



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

Chris Stephens, Chairman
Brian Brennan, Vice Chairman
Jackie Gardina, Secretary
Everard Ashworth, Commissioner
Michael Blumenberg, Commissioner

Brian D. Pendleton, General Manager
Todd Mitchell, Business Operations Manager
Andy Turner, Legal Counsel
Jessica Rauch, Clerk of the Board

PORT COMMISSION AGENDA REGULAR MEETING FEBRUARY 5, 2020 VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE VENTURA, CA 93001

CLOSED SESSION – 5:30PM

CALL TO ORDER: *By Chairman Chris Stephens.*

ROLL CALL: *By the Clerk of the Board.*

PUBLIC COMMUNICATIONS (3 minutes)

The Public Communications period is set aside to allow public testimony on items on the Closed Session Agenda. Each person may address the Commission for up to three minutes or at the discretion of the Chair.

CONVENE IN CLOSED SESSION – 5:35PM

CLOSED SESSION AGENDA (1 hour 25 minutes)

See Attachment to Agenda-Closed Session Conference with Legal Counsel.

OPEN SESSION – 7:00PM

CALL TO ORDER: *By Chairman Chris Stephens.*

PLEDGE OF ALLEGIANCE: *By Chairman Chris Stephens.*

ROLL CALL: *By the Clerk of the Board.*

ADOPTION OF AGENDA (3 minutes)

Consider and approve, by majority vote, minor revisions to agenda items and/or attachments and any item added to, or removed/continued from the Port Commission's agenda. Administrative Reports relating to this agenda and materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the Port District's office located at 1603 Anchors Way Drive, Ventura, CA

during business hours as well as on the District's website - www.venturaharbor.com. Each item on the agenda shall be deemed to include action by an appropriate motion, resolution or ordinance to take action on any item.

APPROVAL OF MINUTES (3 minutes)

The Minutes of the January 22, 2020 Regular Meeting will be considered for approval.

The Minutes of the January 22, 2020 Public Facilities Corporation Annual Meeting will be considered for approval.

PUBLIC COMMUNICATIONS (3 minutes)

The Public Communications period is set aside to allow public testimony on items not on today's agenda. Each person may address the Commission for up to three minutes or at the discretion of the Chair.

CLOSED SESSION REPORT (3 minutes)

Closed Sessions are not open to the public pursuant to the Brown Act. Any reportable actions taken by the Commission during Closed Session will be announced at this time.

BOARD COMMUNICATIONS (5 minutes)

Port Commissioner's may present brief reports on port issues, such as seminars, meetings and literature that would be of interest to the public and/or Commission, as a whole. Port Commissioner's must provide a brief summary and disclose any discussions he or she may have had with any Port District Tenants related to Port District business.

DEPARTMENTAL AND GENERAL MANAGERS REPORTS (5 minutes)

Ventura Port District Staff and General Manager will give the Commission reports on their Department and items of general interest to the Port Commission and members of the public.

LEGAL COUNSEL REPORT (5 minutes)

Legal Counsel will report on progress of District assignments and any legislative or judicial matters.

CONSENT AGENDA: (5 minutes)

Matters appearing on the Consent Calendar are expected to be non-controversial and will be acted upon by the Board at one time, without discussion, unless a member of the Board or the public requests an opportunity to address any given item. Approval by the Board of Consent Items means that the recommendation is approved along with the terms set forth in the applicable staff reports.

A) Approval of Out of Town Travel Requests

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the following out of town travel requests for:

- A) Business Operations Manager, Todd Mitchell to attend CMANC's Annual Washington Week;
- B) Project Manager, Richard Parsons to attend CMANC's Annual Washington Week; and
- C) Commissioner, Brian Brennan to attend CMANC's Annual Washington Week.

STANDARD AGENDA:

1) Approval of Fiscal Year 2018-2019 Audit (20 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the acceptance of the Basic Financial Statements and Supplementary Information with Independent Auditor's Report for the Year Ended June 30, 2019, prepared by White Nelson Diehl Evans, LLP.

2) Inner Harbor and Ventura Keys Maintenance Dredging (10 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners take the following actions:

- A) Find, based upon the evidence presented below, that a contract awarded to Manson Construction Company pursuant to Section 20751.2 of the California Public Contract Code is likely to cost less than a contract awarded pursuant to Section 20751;
- B) Award the Inner Harbor and Ventura Keys Maintenance Dredging contract to Manson Construction Company at a rental rate of \$5,500 per hour in accordance with the Agreement; and
- C) Approve the Cooperative Agreement for the Maintenance Dredging of the Ventura Keys Stub Channel between the Ventura Port District and the City of Ventura.

3) Ventura Port District Goals and 5-Year Objectives (20 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the Ventura Port District 5-Year Objectives.

ADJOURNMENT

*This agenda was posted on Friday, January 31, 2020 by 5:00 p.m. at the Port District Office
and online at www.venturaharbor.com - Port District Business - Meetings and Agendas.*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact
the Ventura Port District at (805) 642-8538. Notification 48 hours before the meeting will enable the District to make reasonable
arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)*

**ATTACHMENT TO PORT COMMISSION AGENDA
CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL**

WEDNESDAY, FEBRUARY 5, 2020

1. Conference with Real Property Negotiators - Per Government Code Section 54956.8:

- a) Property: **Federal Authorized Sea Bottom**
Negotiating Parties: Brian Pendleton, Todd Mitchell, Andy Turner
Army Corps of Engineers
Under Negotiation: **Sea Bottom Aquaculture Master Permit**
- b) Property: **1575 Spinnaker Drive #105A&B**
Negotiating Parties: Brian Pendleton, Todd Mitchell, Andy Turner
Sugar Lab Bake Shop
Harbor Mart & Deli
Under Negotiation: **New Restaurant Lease Agreement**

2. Conference with Legal Counsel - Potential Litigation per Government Code Section 54956.9(d)(2): Four (4) Cases. (Verbal Reports)

3. Conference with Legal Counsel - Potential Litigation per Government Code Section 54956.9(d)(4): One (1) Case. (Verbal Report)



VENTURA
PORT DISTRICT
Established 1952

BOARD OF PORT COMMISSIONERS

FEBRUARY 5, 2020

APPROVAL OF MINUTES

JANUARY 22, 2020

VENTURA PORT DISTRICT

BOARD OF PORT COMMISSIONERS MINUTES OF JANUARY 22, 2020



CLOSED SESSION

CALL TO ORDER:

The Ventura Board of Port Commissioners Regular Closed Session Meeting was called to order by Chairman Chris Stephens at 5:32PM at the Ventura Port District Administration Office, 1603 Anchors Way Drive, Ventura, CA 93001.

ROLL CALL:

Commissioners Present:

Chris Stephens, Chairman
Brian Brennan, Vice Chairman (arrived at 6:07PM)
Jackie Gardina, Secretary
Everard Ashworth
Michael Blumenberg

Commissioners Absent:

None

Port District Staff:

Brian Pendleton, General Manager
Todd Mitchell, Business Operations Manager
Jessica Rauch, Clerk of the Board

Legal Counsel:

Andy Turner
Elsa Sham

PUBLIC COMMUNICATIONS: Andres Fernandez, owner of the Ventura Harbor Comedy Club, 805 Grilled Cheese and Copa Cubana reported that his partner for the Comedy Club is leaving the operation and he would like the Commission to allow staff to work with him on getting current with his rent for all his businesses and negotiate new leases.

CONVENED TO CLOSED SESSION AT 5:40PM.

ADJOURNMENT: Closed Session was adjourned at 7:04PM.

OPEN SESSION

ADMINISTRATIVE AGENDA:

CALL TO ORDER:

The Ventura Board of Port Commissioners Regular Open Session Meeting was called to order by Chairman Chris Stephens at 7:09PM at the Ventura Port District Administration Office, 1603 Anchors Way Drive, Ventura, CA 93001.

PLEDGE OF ALLEGIANCE: By Commissioner Brennan.

ROLL CALL:

Commissioners Present:

Chris Stephens, Chairman
Brian Brennan, Vice Chairman
Jackie Gardina, Secretary
Everard Ashworth
Michael Blumenberg

Commissioners Absent:

None

Port District Staff:

Brian Pendleton, General Manager
Todd Mitchell, Business Operations Manager
Gloria Adkins, Accounting Manager
Dave Werneburg, Marina Manager
John Higgins, Harbormaster
Robin Baer, Property Manager
Jennifer Talt-Lundin, Marketing Manager
Richard Parsons, Consultant
Jessica Rauch, Clerk of the Board

Legal Counsel:

Andy Turner
Elsa Sham

ADOPTION OF AGENDA

ACTION: Commissioner Brennan moved, seconded by Commissioner Gardina and carried by a vote of 5-0 to adopt the January 22, 2020 agenda, pulling Consent Item D to the Standard Agenda.

APPROVAL OF MINUTES

The Minutes of the December 18, 2019 Regular Meeting were considered as follows:

ACTION: Commissioner Brennan moved, seconded by Commissioner Gardina and carried by a vote of 5-0 to approve the December 18, 2019 Regular Meeting Minutes.

PUBLIC COMMUNICATIONS: Sam Sadove, owner of Ventura Harbor Marina and Yacht Yard, commented on the rental prices for the Portside development units.

CLOSED SESSION REPORT: Mr. Turner stated that the Board met in closed session; discussed and reviewed all items on the closed session agenda. Staff was given instructions on how to proceed as appropriate on these matters and there was no action taken that is reportable under The Brown Act.

BOARD COMMUNICATIONS: Commissioner Gardina spoke to a resident at Ventura West Marina who recommended watching the Netflix documentary "A Plastic Ocean;" she recommended everyone watch it and asked if the Harbor could be doing more to decrease its use of plastic. Commissioner Blumenberg

reported that his company holiday party at the Boatyard Pub turned out great. Commissioner Brennan reported on the CMANC Winter Meeting.

DEPARTMENTAL AND GENERAL MANAGERS REPORTS: Mr. Parsons gave a dredging update. Mr. Mitchell reported on the CMANC Winter Meeting. Mr. Pendleton reported on the minor tornado that hit the Harbor on Christmas night.

LEGAL COUNSEL REPORT: None.

