EVENT HOSTS TO HOLD A POLAR BEAR SWIM AND CHILI COOK-OFF ON JANUARY 1, 2015 AT THE HARBOR, AS REQUESTED, WITH THE ADDED CONDITION THAT THE EVENT HOSTS MANAGE EVENT TRAFFIC, PURCHASE EVENT INSURANCE WITH THE HARBOR AS ADDITIONAL INSURED, AND THAT THEY PROVIDE MANAGEMENT AND CLEAN-UP FOR THE EVENT.

**3. Discussion and consideration of allowing Fashion Blacksmith to dismantle the stern section of the F/V Christy R.** Take action as necessary and appropriate.

Discussion was held regarding the dismantling of the stern section of the Christy R. Staff recommended having Fashion Blacksmith dismantle the stern section of the F/V Christie R at Harbor expense so that the HTP contractor can remove the cut sections to sell for scrap. The Harbor will get \$120.00 per ton from the scrap sale. Ted Long of Fashion Blacksmith commented that he feels Cascade, the contractor, should be held to task on their agreement, and that they (Cascade) should hire Fashion Blacksmith to dismantle the vessel, not the Harbor. Mr. Long presented the agreement with key elements of the agreement noted. He would like assurances that Cascade would come and get the vessel out of the way and not let it lay around for an unknown amount of time due to the cement, glass, insulation and foam in the inside of the hull. Richterich and Jones acted as the California contractor for the bid and they have expressed their dismay that the job has not been completed by Cascade, they both lost money on the job.

In other business, Mr. Long noted that the Harbor's website notes an incorrect charge for vessels per day, it should have been posted .75 per foot per day. Staff will review the website posting and make the appropriate correction. Mr. Long was thanked for bringing it to the attention of the Commission.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER BAILEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS, DIRECTED STAFF TO WORK WITH RICHTERICH AND JONES, AND CASCADE, TO HAVE FASHION BLACKSMITH CUT THE CHRISTY R IN HALF (\$1,500) AND GET THE VESSEL MOVED OUT TO OREGON WITHIN 30 DAYS.

**4. Discussion and consideration of the change order bid from Bellingham Marine for the fabrication and installation of the Travelift Dock floats.** Take action as necessary and appropriate.

Discussion was held regarding the change order bid from Bellingham Marine. Staff recommend accepting the bid and awarding the contract to Bellingham Marine for the fabrication and installation of the travel lift dock. December 13, 2014 is the deadline for the project. Ward Stover was present to discuss the change order proposal and recommended awarding the bid for the change order to Bellingham Marine as presented. The bid for the building of the floats and installation work is \$39,404 and will be added to the FEMA 2011 Tsunami event.

ON A MOTION BY COMMISSIONER FELLER, SECONDED BY COMMISSIONER RAMSEY, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY HARBOR DISTRICT BOARD OF COMMISSIONERS, APPROVED AND AWARDED THE BID/CHANGE ORDER TO BELLINGHAM MARINE AS REQUESTED FOR THE TRAVELIFT DOCK FLOATS.

- 5. Discussion and consideration of the stipend for members of the Board of Harbor Commissioners.** Take action as necessary and appropriate.

President White asked that this matter be tabled to the next meeting.

- 6. Discussion and consideration of the 2015 CSDA [California Special Districts Association] Legislative Priorities Survey.** Take action as necessary and appropriate.

Mr. Helms reported on the legislative survey to help prioritize the issues for the Harbor. Discussion regarding the reimbursement of the Harbor for work has been huge, funding opportunities, green revenue for alternative energy projects, prevailing wage, all of the items listed under the public works section were felt to be priorities, water bond implementation, labor contracting, and benefits. Staff will report back to the Commission regarding legislation effecting the Harbor.

- 7. Discussion and consideration of goals for the CEO/Harbormaster.** Take action as necessary and appropriate.

Discussion was held regarding the goals and objectives for the remainder of the 2014-2015 fiscal year. Meeting or exceeding the budget, according to the President, needs to be added. Commissioner Feller asked to have this tabled until the next meeting/until the CEO evaluation was completed for revision. The matter was tabled until the CEO evaluation is completed.

- 8. Discussion and midyear review of Budget for FY 2014-2015.** Take action as necessary and appropriate.