The Port Commission adjourned and convened as the Board of Directors of the Ventura Port District Public Facilities Corporation at 7:27PM.

The Board of Directors of the Ventura Port District Public Facilities Corporation adjourned and reconvened the Regular Meeting of the Ventura Port District Board of Port Commissioners at 7:34PM.

CONSENT AGENDA:

A) Approval of Out of Town Travel Requests

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the following out of town travel requests for:

- A) Property Manager, Robin Baer to attend the Entertainment Experience Evolution in Los Angeles, CA; and,
- B) Marketing Manager, Jennifer Talt-Lundin to attend the Adventure and Travel Consumer Show in Denver, CO and the Visit California Outlook Forum Conference in San Diego, CA.

Public Comment: Michael Wagner, owner of Andria's Seafood does not agree with sending the Marketing Director to Denver.

ACTION: Commissioner Brennan moved, seconded by Commissioner Blumenberg and carried by a vote of 5-0 to approve the out of town travel requests for Property Manager, Robin Baer to attend the Entertainment Experience Evolution in Los Angeles, CA; and Marketing Manager, Jennifer Talt-Lundin to attend the Adventure and Travel Consumer Show in Denver, CO and the Visit California Outlook Forum Conference in San Diego, CA.

B) New Office Lease Agreement for Jennifer Shook and Gilbert Esquivel

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve a new Office Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Jennifer Shook and Gilbert Esquivel for the premises located at 1567 Spinnaker Drive #204 consisting of a total of 880 square feet for a two (2) year term with a two (2) year option.

ACTION: Commissioner Brennan moved, seconded by Commissioner Blumenberg and carried by a vote of 5-0 to approve a new Office Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Jennifer Shook and Gilbert Esquivel for the premises located at 1567 Spinnaker Drive #204 consisting of a total of 880 square feet for a two (2) year term with a two (2) year option.

C) New Retail Lease Agreement for Polski Styl, LLC dba Anja's Boutique

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve a new Retail Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Polski Styl, LLC dba Anja's Boutique for the premises located at 1591 Spinnaker Drive #113 consisting of a total of 787 square feet for a two (2) year term with a two (2) year option.

ACTION: Commissioner Brennan moved, seconded by Commissioner Blumenberg and carried by a vote of 5-0 to approve a new Retail Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Polski Styl, LLC dba Anja's Boutique for the premises located at 1591 Spinnaker Drive #113 consisting of a total of 787 square feet for a two (2) year term with a two (2) year option.

D) Acceptance of \$70,000 Surrendered and Abandoned Vessel Exchange (SAVE) Grant

Recommended Action: Voice Vote.

That the Board of Port Commissioners adopt Resolution No. 3384 accepting a \$70,000 Surrendered and Abandoned Vessel Exchange (SAVE Contract# C19S0607) offered by the California Division of Boating and Waterways.

This item was pulled from the Consent Agenda.

Report by Harbormaster, John Higgins.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Blumenberg and carried by a vote of 5-0 to adopt Resolution No. 3384 accepting a \$70,000 Surrendered and Abandoned Vessel Exchange (SAVE Contract# C19S0607) offered by the California Division of Boating and Waterways.

STANDARD AGENDA:

1) Approval of Updated Board of Port Commissioners Protocols and Policies Manual

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve updates to the Board of Port Commissioners Protocols and Policies Manual.

Report by Jessica Rauch, Clerk of the Board.

Public Comment: Sam Sadove, owner of Ventura Harbor Marina and Yacht Yard, commented that "future agenda items" should be kept for the public, Section 3.5.2 – "should" to "shall", Section 2.4.8 – seems like the Commission is encumbering themselves; and Section 3.6 – be a little more clear on what excessive means.

ACTION: Commissioner Blumenberg moved, seconded by Commissioner Brennan and carried by a vote of 5-0 to approve updates to the Board of Port Commissioners Protocols and Policies Manual, with the following changes:

- Pg. 8 – Section 3.4 Board Liaisons

3.4 Board Liaisons

Board Liaison appointments can be raised by any commissioner. ~~and will follow the procedure of "Future Agenda Items," by getting consensus then bringing it back at a future meeting for approval.~~ When such appointment(s) is raised, it must be formally approved by the Commission at a noticed public meeting.

- Pg. 8 – Section 3.5.2 Social Gatherings

3.5.2 Social Gatherings

A quorum of the Board may attend or participate in social gatherings or other similar events. However, even when meeting socially, Commissioners ~~should~~ shall not discuss District business, or the gathering could be deemed a meeting under the Brown Act.

- Pg. 11 – Request for Future Agenda Items – DELETE

2) Ventura Port District Goals and 5-Year Objectives

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the Ventura Port District 5-Year Objectives.

Report by Brian Pendleton, General Manager and Todd Mitchell, Business Operations Manager.

Public Comment: Michael Wagner, owner of Andria's Seafood, commented on the long-term goals.

ACTION: The Board of Port Commissioners asked staff to come back to the Board in February incorporating their feedback into the five-year goals and objectives.

ADJOURNMENT: The meeting was adjourned at 8:45PM.

The next meeting is Wednesday, February 5, 2020.

Jackie Gardina, Secretary



BOARD OF PORT COMMISSIONERS

FEBRUARY 5, 2020

APPROVAL OF PUBLIC FACILITIES

CORPORATION ANNUAL

MEETING MINUTES

JANUARY 22, 2020

**MINUTES OF THE ANNUAL MEETING
OF THE VENTURA PORT DISTRICT
PUBLIC FACILITIES CORPORATION
HELD ON JANUARY 22, 2020**

At 7:27PM, President Stephens called to order the Annual Meeting of the Ventura Port District Public Facilities Corporation. The meeting was held in the offices of the Ventura Port District located at 1603 Anchors Way Drive, Ventura, California.

ROLL CALL

Present: Chris Stephens, President
Brian Brennan, Vice President
Jackie Gardina, Director
Everard Ashworth, Director
Michael Blumenberg, Director

Absent: None

Staff Present: Brian D. Pendleton, General Manager
Todd Mitchell, Business Operations Manager
Andy Turner, Legal Counsel
Jessica Rauch, Clerk of the Board

A. ELECTION OF NEW SECRETARY

That the Board of Directors elect Jackie Gardina as the new Secretary.

ACTION: Director Brennan moved, seconded by Director Blumenberg and carried by a vote of 5-0 to elect Director Gardina as the new Secretary.

B. APPROVAL OF MINUTES

The Minutes of the February 6, 2019 Regular Meeting were considered as follows:

ACTION: Director Brennan moved, seconded by Director Ashworth and carried by a vote of 3-0-2 (Gardina/Blumenberg abstained) to ratify the minutes of February 6, 2019.

C. ADOPTION OF RESOLUTION NO. 128

That the Board of Directors adopt Resolution No. 128 authorizing the Board of Port Commissioners to approve the minutes of the Public Facilities Corporation on an annual basis.

ACTION: Director Brennan moved, seconded by Director Ashworth and carried by a vote of 5-0 to authorize the Board of Port Commissioners to approve the minutes of the Public Facilities Corporation on an annual basis.

D. ADOPTION OF RESOLUTION NO. 129

That the Board of Directors adopt Resolution No. 129 appointing Brian D. Pendleton as Chief Financial Officer.

ACTION: Director Ashworth moved, seconded by Director Gardina and carried by a vote of 5-0 to adopt Resolution No. 129 appointing Brian D. Pendleton as Chief Financial Officer.

ADJOURNMENT

There were no further items for discussion and at 7:34PM, President Stephens declared the meeting of the Ventura Port District Public Facilities Corporation adjourned.

Jackie Gardina, Secretary



BOARD OF PORT COMMISSIONERS

FEBRUARY 5, 2020

CONSENT AGENDA ITEM A

APPROVAL OF OUT OF
TOWN TRAVEL REQUESTS

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM A
Meeting Date: February 5, 2020

TO: Board of Port Commissioners
FROM: Brian D. Pendleton, General Manager
SUBJECT: Out of Town Travel Requests

RECOMMENDATION:

That the Board of Port Commissioners approve by motion the following out of town travel requests for:

- A) Business Operations Manager, Todd Mitchell to Washington, D.C. to participate in the CMANC Washington Meeting on March 2-4, 2020. Attending this meeting allows the District to send representatives to help educate Congress and The Administration on the value of the system of ports and harbors in California to the Nation and to advocate for full funding in Federal Fiscal Year 2020. Estimated cost for the travel is as follows:

Registration	\$495.00
Airline	\$526.79
Lodging	\$1,000.00
Meals	\$475.00
Mileage	\$80.50
Miscellaneous	\$200.00
TOTAL	\$2,777.29

- B) Project Manager, Richard Parsons to travel to Washington, D.C. to participate in the CMANC Washington Meeting on March 2-4, 2020. Attending this meeting allows the District to send representatives to help educate Congress and The Administration on the value of the system of ports and harbors in California to the Nation and to advocate for full funding in Federal Fiscal Year 2020. Estimated cost for the travel is as follows:

Registration	\$495.00
Airline	\$526.79
Meals	\$475.00
Mileage	\$80.50
Miscellaneous	\$200.00
TOTAL	\$1,777.29

- C) Commissioner Brian Brennan to travel to Washington, D.C. to participate in the CMANC Washington Meeting on March 2-4, 2020. Attending this meeting allows the District to send representatives to help educate Congress and The Administration on the value of the system of ports and harbors in California to the Nation and to advocate for full funding in Federal Fiscal Year 2020. Estimated cost for the travel is as follows:

Registration	\$495.00
Airline	\$322.00
Lodging	\$1,000.00
Meals	\$475.00
Mileage	\$80.50
Miscellaneous	\$200.00
TOTAL	\$2,572.50



BOARD OF PORT COMMISSIONERS

FEBRUARY 5, 2020

STANDARD AGENDA ITEM 1

APPROVAL OF FISCAL YEAR
2018-2019 AUDIT

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 1
Meeting Date: February 5, 2020

TO: Board of Port Commissioners
FROM: Gloria Adkins, Accounting Manager
SUBJECT: Approval of Fiscal Year 2018-2019 Audit

RECOMMENDATION:

That the Board of Port Commissioners approve the acceptance of the Basic Financial Statements and Supplementary Information with Independent Auditor's Report for the Year Ended June 30, 2019, prepared by White Nelson Diehl Evans, LLP.

SUMMARY:

Attached for the Board's review and acceptance is the annual audit of the District's financial statements for fiscal year ending June 30, 2019.

Robert Callahan, partner with White Nelson Diehl Evens (WNDE), will present information to the Board and answer any inquiries you may have.

BACKGROUND:

The District entered into a professional services agreement with (WNDE) on September 12, 2018 for the audit of the District's financial records for three fiscal years. This audit is the second year of the agreement.

WNDE began their field work on the fiscal year 2018-2019 audit in October. Staff has been working diligently with WNDE staff to ensure a smooth and timely process.

Mr. Callanan reported that the District's financial statements present fairly, in all material respects, the financial position of the District as of June 30, 2019.

He also reported that they did not identify any deficiencies in internal control over financial reporting that they consider to be material weaknesses. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

He did relay the importance of updating the District's purchasing policy to incorporate the federal grant rules issued by the U.S. Office of Management and Budget which were to be implemented for fiscal year 2018-2019.

Staff would like to thank Commissioner Blumenburg for his time and input during this audit process.

FISCAL IMPACT:

The audited Statement of Net Position at June 30, 2018 is \$20,028,521. This is an increase of 5.6% over the June 30, 2018 Net Position of \$20,857,966. The approved budgeted cost for the fiscal year 2018-2019 audit is \$21,500.

ATTACHMENTS:

Attachment 1 – Final 2019 Audit ACL Exit Letter
Attachment 2 – Final 2019 Financial Audit



The Board of Port Commissioners
of the Ventura Port District
Ventura, California

We have audited the financial statements of Ventura Port District for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated September 6, 2019 and in our letter on planning matters dated October 4, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of other existing policies was not changed during the year ended June 30, 2019. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements are:

- a. Management's estimate of the fair value of investments is based on quoted prices in active markets. When quoted prices in active markets are not available, fair values are based on evaluated prices received by the District's broker or custodian.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

The most sensitive estimates affecting the financial statements are (continued):

- b. Management's estimate of the allowance for doubtful accounts receivable which is based on historical trends.
- c. Management's estimate of the useful lives of capital assets used for depreciation purposes which are based on industry standards.
- d. The annual required contributions, pension expense, net pension liability and corresponding deferred outflows of resources and deferred inflows of resources for the District's public defined benefit plan with CalPERS which are based on actuarial valuations provided by CalPERS.
- e. The annual required contribution and actuarial accrued liability for the District's other post-employment benefit plan which are based on actuarial assumptions and methods prepared by a third-party consultant.

We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are reported in Note 3C regarding the District's defined benefit pension plans, Note 3D regarding the District's other postemployment healthcare benefits plan and Note 3H regarding the restatement of net position that resulted from the implementation of GASB Statement No. 75.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were detected as a result of audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Significant Audit Findings (Continued)

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 30, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management’s discussion and analysis, the schedules of proportionate share of the net pension liability and the schedules of contributions for the defined benefit pension plans, and the schedule of changes in the total OPEB liability and related ratios for the other postemployment healthcare benefits plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Port Commissioners and management of the Ventura Port District and is not intended to be, and should not be, used by anyone other than these specified parties.

White Nelson Diehl Evans LLP

Irvine, California
January 30, 2020

VENTURA PORT DISTRICT
FINANCIAL STATEMENTS
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
JUNE 30, 2019

ATTACHMENT 2

VENTURA PORT DISTRICT**Table of Contents****June 30, 2019**

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ATTACHMENT 2

INDEPENDENT AUDITORS' REPORT

The Board of Port Commissioners
of the Ventura Port District
Ventura, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Ventura Port District (the District), which comprise the statement of net position as of June 30, 2019, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ventura Port District as of June 30, 2019, and the respective changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of proportionate share of the net pension liability, the schedules of plan contributions - defined benefit pension plans, and the schedule of changes in the total OPEB liability and related ratios - other postemployment health care benefits plan, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

White Nelson Nick Evans LLP

Irvine, California
January 30, 2020

ATTACHMENT 2

VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

June 30, 2019

It is our pleasure to submit the Ventura Port District's (the District) Management's Discussion and Analysis (MD&A) for the fiscal year ended June 30, 2019. This report was prepared pursuant to the guidelines set forth by the Government Accounting Standards Board (GASB) and sets forth an overview of the District's financial activities and performance for the fiscal year ended June 30, 2019. This analysis should be read in conjunction with the audited financial statements that follow this section.

District staff prepared this financial report in conjunction with an unmodified opinion issued by the independent audit firm White Nelson Diehl Evans LLP. This report consists of management's representations concerning the finances of the District. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

District Structure and Leadership

The Ventura Port District was established in April 1952 for the purpose of acquiring, constructing and operating a commercial and recreational boat harbor now known as the Ventura Harbor. The Port was formed as per Sections 6200 to 6372 of the Harbor and Navigation Code of the State of California. The District's legal boundaries encompass all of the City of San Buenaventura as well as some small areas outside the City limits. Construction was completed and Ventura Harbor commenced operations in June 1963.

Other than the 2.74 acre site owned by the Department of Interior, National Park Service, the District is the sole landowner within this multiple use harbor, with current property holdings of approximately 152 acres of land and 122 acres of water area, initially developed in the early 1960s. The Ventura Harbor is home to many diverse businesses such as marinas for recreational and commercial vessels, commercial fishing offloading facilities, boat charters, a mobile home park, two hotels, a time share, a public launch ramp, two fuel stations, two full service boatyards, and a mixed use commercial development center with boutique shops, restaurants, and office spaces.

The District is governed by a five-member Board of Port Commissioners, appointed by the City Council of the City of San Buenaventura, serving four-year terms without compensation. Below are the Commissioners at June 30, 2019:

Chris Stephens, Chairman
Brian Brennan, Vice Chairman
Everard Ashworth, Commissioner
Jackie Gardina, Commissioner
Michael Blumenburg, Commissioner

Mission Statement

The Ventura Port District, home to Channel Island National Park and Visitors Center, provides a safe and navigable harbor and a seaside destination that benefits residents, visitors, fishermen and boaters to enjoy Ventura Harbor's exceptional facilities, events and services.

ATTACHMENT 2

VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

Financial Highlights

The District provides public services such as Harbor Patrol and a public launch ramp, which are traditionally associated with a port district. The District also contracts with the State Parks system for lifeguard services from May through September for approximately \$80,000. In addition, the District offers long term ground leases (50 years) on certain parcels for private use such as hotels and timeshares, marinas, boatyards, yacht clubs, and a mobile home park. The District is also the owner/operator of Ventura Harbor Village, a 32.67 acre commercial, office, boat charter and marina complex located in the harbor with a strong commercial fishing industry.

- The District's net position for June 30, 2019 increased 5.6% to \$22,028,521.
- Total revenues increased 6.1% to \$10,469,586 during the fiscal year.
- Total expenses increased 3.7% to \$9,299,031 during the fiscal year

Overview of the basic financial statements

The District's basic financial statements are comprised of three components: Financial statements, notes to the basic financial statements and required supplementary information. The financial statements consist of the following:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows

The District's activities are accounted for in an enterprise fund. Enterprise funds are operated in a manner similar to private business in that the majority of the Districts revenues are generated through leases, fees and services to the public. These revenues are used to cover all operations, financing and infrastructure needs in the harbor.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). The difference between the District's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or declining. The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are recognized on the accrual basis.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
(UNAUDITED)

June 30, 2019

Statement of Net Position

The following condensed financial information provides an overview of the District's financial position as of June 30, 2019 and 2018.

Summary of Net Position
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>	<u>Increase/ (Decrease)</u>	<u>%</u>
Assets:				
Current assets	\$ 10,642,821	\$ 10,214,700	\$ 428,121	4.2%
Restricted assets	7,610,912	3,154,103	4,456,809	141.3%
Capital assets, net	25,207,846	24,347,453	860,393	3.5%
Total assets	<u>43,461,579</u>	<u>37,716,256</u>	<u>5,745,323</u>	15.2%
Deferred Outflows of Resources	1,359,962	1,550,120	(190,158)	-12.3%
Total assets and deferred outflows	<u>44,821,541</u>	<u>39,266,376</u>	<u>5,555,165</u>	14.1%
Liabilities:				
Current & other liabilities	6,685,684	6,054,398	631,286	10.4%
Long-term debt obligations	15,938,681	12,196,400	3,742,281	30.7%
Total liabilities	<u>22,624,365</u>	<u>18,250,798</u>	<u>4,373,567</u>	24.0%
Deferred Inflows of Resources	168,655	157,612	11,043	7.0%
Total liabilities and deferred inflows	<u>22,793,020</u>	<u>18,408,410</u>	<u>4,384,610</u>	23.8%
Net Position:				
Net investment in capital assets	13,505,661	12,392,547	1,113,114	9.0%
Restricted assets	3,165,966	3,154,103	11,863	0.4%
Unrestricted assets	5,356,894	5,311,316	45,578	0.9%
Total net position	<u>\$ 22,028,521</u>	<u>\$ 20,857,966</u>	<u>\$ 1,170,555</u>	5.6%

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

Statement of Net Position (Continued)

The District's net position at June 30, 2019 is \$22,028,521. This is an increase of \$1,170,555 over the net position at June 30, 2018 of \$20,857,966.

Key changes in the statement of net position are as follows:

Assets

Current assets increased \$428,121 for fiscal year 2019 to \$10,642,821 due to the net effect of an increase from normal operations for the year offset by the purchase of capital assets and equipment.

Restricted assets increased \$4,456,809 for fiscal year 2019 to \$7,610,912 due to two factors.

- A \$4.6 million debt installment agreement was entered into for the purpose of renovating docks located in the Ventura Harbor Village Marina. The proceeds of this debt were increased by investment earnings and decreased by the capital outlay towards the project in FY19.
- Two leases were negotiated, one in fiscal year 2015 and one in fiscal year 2016, which require the tenants to pay into a fisheries improvement reserve fund up to a maximum of \$100,000 each during the term of their leases. These funds are restricted by the terms of the leases to be used for repairs and upkeep to the fish offloading complex areas in the Ventura Harbor Village, including the fish pier. The annual contributions to this fund and the investment interest earnings account for the increase in this category.