A meeting was held regarding the revised budget and methods to balance the same. The result of that meeting was presented as the revised budget in the agenda packets. Insurance costs have risen, which was not anticipated. The depreciation was not changed in this budget, which staff will review that and bring it back.

- 9. Discussion and consideration of revising Harbor District leases to remove the provision of the percentage rent calculation that allows a deduction for third-party bank fees related to accepting credit/debit cards.** Take action as necessary and appropriate.

As briefly discussed at the last meeting, some of the current leases allow that the fees for debit or credit card transactions can be removed from the percentage rent calculation and Commissioner would like to see this provision removed.

ON A MOTION BY COMMISSIONER BAILEY, SECONDED BY COMMISSIONER FELLER, AND UNANIMOUSLY CARRIED ON A POLLED VOTE, THE CRESCENT CITY

HARBOR DISTRICT BOARD OF COMMISSIONERS, APPROVED THE REMOVAL OF THE DEBIT/CREDIT CARD CHARGES FROM THE PERCENTAGE RENT CALCULATIONS OF NEW LEASES.

**10. Discussion and consideration of creating a Master Lease template for future Harbor District Leases, and simplifying the lease process to encourage new businesses at the harbor.** Take action as necessary and appropriate.

Counsel noted that the master lease document has been pared down, but most of what remains is what the Harbor has requested. The lease could be made more specific based on the business type as well as the length based on their benefit to the Harbor. Counsel recommended that staff and legal counsel be directed to work on two or three versions for short, mid-term, and long-term leases that would be from simple to more complex, including the items that the Harbor requires, and could have addendums added as necessary regarding special terms or conditions. A lease with basic terms for a short-term could be produced. An event lease or contract should also be prepared for one-time events. Mr. Long noted that it was good to be able to compete with the rental space up town. Legal staff will work on the lease modifications and bring it back at a later date.

**11. Committee Reports.** Reports from other standing and ad hoc committees.

The following reports were given:

Financial – no report.

Budget Committee – report given above

Design Oversight – signs may be done on time (end of January)

Dredge – nothing to report.

Events – no report.

Crab Pot Ordinance – no report.

Lease Committee – no report.

Landlord Tenant Committee – no report.

Park Model Construction – no report.

Real Estate Policy/Lease Committee – no report.

Visitor's Center Committee – a meeting was held regarding the work Grant Werschull has done and what the feeling was for a joint venture. Grant is trying to line up support for the center. The project is kind of high centered at this time. A multi-use center would be appropriate and need community support. Mr. Long commented on the scale model of a fishing vessel that is a big hit at venues and he offered to donate a similar scale model to the Harbor for the center.

Dutra Dispute Resolution Committee – no report.

Employee Negotiations – no report.

Insurance Committee – no report.

Zoning and Land Use –

Marketing – no report.

Maintenance and Repair – no meeting.

Tri-Agency – trying to schedule meeting for 16 or 17 of December.

IGRC – no report.

Chamber – no report.

Port Safety – no report.

Land Use Plan – no report.

Personnel –no report.

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

The CEO's written report was discussed and included in the Harbor agenda packet. No action was taken.

**13. Board Comments.**

The following reports, requests or clarifications were requested by Commissioners: it was noted that the treatment plant ground needs to be graded. CEO Helms reported that Richterich and Jones will not be grading the area, the bags of foam will be hauled as well as two loads of dirt and grading and seeding of the area. Straw has been put over the area and pictures taken to map progress. The Porcini improvements have not be factored into the rent for pay off yet, as requested by the Commission, but staff is working on it. Commissioner Bailey noted that we have a great harbor now and vessels will temporarily be coming in for crab season. Commissioner Phillips thanked Mr. Helms for the great reports. Commissioner Ramsey said "ditto". Commissioner Feller noted the completion of the trail has brought a lot of folks into the Harbor recently. President White asked about the art gallery lease negotiation. Staff report that nothing new has been heard.

**14. Adjournment to the next Regular Meeting scheduled on Tuesday, December 16, 2014 at 6:30 P.M. at the Harbor District Office, 101 Citizens' Dock Road, Crescent City, California.**

There being no further business to come before the Commission, President White, adjourned the meeting at 8:21 p.m. until the next regularly scheduled meeting on December 16, 2014.

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Wes White, President

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Scott Feller, Secretary

Approved this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014.