The capital assets increased \$860,393 during fiscal year 2019 to \$25,207,846. This was the net effect of infrastructure renovations and equipment purchases offset by asset retirements and the annual amortization of the depreciation expenses. The capital assets are discussed in more detail later in this report.

Deferred outflows of resources decreased by \$190,158 to \$1,359,962. This decrease was the net effect of the change in value from items listed below that are required to be reported in this category.

- The expensing of annual amortization on the deferred amounts on bond refunding that resulted from the difference in the carrying value of refunded debt and its reacquisition price.
- Deferred outflow related to pensions and OPEB to reflect the employer contributions made after the measurement date of the net pension and OPEB liabilities applicable to the current audit year. The new value will be recognized as a reduction of the net pension liability in the next fiscal year.
- Deferred outflow related to pensions to reflect the difference between the actual and the expected experience value of the pension.
- Deferred outflows related to pensions resulting from changes in assumptions used to determine annual pension liabilities.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

Statement of Net Position (Continued)

- Deferred outflow related to pensions to reflect the net difference between projected and actual earnings on plan investments of the pension plans fiduciary net position.
- Deferred outflow related to pensions for the differences between the employer's contributions to the plan and the employers proportionate share of contributions as determined by GASB.

Liabilities

Current & other liabilities increased by \$631,286 to \$6,685,684. This increase is primarily the net effect of several factors grouped into this category as discussed below:

- There was an increase of \$607,627 in accounts payable and other accrued expenses. The increase in this category was primarily due to two factors. The June 30, 2019 accounts payable included \$454,988 for construction projects compared to the \$54,000 for construction projects that was included in the June 30, 2018 balance. The June 30, 2019 accounts payable balance also included a onetime expense of \$150,000 in lease settlements that was not present in the June 30, 2018 balance.
- There was an increase of \$150,400 in unearned revenue due to ARTPS paying for the first five years of a pipeline easement agreement upfront. This is the value of the remaining four years to be amortized each year.
- There was a decrease of \$133,068 in pension liability. CalPERS prepares a guide for public agencies reflecting the methodology and pension amounts to be used for GASB 68 pension reporting. The District's liability increased as a result of GASB 68 calculations.

Long-term debt liabilities increased \$3,742,281 to \$15,938,681 as a result of new debt issuance for the Harbor Village Marina improvements offset by the annual paying down of principal on the outstanding balance of all the long-term debts.

Deferred inflows of resources were increased by \$11,043. This increase was due to the net effect of the change in value of items to be reported in this category as related to pensions.

- Deferred inflows related to pensions the difference between the actual and the expected experience value of the pension.
- Deferred inflows related to pensions resulting from changes in assumptions used to determine annual pension liabilities.
- Deferred inflows related to pensions reflecting the difference between the employer's contributions to the plan and the employer's proportionate share of contributions as determined by GASB.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

Statement of Net Position (Continued)

Net Position

Net investment in capital assets increased \$1,113,114 to \$13,505,661. This increase is the net effect of the increase in capital assets as explained previously (the net effect of infrastructure renovations and equipment purchases offset by asset retirements and the annual amortization of the depreciation expenses) being reduced by the annual principal payment on the related debt which in-turn reduced the amount of debt being netted against the capital assets.

Assets that are invested in capital assets, net of related debt, represent land, land improvements, construction in progress, harbor improvements, leasehold improvements, buildings, and equipment as reduced by the related debt service. The District uses these assets to provide facilities and services to the public.

The restricted assets in the Net Position grouping increased \$11,863 due to an increase in the fisheries improvement reserve fund as discussed previously. Restricted assets are subject to external restrictions on how they may be used. As of June 30, 2019, there is \$3,000,000 restricted for dredging activity as required by the Ellison Judgment and a balance of \$165,966 in the restricted fisheries improvement reserve.

Unrestricted assets may be used to meet the District's on-going obligations.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
(UNAUDITED)

June 30, 2019

Statements of Revenues, Expenses and Changes in Net Position

The following table summarizes the District's operations for fiscal years 2019 and 2018:

Summary of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2019 and 2018

	2019	2018	Increase/ (Decrease)	%
Revenues:				
Operating revenues	\$ 8,530,041	\$ 8,356,235	\$ 173,806	2.1%
Non-operating revenues	1,939,545	1,512,110	427,435	28.3%
Total Revenues	<u>10,469,586</u>	<u>9,868,345</u>	<u>601,241</u>	6.1%
Expenses:				
Operating expenses				
before depreciation	7,758,699	7,358,102	400,597	5.4%
Depreciation	887,198	895,690	(8,492)	-0.9%
Non-operating expenses	<u>653,134</u>	<u>712,336</u>	<u>(59,202)</u>	-8.3%
Total Expenses	<u>9,299,031</u>	<u>8,966,128</u>	<u>332,903</u>	3.7%
Change in Net Position	1,170,555	902,217	268,338	29.7%
Net Position, Beginning of Year	20,857,966	19,955,749	902,217	4.5%
Net Position, End of Year	<u>\$ 22,028,521</u>	<u>\$ 20,857,966</u>	<u>\$ 1,170,555</u>	5.6%

Revenues

Total revenues increased 6.1% in fiscal year 2019 to \$10,469,586. This represents a \$601,241 increase from fiscal year 2018 revenues of \$9,868,345. This increase was due to a number of factors:

Operating income increased \$173,806 due to the net effect of the following primary factors:

- The District received onetime income of \$135,000 for appreciation rent from the Ventura Harbor Boatyard as required when they sold their leasehold in fiscal year 2019. The Boatyard is now owned by Silver Bay Seafoods, one of the largest seafood companies in Alaska. They also reported increased sales which resulted in approximately \$60,000 in additional income to the District. In August of 2018, the

ATTACHMENT 2

VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

District was informed by the Boatyard of their first use of their new 200 ton Marine Travelift. This larger capacity lift enables the Boatyard to bring in additional customers that they previously could not accommodate with their 150 ton lift thereby increasing their revenue opportunities.

- The master tenant income increased \$81,000 due primarily to increased occupancies at the Ventura Marina Mobile Home Park and slip rate increases at the Ventura West Marina Phases I & II.
- Harbor Village tenant lease income increased \$119,774. This increase is attributed primarily to the Restaurant and Office categories. There was an increase in Restaurant revenues due to scheduled rent increases with increased sales volume and an increase in Offices revenues due to scheduled rent increases and increased occupancies. Increased sales volumes were primarily attributed to the continuing revitalization efforts of the District and the Village businesses.
- Harbor Village slip income decreased \$73,000 due to moving tenants out in preparation for the dock renovations that began approximately May/June 2019. The Harbor Village marina did not have the space to temporarily relocate all of the affected tenants during the construction.
- Fish offloading income decreased \$97,996 in fiscal year 2019 due to a non-productive squid season.
- Dry Storage income decreased \$100,275 because the storage lot was closed for renovations during and after the City street reconfiguration on Anchors Way Drive. The City utilized a portion of the District's storage lot to change the traffic pattern on Anchors Way Drive in an effort to reduce the traffic going through the Ventura Keys residential neighborhood.

Non-operating income increased \$427,435 due to the following two factors:

- The District's pro-rata share of County property taxes increased \$100,800 due to a continuing improvement in the housing market.
- Investment income increased \$283,000. The District's funds are invested with Local Agency Investment Funds (LAIF). The interest earned on this investment continued to exceed expectation. A portion of this increase was related to earnings on the debt proceeds for the 2018 installment agreement that is dedicated to the renovation of the Harbor Village marina. The proceeds were invested with LAIF while the project went through the engineering and permitting stages.

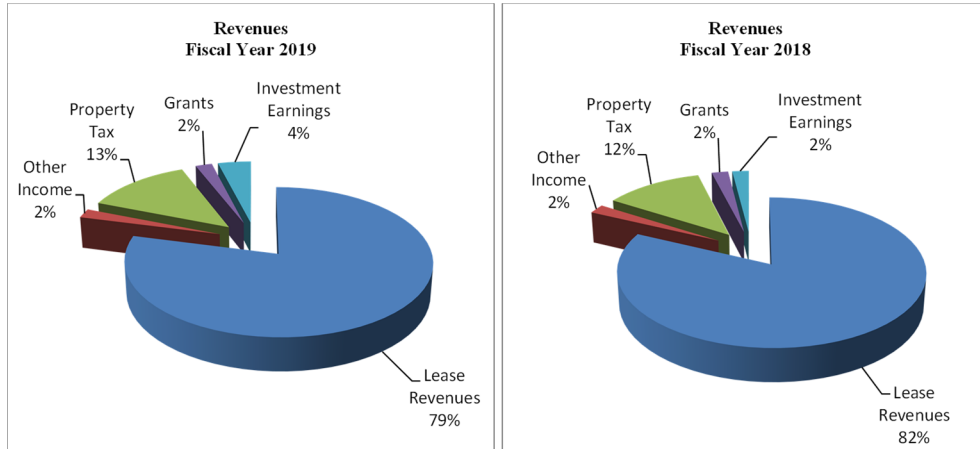
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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

The following two charts show a comparison of revenues by source for each year. these charts give a clear example of the importance of lease tenants followed by the need for property tax revenues. The Districts' pro-rata share of property tax revenues are allocated to the funding our Harbor Patrol department.



Expenses

The expenses for fiscal year 2019 increased 3.7% to \$9,299,031. This is an increase of \$332,903 over the fiscal year 2018 expenses of \$8,966,128. This increase is attributed to several factors:

Operating expenses increased \$400,597 due primarily to the net effect of changes in these categories:

- Salaries and benefits were relatively neutral compared to prior year. This neutral activity was the net effect of two primary categories:
 1. Wages were increased \$147,321 due to the net effect of wage increases and employee turnover including the hiring of two additional Harbor Patrol officers and one additional accounting employee.
 2. The other benefit categories increased \$33,597 for the same reasons as wages above.
 3. PERS and OPEB expenses decreased \$176,487. PERS prepares a guide for public agencies reflecting the methodology and pension amounts to be used for GASB 68 and GASB 75 pension and OPEB reporting, respectively. These expenses decreased as a result of GASB 68 and GASB 75 annual calculations.
- Professional services increased \$231,483 due primarily to the following factors:
 1. Increase of \$91,027 for legal and professional services pertaining to the Ventura Shellfish Enterprise project for aquaculture in Federal waters for the future growing of Mediterranean mussels. \$57,580 of these services was reimbursed thru Sea Grant.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

2. Legal services pertaining to employment issues and lease litigation services increased \$20,654 and \$78,026, respectively.
 3. Professional services for computer/IT services increased \$41,992 due to the growing needs of the District.
- Depreciation expense increased \$47,976 due to the net effect of the amortizing of new fiscal year 2019 assets offset by a decrease in depreciation due to older assets having become fully depreciated.
 - Repairs and maintenance decreased \$279,418 for fiscal year 2019. This decrease is the net effect of several primary factors:
 1. Parking lot maintenance decreased \$386,000 for slurry coating, striping and repairs of parking lots throughout the harbor. This maintenance was performed in fiscal year 2018 and therefore not required in the current fiscal year 2019 resulting in a decrease of \$386,000 in this category.
 2. Building maintenance increased \$85,731 for improvements to suites and continued improvements to stairway lighting throughout the Village.
 3. Grounds maintenance increased \$68,217 primarily for a main water line repair at Harbor Cove beach.
 - The Other expense category increased \$270,225. This increase is primarily due to lease judgement settlements of \$250,000 in the current year.

Non-operating expenditures decreased \$59,202 to \$653,134. This decrease is the net effect of three primary factors:

- Loss on disposition of Assets decreased \$287,242. In fiscal 2018 an asset was disposed before the end of its expected life span. There were no asset dispositions in fiscal year 2019 that had not already been fully depreciated at the time of their retirement in fiscal year 2019.
- Debt issuance costs increased \$54,166. This increase represents the issuance costs for the 2018 debt installment agreement to fund the Harbor Village marina dock renovation project
- Interest expense increased \$173,874. This increase represents the interest. expense for the first year of the 2018 debt installment agreement.

Capital Assets and Debt Administration

Capital Assets

The District's capital assets, net of accumulated depreciation totaled \$25,207,846 on June 30, 2019. This is an increase of \$860,393 over the June 30, 2018 balance of \$24,347,453. This increase is due to the net effect of new infrastructure improvements and the purchase of equipment offset by asset dispositions and the current year's depreciation expense.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

The capital assets include land, harbor, building and leasehold improvements, equipment and construction in progress. The following table shows the change in capital assets for fiscal years 2019 and 2018.

Capital Assets, Net Years Ended June 30, 2019 and 2018

	2019	2018	Increase/ (Decrease)	%
Land	\$ 2,342,629	\$ 2,342,629	\$ -	0.0%
Buildings & Structures	22,784,234	22,576,586	207,648	0.9%
Harbor Improvements	14,347,938	14,323,474	24,464	0.2%
Equipment	1,747,342	1,688,532	58,810	3.5%
Construction in Progress	1,127,139	174,128	953,011	547.3%
	42,349,282	41,105,349	1,243,933	3.0%
Less: Accumulated depreciation	(17,141,436)	(16,757,896)	(383,540)	2.3%
Total capital assets	<u>\$ 25,207,846</u>	<u>\$ 24,347,453</u>	<u>\$ 860,393</u>	3.5%

Major improvement projects and equipment purchases in fiscal year 2019 were as follows:

- Completed the roof renovations on two Ventura Harbor Village buildings and installed fiber optic infrastructure throughout the buildings and into each building suite.
- Resurfaced the fish pier located in Harbor Village with an improved product to extend the life of the pier.
- Installed concrete slabs and curbs to accommodate two permanent custom fabricated bike racks in two locations in the Ventura Harbor Village.
- Began the renovation and fabrication of a portion of two dock fingers in the Ventura Harbor Village Marina to replace the aged and damaged docks with slips able to accommodate larger vessels.
- Began ADA renovations on two sets of restrooms in the Ventura Harbor Village located at 1591 Spinnaker Drive.
- Contributed tenant improvements to the build-out of a new retail space in Harbor Village.
- Purchased two Maintenance trucks and one Harbor Patrol truck.

The major dispositions in fiscal year 2019 pertained to the retiring of the previous resurfacing of the fish pier in October 2013 and the sale of five old maintenance vehicles.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

Major commitments in FY20 include the completion of a \$4.6 million dock renovation project, started in FY18-19. The construction bid was awarded to Bellingham Marine for \$4,317,967 on September 26, 2018. This project will be completed in FY19-20.

Additional information on the District's capital assets can be found in Note 2(c) of the basic financial statements.

Debt Administration

The District's long-term debt balance at June 30, 2019 is \$15,938,681. This is an increase of \$3,742,281 over the June 30, 2018 balance of \$12,196,400. This increase is due to the net effect of a new debt issue and the paying down of principal on the outstanding debt.

The following table summarizes the changes in the District's long-term debt obligations as of June 2018 and 2017:

Summary of Long-term Debt

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>Increase/ (decrease)</u>	<u>%</u>
2008 Refunding Certificates of Participation	\$ 5,643,500	\$ 6,178,900	\$ (535,400)	-8.7%
2009 Refunding Certificates of Participation	1,415,400	1,548,900	(133,500)	-8.6%
2016 Refunding Certificates of Participation	4,283,400	4,468,600	(185,200)	-4.1%
2018 Installment Obligation:				
Series A - Tax exempt	1,606,782	-	1,606,782	100.0%
Series B - Taxable	2,989,599	-	2,989,599	100.0%
	<u> </u>	<u> </u>	<u> </u>	
Total long-term debt	<u>\$ 15,938,681</u>	<u>\$ 12,196,400</u>	<u>\$ 3,742,281</u>	30.7%

Additional information on the District's long-term debt can be found in Note 2(e) of the basic financial statements.

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VENTURA PORT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) (UNAUDITED)

June 30, 2019

Economic Outlook

The economic outlook for the Ventura Port District is positive. Revenue levels at Harbor Village are relatively steady for the office, retail and restaurant categories. Charters will likely be down temporarily during the renovations of docking facilities at Harbor Village marina and the temporary shut-downs of landings on the Channel Islands for scheduled repairs in FY19-20. As the owner operator of the Harbor Village complex, additional infrastructure improvements continue to be made on the land and waterside to renovate this 40 year old complex. The District secured \$4.6 million in financing for new commercial boat slips at Village Marina docks C, D, G, & H. The project is materially completed and repopulated with commercial vessels. In December 2018, the Board approved the conceptual design and scope of work for Harbor Village renovations including paint, awnings, patio covers and signage. The first phase of work, painting, is underway.

The Holiday Inn Express completed the construction of 40 new rooms in July 2019. The Four Points by Sheraton has now begun the renovations of its existing rooms.

Safe Harbor Marinas (SHM), one of the largest marina operators in the region, is in the entitlement and permitting stage of a slip replacements project for Docks G, H, I, L, & M which represents a significant portion of their overall marina. This improvement also includes new dock gates and gangways, parking lot and accessibility improvements. The renovated marina improves the slip sizes and configuration to meet market demands. Upon completion, this will improve occupancy levels and increase revenues of the marina. Construction is scheduled for 2020.

Portside Ventura Harbor in the northeast harbor area with 300 apartment units and 23,000 sq. ft. of commercial space is under construction. The minimum annual rental on this project is currently \$300,000. We expect the project will be completed at the end of 2020. After a stabilization period of 18 to 24 months, the District's revenue could exceed \$1.2 million per year from this project. There is also a 140 slip marina associated with the project, but that percentage rental to the District shall be deferred for a ten year period as stipulated in the lease.

The District continues to pursue long-term development opportunities for two sites, Parcels 5 and 8. The City of Ventura (the City) will be updating the General Plan (GP) and the Local Coastal Program (LCP) over the next three years. The District will collaborate with the City, tenants, and stake holders to identify land uses as part of these updates.

The Ventura Port District is the project applicant for a strategic permitting initiative known as Ventura Shellfish Enterprise (VSE) to substantially increase shellfish farming in Federal waters near the Ventura harbor. The project will establish a commercial offshore bivalve aquaculture operation based from the Ventura Harbor to create economic opportunities for community and marine stake holders, produce a high value and sustainable seafood product, and advance collaborative evaluation of permit applications among regulators.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. If you have questions about this report or need additional financial information, contact the Accounting Manager, at (805) 642-8538 or 1603 Anchors Way Drive, Ventura, CA 93001.

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VENTURA PORT DISTRICT

STATEMENT OF NET POSITION

June 30, 2019

ASSETS:

CURRENT ASSETS:

Cash and cash equivalents	\$ 9,398,520
Restricted cash and cash equivalents	7,610,912
Accounts receivable, net	444,935
Due from other governments	123,996
Other receivables	184,232
Prepaid expenses	408,067
Inventories	83,071
TOTAL CURRENT ASSETS	<u>18,253,733</u>

NONCURRENT ASSETS:

Capital assets not being depreciated	13,374,471
Capital assets being depreciated (net of accumulated depreciation)	11,833,375
TOTAL NONCURRENT ASSETS	<u>25,207,846</u>

TOTAL ASSETS	<u>43,461,579</u>
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DEFERRED OUTFLOWS OF RESOURCES:

Deferred amounts on refundings	214,927
Deferred amounts from OPEB plan	13,360
Deferred amounts from pension plans	1,131,675
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,359,962</u>

LIABILITIES:

CURRENT LIABILITIES:

Accounts payable	718,765
Interest payable	244,640
Accrued liabilities	212,067
Unearned revenue	379,837
Security deposits	273,093
Current portion of long-term liabilities	1,227,236
TOTAL CURRENT LIABILITIES	<u>3,055,638</u>

NONCURRENT LIABILITIES:

Long-term liabilities	14,948,756
OPEB liability	1,135,898
Net pension liability	3,484,073
TOTAL NONCURRENT LIABILITIES	<u>19,568,727</u>

TOTAL LIABILITIES	<u>22,624,365</u>
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DEFERRED INFLOWS OF RESOURCES:

Deferred amounts from pension plans	<u>168,655</u>
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NET POSITION:

Net investment in capital assets	13,505,661
Restricted for dredging	3,000,000
Restricted for fisheries complex	165,966
Unrestricted	5,356,894
TOTAL NET POSITION	<u>\$ 22,028,521</u>

See accompanying notes to basic financial statements.

ATTACHMENT 2
VENTURA PORT DISTRICT

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION

For the year ended June 30, 2019

OPERATING REVENUES:

Leases:

General	\$ 5,788,064
Harbor Village slips	842,388
Fishing	255,335
Boat yard	530,155
Charter	398,696
Tenant reimbursements	460,958
Dry storage	1,800
Other	252,645
TOTAL OPERATING REVENUES	<u>8,530,041</u>

OPERATING EXPENSES:

Administration	215,299
Salaries and benefits	3,820,478
Merchant promotion	291,025
Professional services	1,009,794
Depreciation	887,198
Repairs and maintenance	994,657
Harbor dredging	253,533
Utilities	379,171
Insurance	240,989
Other	553,753
TOTAL OPERATING EXPENSES	<u>8,645,897</u>

OPERATING INCOME	<u>(115,856)</u>
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NONOPERATING REVENUES (EXPENSES):

Taxes	1,319,632
Investment income	439,788
Intergovernmental grants	175,942
Gain on disposition of capital assets	4,183
Debt issuance costs	(54,166)
Interest expense	(598,968)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1,286,411</u>

CHANGES IN NET POSITION	1,170,555
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NET POSITION - BEGINNING OF YEAR	<u>20,857,966</u>
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NET POSITION - END OF YEAR	<u><u>\$ 22,028,521</u></u>
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See accompanying notes to basic financial statements.

ATTACHMENT 2
VENTURA PORT DISTRICT

STATEMENT OF CASH FLOWS

For the year ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from tenants	\$ 8,288,672
Cash received from others	269,671
Cash paid to employees	(3,783,524)
Cash paid for goods and services	<u>(4,251,723)</u>

NET CASH PROVIDED BY
OPERATING ACTIVITIES

523,096

CASH FLOWS FROM NONCAPITAL
FINANCING ACTIVITIES:

Taxes received	1,317,924
Receipts from other governments	<u>161,536</u>

NET CASH PROVIDED BY NONCAPITAL
FINANCING ACTIVITIES

1,479,460

CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES:

Proceeds from issuance of debt	4,664,166
Proceeds from disposal of capital assets	4,183
Acquisition and construction of capital assets	(1,295,520)
Principal payments on long-term debt	(921,885)
Interest payments on related debt	(491,331)
Payment of debt issuance costs	<u>(54,166)</u>

NET CASH PROVIDED BY CAPITAL AND
RELATED FINANCING ACTIVITIES

1,905,447

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest received	<u>386,048</u>
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NET INCREASE IN CASH
AND CASH EQUIVALENTS

4,294,051

CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR

12,715,381

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 17,009,432

RECONCILIATION OF CASH AND CASH EQUIVALENTS
TO STATEMENT OF NET POSITION:

Cash and cash equivalents	\$ 9,398,520
Restricted cash and cash equivalents	<u>7,610,912</u>
	<u><u>\$ 17,009,432</u></u>

(Continued)

See accompanying notes to basic financial statements.

ATTACHMENT 2
VENTURA PORT DISTRICT

STATEMENT OF CASH FLOWS
(CONTINUED)

For the year ended June 30, 2019

RECONCILIATION OF OPERATING INCOME TO
NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ (115,856)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	887,198
Changes in operating assets and liabilities:	
(Increase) decrease in assets and deferred outflows of resources:	
Accounts receivable	(147,911)
Other receivables	17,026
Prepaid expenses	(372,413)
Inventories	(17,728)
Deferred outflows from OPEB plan	132
Deferred outflows from pension plans	163,459
Increase (decrease) in liabilities and deferred inflows of resources:	
Accounts payable	(18,349)
Accrued liabilities	117,636
Unearned revenue	159,187
Security deposits	(10,653)
Compensated absences	(22,641)
OPEB liability	6,034
Net pension liability	(133,068)
Deferred inflows from pension plans	11,043
	<hr/>
Total adjustments	638,952
	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 523,096</u>

NONCASH CAPITAL AND FINANCING ACTIVITIES:

Amortization on deferred amount on debt refunding	<u>\$ (26,567)</u>
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See accompanying notes to basic financial statements.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Ventura Port District (District) was organized under Sections 6200-6372 of the Harbor and Navigation Code of the State of California on April 15, 1952, for the purpose of acquiring, constructing, and operating a small boat harbor now known as Ventura Harbor. The District is governed by a board of five commissioners appointed by the District Council of the District of San Buenaventura (the Board of Port Commissioners). They serve for a term of four years without compensation. The Board of Port Commissioners appoints legal counsel, an auditor, and a general manager to implement board policies and direct operational aspects of the harbor.

The District receives a pro rata share of the general tax levy from the County of Ventura. The District also has the power of eminent domain.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units.

The financial statements present the District and its component unit, an entity for which the District is considered to be financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the District's operations, and data from this unit is combined with data of the District. The blended component unit has a June 30 year-end. The District had no discretely presented component units. The following entity is reported as a blended component unit.

The Ventura Port District Public Facilities Corporation (the Corporation) was formed and organized in 1992 as a nonprofit public benefit corporation pursuant to the laws of the State of California. The District's Board of Port Commissioners acts as the governing board of the Corporation. The Corporation was formed for the purpose of financing and owning certain improvements on land leased from the District consisting of a portion of a multiple-use center and marina, which is commonly referred to as "Ventura Harbor Village." Separate financial statements are not prepared for the Corporation.

B. Basis of Presentation

The basic financial statements (i.e., statement of net position, statement of revenues, expenses, and changes in net position, and statement of cash flows) report information on all of the activities of the District.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

The District's activities are accounted for in an enterprise fund. An enterprise fund is a proprietary-type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District applies all Governmental Accounting Standards Board (GASB) pronouncements.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

C. Measurement Focus and Basis of Accounting

"Measurement focus" is a term used to describe *which* transactions are recorded within the various financial statements. "Basis of accounting" refers to *when* transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the "economic resources measurement focus" and the "accrual basis of accounting." Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services. The principal operating revenues of the District are lease revenues. Operating expenses include costs of providing services in relation to the leased properties, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then use unrestricted resources as needed.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. New Accounting Pronouncements

Current-Year Standards

GASB 83 - *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018, and did not impact the District.

GASB 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for periods beginning after June 15, 2018, and did not significantly impact the District.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2019. The standard was implemented early and it did not significantly impact the District.

Pending Accounting Standards

GASB has issued the following statements, which may impact the District's financial reporting requirements in the future:

- GASB 84 - *Fiduciary Activities*, effective for periods beginning after December 15, 2018.
- GASB 87 - *Leases*, effective for periods beginning after December 15, 2019.
- GASB 90 - *Majority Equity Interests – an amendment of GASB Statements No. 14 and No 61*, effective for periods beginning after December 15, 2018.
- GASB 91 - *Conduit Debt Obligations*, effective for periods beginning after December 15, 2020.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has the following items that qualify for reporting in this category:

- Deferred outflows related to deferred amounts on refundings that resulted from the difference in carrying value of the refunded debt and its reacquisition price. This item is deferred and amortized over the life of the refunding debt.
- Deferred outflows related to pensions and OPEB equal to employer contributions made after the measurement date of the net pension liability/total OPEB liability.
- Deferred outflows related to pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.
- Deferred outflows related to pensions resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions through the pension plans.
- Deferred outflows related to pensions resulting from the net difference between projected and actual earnings on plan investments of the pension plans fiduciary net position. These amounts are amortized over five years.
- Deferred outflows related to pension plans for the changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

- Deferred inflows related to pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deferred Outflows/Inflows of Resources (Continued)

- Deferred inflows from pensions resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions through the pension plans.
- Deferred inflows related to pensions for the changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

F. Assets, Liabilities, and Net Position

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the District considers cash on hand and in the bank, cash held and invested by the County Treasurer, and the pooled funds held by the State of California Local Agency Investment Fund (LAIF), which are readily convertible to known amounts of cash, to be cash and cash equivalents.

Cash and cash equivalents, as reported in the statement of cash flows, include both restricted and unrestricted amounts.

Accounts Receivable

The District grants unsecured credit to its customers. Bad debts are accounted for by the reserve method, which establishes an allowance for doubtful accounts based upon historical losses and a review of past due accounts.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to a future accounting period and are, therefore, recorded as prepaid expenses. The cost of prepaid expenses is recorded as an expense when consumed.

Inventories

Inventories consist primarily of materials and supplies used in the general maintenance of vehicles, boats, and leased land. They are valued at cost using the first-in, first-out method.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, and Net Position (Continued)

Capital Assets

The District defines capital assets as tangible property having a minimum value of \$5,000 (\$10,000 for buildings, improvements, and infrastructure) that has a life expectancy longer than one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

Depreciation has been provided over estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Harbor improvements	5-50 years
Leasehold improvements	5-50 years
Buildings and structures	5-50 years
Boats	3-10 years
Trucks	3-10 years
Equipment	3-10 years
Signs	5 years

Property Taxes Receivables

Secured property taxes are attached as an enforceable lien on property as of January 1. Taxes are levied based on a July 1 to June 30 fiscal year. Taxes are due in two installments on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Ventura bills and collects the taxes for the District. Tax revenues are recognized by the District in the year levied. Property tax receivables are adjusted to their net realizable values by deducting any estimated uncollectible amounts reported to the District.

Compensated Absences

District employees earn vacation and sick leave in accordance with the personnel policies of the District. The liability for vested vacation and sick leave is recorded as an expense when earned.

Net Position

In the statement of net position, net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net investment in capital assets - This category groups all capital assets into one component of net position. Deferred amounts on refundings increase the balance in this category. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, and Net Position (Continued)

Net Position (Continued)

- **Restricted** - This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law or judgment. At June 30, 2019, the restricted assets are \$3,165,966, of which \$3,000,000 is restricted for dredging of the harbor by a court judgment against the District in 1979, and \$165,966 is restricted by lease agreement for facility maintenance on the fisheries complex.
- **Unrestricted** - This category represents assets of the District not restricted for any project or other purpose.

G. Operating Leases

The District leases parcels of land within the harbor. The lessees develop the parcels and pay rent to the District. The leases are primarily for a period of 3-50 years.

Most of the lease agreements provide for future minimum lease payments with additional rentals contingent upon sales volumes of the lessees. Future minimum lease payments are subject to periodic renegotiation.

The rent paid to the District by each lessee is the greater of the established minimum annual rent for each parcel or rent computed as a percentage of the lessee's gross revenues. The level of income received by the District is dependent upon the success of the businesses operating in the Ventura Harbor.

H. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the plans' fiduciary net position has been determined on the same basis as it is reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES

A. Cash and Investments

Cash and Investments

Cash and investments as of June 30, 2019, are reported in the statement of net position as follows:

Cash and cash equivalents	\$ 9,398,520
Restricted cash and cash equivalents	<u>7,610,912</u>
Total cash and investments	<u><u>\$ 17,009,432</u></u>

Cash and investments as of June 30, 2019, consist of the following:

Demand accounts (bank balance)	\$ 1,687,491
Less outstanding checks	<u>(919,110)</u>
Book balance	768,381
Petty cash	<u>1,371</u>
Total deposits and petty cash	<u>769,752</u>

Investments:

State of California LAIF	16,221,899
Ventura County Treasury Pool	<u>17,781</u>
Total investments	<u>16,239,680</u>
Total cash and investments	<u><u>\$ 17,009,432</u></u>

Restricted Cash and Cash Equivalents

A portion of cash and cash equivalents as of June 30, 2019, is considered to be restricted for the following purposes:

Dredging pursuant to settlement agreement	\$ 3,000,000
Facility maintenance pursuant to lease agreement	165,966
Marina dock improvements-2018 Installment Obligation	<u>4,444,946</u>
Total	<u><u>\$ 7,610,912</u></u>

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Investments Authorized by the California Government Code and the District's Investment Policy

The District's investment policy authorizes an investment in all investments authorized under provisions of California Government Code Section 53601. The District's investment policy is not more restrictive than the California Government Code.

The table below identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio*	Maximum Investment in One Issuer
United States Treasury Obligations	5 years	None	None
United States Government Sponsored Agency Securities	5 years	None	None
State of California Obligations	5 years	None	None
CA Local Agency Obligations	5 years	None	None
Negotiable Certificates of Deposit	5 years	30%	5%
CD Placement Service	5 years	30%	None
Banker's Acceptance	180 days	40%	30%
Repurchase Agreements	1 year	None	None
Commercial Paper	270 days	25%	10%
Medium-Term Notes	5 years	30%	None
California LAIF	N/A	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	None
Mutual Funds and Money Market Mutual Funds	N/A	20%	10%

N/A - Not Applicable

*Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table, which shows the distribution of the District's investments by maturity at June 30, 2019:

	Less Than One Year
Investment Type:	
LAIF	\$ 16,221,899
Ventura County Treasury Pool	17,781
Total	<u>\$ 16,239,680</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization. The Ventura County Treasury Pool had a Standard & Poor's rating of AA Af at June 30, 2019.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2019, all of the District's deposits with financial institutions were covered by federal depository insurance limits or collateralized as required under California law.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District, and are held by either the counterparty, or the counterparty's trust department or agent but not in the District's name. At June 30, 2019, the District does not have any investments that are exposed to custodial credit risk.

Investment in State Investment Pool

The District is a voluntary participant in LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Investment in Ventura County Treasury Pool

The District is an involuntary participant in the Ventura County Treasury Pool. The District's account is used to collect and transmit property tax revenues to the District. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

The District categorizes its fair value measurement within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the relative inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs. The District's investments in LAIF and the Ventura County Treasury Pool are not subject to fair value measurement.

B. Accounts Receivable, Net

As of June 30, 2019, accounts receivable, net consist primarily of lease receivables of \$454,935 with an allowance for uncollectible accounts of \$10,000.

C. Capital Assets

A summary of changes in the capital assets for the year ended June 30, 2019, is as follows:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 2,342,629	\$ -	\$ -	\$ 2,342,629
Land improvements	9,904,703	-	-	9,904,703
Construction in progress	174,128	953,011		1,127,139
Total capital assets, not being depreciated	12,421,460	953,011	-	13,374,471
Capital assets, being depreciated:				
Buildings and structures	18,307,756	625,329	(433,631)	18,499,454
Equipment	1,688,532	128,837	(70,027)	1,747,342
Harbor improvements	4,418,771	24,464		4,443,235
Leasehold improvements	4,268,830	15,950		4,284,780
Total capital assets, being depreciated	28,683,889	794,580	(503,658)	28,974,811
Less accumulated depreciation	(16,757,896)	(887,198)	503,658	(17,141,436)
Total capital assets, being depreciated, net	11,925,993	(92,618)	-	11,833,375
Total capital assets, net	\$ 24,347,453	\$ 860,393	\$ -	\$ 25,207,846

Depreciation expense was \$887,198 for the year ended June 30, 2019.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

D. Unearned Revenue

Unearned revenue represents lease rent amounts to be credited to future years' rent per the terms of leases executed between lessees and the District. Unearned revenue totaled \$379,837 for the year ended June 30, 2019.

E. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due Within One Year
Notes from Direct Borrowings and Direct Placements:					
2008 Refunding Certificates of Participation	\$ 6,178,900	\$ -	\$ (535,400)	\$ 5,643,500	\$ 554,600
2009 Refunding Certificates of Participation	1,548,900	-	(133,500)	1,415,400	137,900
2016 Refunding Certificates of Participation	4,468,600	-	(185,200)	4,283,400	191,300
2018 Installment Obligation:					
Series A	-	1,632,458	(25,676)	1,606,782	55,048
Series B	-	3,031,708	(42,109)	2,989,599	91,016
Subtotal	<u>12,196,400</u>	<u>4,664,166</u>	<u>(921,885)</u>	<u>15,938,681</u>	<u>1,029,864</u>
Other Long-term Liabilities:					
Compensated absences	259,952	410,095	(432,736)	237,311	197,372
Total	<u>\$ 12,456,352</u>	<u>\$ 5,074,261</u>	<u>\$ (1,354,621)</u>	<u>\$ 16,175,992</u>	<u>\$ 1,227,236</u>

The District's notes from direct borrowings and direct placements all contain a provision that in an event of default, outstanding amounts become immediately due if the District is unable to make payment.

2008 Refunding Certificates of Participation

On June 1, 2008, the District entered into an installment purchase agreement relating to the District's \$10 million Refunding Certificates of Participation, Series 2008 (Series 2008 Refunding Certificates) with the Corporation and the Municipal Finance Corporation to advance a partial refund of \$10.805 million of outstanding Series 1998 bonds. The defeased Series 1998 bonds have been paid in full. All Series 2008 Certificates were purchased by City National Bank. On February 1, 2016, the District reset the interest rate from 4.43% to 3.2% by paying a \$72,050 prepayment price. Payments of principal and interest are due semiannually on August 1 and February 1.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

2008 Refunding Certificates of Participation (Continued)

The annual debt service requirements on these 2008 Refunding Certificates are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 554,600	\$ 171,718	\$ 726,318
2021	568,500	153,749	722,249
2022	591,800	135,184	726,984
2023	604,600	116,042	720,642
2024	626,800	96,339	723,139
2025 - 2028	2,697,200	175,878	2,873,078
Totals	<u>\$ 5,643,500</u>	<u>\$ 848,910</u>	<u>\$ 6,492,410</u>

2009 Refunding Certificates of Participation

On March 12, 2009, entered into an installment purchase agreement relating to the District's \$2,477,200 Refunding Certificates of Participation, Series 2009 (Series 2009 Refunding Certificates) with the Municipal Finance Corporation to advance refund \$2,565,000 of outstanding Series 1998 bonds. The defeased Series 1998 bonds have been paid in full. All Series 2009 Refunding Certificates were purchased by City National Bank. On February 1, 2016, the District reset the interest rate from 4.8% to 3.2% by paying an \$18,034 prepayment price. Payments of principal and interest are due semiannually on August 1 and February 1.

The annual debt service requirements on these Series 2009 Refunding Certificates are as follows:

2009 Refunding COPs			
Year Ending June 30,	Principal	Interest	Total
2020	\$ 137,900	\$ 43,086	\$ 180,986
2021	142,400	38,601	181,001
2022	147,000	33,971	180,971
2023	151,800	29,191	180,991
2024	156,700	24,255	180,955
2025 - 2028	679,600	44,360	723,960
Totals	<u>\$ 1,415,400</u>	<u>\$ 213,464</u>	<u>\$ 1,628,864</u>

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

2016 Refunding Certificates of Participation

On March 1, 2016, the District entered into an installment purchase agreement relating to the District's \$4,841,800 Refunding Certificates of Participation, Series 2016 (Series 2016 Refunding Certificates) with the Municipal Finance Corporation to currently refund the \$4,731,560 notes payable to the State of California Department of Boating and Waterways. The defeased notes payable have been paid in full. All Series 2016 Refunding Certificates were purchased by City National Bank. The Series 2016 Refunding Certificates bear interest rate of 3.30% and payments of principal and interest are due semiannually on August 1 and February 1.

The annual debt service requirements on these 2016 Refunding Certificates of Participation are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 191,300	\$ 139,775	\$ 331,075
2021	198,200	133,405	331,605
2022	204,300	126,814	331,114
2023	211,100	120,016	331,116
2024	218,100	112,992	331,092
2025 - 2029	1,205,500	451,050	1,656,550
2030 - 2034	1,419,100	236,762	1,655,862
2035 - 2036	635,800	26,399	662,199
Totals	<u>\$ 4,283,400</u>	<u>\$ 1,347,213</u>	<u>\$ 5,630,613</u>

2018 Installment Obligation

On August 8, 2018, the District entered into a \$4,664,166 installment sale agreement (2018 Installment Obligation) with Municipal Finance Corporation for the purpose of providing funding for marina dock improvements. Municipal Finance Corporation assigned its interest in the installment payments contemporaneously, to City National Bank. Interest accrues at a rate of 4.12% per annum with respect to the tax-exempt Series A installment payments (\$1,632,458) and 5.25% per annum with respect to the taxable Series B installment payments (\$3,031,708). Principal and interest are due semi-annually commencing February 1, 2019 and concluding on August 31, 2038.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

2018 Installment Obligation (Continued)

The annual debt service requirements for Series A are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 55,048	\$ 65,638	\$ 120,686
2021	57,339	63,347	120,686
2022	59,726	60,960	120,686
2023	62,212	58,474	120,686
2024	64,802	55,885	120,687
2025 - 2029	366,784	236,646	603,430
2030 - 2034	449,745	153,686	603,431
2035 - 2039	491,126	51,961	543,087
Totals	<u>\$ 1,606,782</u>	<u>\$ 746,597</u>	<u>\$ 2,353,379</u>

The annual debt service requirements for Series B are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 91,016	\$ 155,775	\$ 246,791
2021	95,857	150,934	246,791
2022	100,956	145,835	246,791
2023	106,326	140,465	246,791
2024	111,981	134,810	246,791
2025 - 2029	655,841	578,114	1,233,955
2030 - 2034	849,827	384,128	1,233,955
2035 - 2039	977,795	132,765	1,110,560
Totals	<u>\$ 2,989,599</u>	<u>\$ 1,822,826</u>	<u>\$ 4,812,425</u>

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 2 - DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

Debt Service Coverage Requirements

The Series 2008, 2009, and 2016 Refunding Certificates and the 2018 Installment Obligation, Series A and B, are secured by the District's pledge of all net revenues. Net revenue is defined as all operating and nonoperating revenue except for grant revenue less all operating and nonoperating expenses excluding depreciation and interest. A comparison of pledged net revenues to current-year debt service as of June 30, 2019, is as follows:

Net revenues	\$ 2,480,779
Debt services - current year	1,605,856

The District exceeded the debt service coverage requirements for the year ended June 30, 2019.

NOTE 3 - OTHER INFORMATION

A. Operating Leases

The District receives the majority of its operating revenues in the form of rent payments from lessees of the parcels of land in Ventura Harbor. The period of these noncancelable leases could range from 3-50 years.

Future minimum rent payments due to the District for the next five years are as follows:

Year Ending June 30,	
2020	\$ 4,407,708
2021	3,987,870
2022	3,215,090
2023	2,854,278
2024	2,567,333
	<u>\$ 17,032,279</u>

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

A. Operating Leases (Continued)

The net carrying value of related assets under the leases is \$4,888,071 for the year ended June 30, 2019.

Rental income of \$8,277,396 for the year ended June 30, 2019, includes contingent rental income of \$2,468,041.

B. Dredging Reserve

As the result of a litigation settlement during the year ended June 30, 1979, the District is required to maintain a \$3,000,000 reserve to be utilized to maintain the channel from the open sea to the Ventura Keys. Should the reserve fall below \$3,000,000, the District is required to budget and fund annually 25% of total operating revenue of the prior year until such time as the reserve balance reaches \$3,000,000 again.

The District maintains a separate restricted general ledger cash account for dredging related expenses. As of June 30, 2019, this account had a balance of \$3,000,000.

C. Pension Plans

1). General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District's separate Safety (police) and Miscellaneous (all other) Employee Pension Plans (Plans), which are cost-sharing multiple-employer defined benefit pension plans administered by CalPERS. Benefit provisions under the Plans are established by state statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. Cost of living adjustments for the Plans are applied as specified by the Public Employees' Retirement Law.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans (Continued)

1). General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

The Plans' provisions and benefits in effect for the year ended June 30, 2018, the measurement period, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit formula	2%@55	2%@62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates:		
Normal cost rate	8.921%	6.533%
Payment of unfunded liability	\$ 199,925	\$ 270

	Safety	
	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit formula	2%@55	2%@57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensation	1.4% to 2.0%	1.6% to 2.0%
Required employee contribution rates	7.00%	9.50%
Required employer contribution rates:		
Normal cost rate	13.012%	9.513%
Payment of unfunded liability	\$ 35,067	\$ -

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans: (Continued)

1). General Information about the Pension Plans (Continued)

Contributions (Continued)

The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. District contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

2). Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 2,730,230
Safety	753,843
Total net pension liability	<u>\$ 3,484,073</u>

The District's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2018, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of the measurement dates ended June 30, 2017 and 2018 was as follows:

	Miscellaneous	Safety
Proportion - June 30, 2017	0.07264%	0.01261%
Proportion - June 30, 2018	0.07244%	0.01285%
Change - increase (decrease)	-0.00020%	0.00024%

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans (Continued)

2). Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2019, the District recognized pension expense of \$547,468 (\$401,232 for the Miscellaneous plan and \$146,236 for the Safety plan). At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 383,062	\$ -
Differences between actual and expected experience	104,754	(35,648)
Change in assumptions	311,255	(76,282)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	38,406	(46,685)
Net differences between projected and actual earnings on plan investments	13,497	-
Total	<u>\$ 850,974</u>	<u>\$ (158,615)</u>

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 122,967	\$ -
Differences between actual and expected experience	16,198	(61)
Change in assumptions	73,965	(9,979)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	62,467	-
Net differences between projected and actual earnings on plan investments	5,104	-
Total	<u>\$ 280,701</u>	<u>\$ (10,040)</u>

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans (Continued)

2). Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

\$506,029 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Miscellaneous	Safety
2020	\$ 271,194	\$ 97,244
2021	156,660	60,226
2022	(94,001)	(4,553)
2023	(24,556)	(5,223)
2024	-	-
Thereafter	-	-

Actuarial Methods and Assumptions

The total pension liability for the June 30, 2018 measurement period was determined by an actuarial valuation performed as of June 30, 2017, with update procedures used to roll forward the total pension liability to June 30, 2018.

	Miscellaneous	Safety
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Salary Increases	(1)	(1)
Mortality Rate Table	(2)	(2)
Postretirement Benefit Increase	(3)	(3)

(1) Varies by entry age and service.

(2) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of Scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) available on the CalPERS's website.

(3) Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.0% thereafter.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans (Continued)

- 2). Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund (PERF) cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	0.00%	77.00%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

- (1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity.
 (2) An expected inflation of 2.0% used for this period.
 (3) An expected inflation of 2.92% used for this period.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans (Continued)

- 2). Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for the Plans calculated using the discount rate for the Plans, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net pension liability	\$ 4,229,572	\$ 1,313,856
Current discount rate	7.15%	7.15%
Net pension liability	\$ 2,730,230	\$ 753,843
1% Increase	8.15%	8.15%
Net pension liability	\$ 1,492,547	\$ 295,013

Pension Plans Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

C. Pension Plans (Continued)

3). Payable to the Pension Plans

At June 30, 2019, the District had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2019.

D. Other Postemployment Health Care Benefits

Plan Description

The District offers an agent multiple-employer defined benefit health care plan (the Health Clare Plan). The Health Clare Plan provides medical health care insurance for eligible retirees and their spouses through the California Public Employees' Retirement System Health Benefits Program under the Public Employee' Medical and Hospital Care Act (PEMHCA). The benefit contribution has been long-standing and approved by the Board of Port Commissioners on June 23, 1999. No dental, vision, or life insurance benefits are provided.

Employees Covered

As of measurement date June 30, 2018, the following current and former employees were covered by the benefit terms under the plan:

Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members or beneficiaries entitled to but not yet receiving benefits	-
Active employees	32
	<u>39</u>

Contributions

The benefit provisions and contribution requirements of plan members and the District are established and may be amended through agreements and memorandums of understanding between the District, and its employee groups. Administrative costs of the OPEB plan are financed through investment earnings. The District has currently chosen to pay plan benefits on a pay-as-you-go basis (i.e., as medical insurance premiums become due) and does not maintain a trust fund for its other postemployment benefits. There are no employee contributions. The District's fixed-dollar benefit contribution cannot be less than the PEMHCA minimum for PEMHCA actives and retirees. For the year ended June 30, 2018, the measurement period, the District paid \$128 per month for each retiree participating in the PEMHCA plan from July 1, 2017 to December 31, 2017, and \$133 per month from January 1, 2018 to June 30, 2018. The total amount paid directly by the District to CalPERS for the District's health premium contributions under PEMHCA for retiree medical health care plan postemployment benefits for the fiscal year was \$9,780. Including the implicit rate subsidy of \$3,712, the District's total contributions to the plan for the year ended June 30, 2018, the measurement period, were \$13,492.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

D. Other Postemployment Health Care Benefits (Continued)

Total OPEB liability

The District's total OPEB liability was measured as of June 30, 2018 and was determined by an actuarial valuation as of July 1, 2017, with update procedures used to roll forward the total pension liability to June 30, 2018. A summary of the principal methods and assumptions used to determine the total OPEB liability is shown below.

Actuarial Methods and Assumptions

Valuation Date	July 1, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Alternative Measurement Method
Actuarial Assumptions:	
Discount Rate	3.62% (Municipal Bond 20-year High Grade Rate Index)
Long-Term Expected	
Rate of Return on Investments (if any)	4.00%
Medical Cost Trend Rate	5.00% for 2018 and later years
PEMHCA Minimum Increase Rate	4.00% after 2019
Dental, Vision and Other Cost Trend Rate	4.00%
Age Adjustment Factor	4.00%
Percent Married	60%
Participation	60%
Retirement Age	61
Pre-retirement Mortality Rates	RP-2014 Employee Mortality Table
Post-retirement Mortality Rates	RP-2014 Health Annuitant Mortality Table
Salary Increases	3.00%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.62%. This rate is equal to the municipal bond twenty-year high-grade index rate as the District's has not established a trust for the OPEB plan, and therefore, does not have any fiduciary net position.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

D. Other Postemployment Health Care Benefits (Continued)

Changes in the Total OPEB Liability

The changes in the Total OPEB liability are as follows:

	Total OPEB Liability
Balance at June 30, 2017	
(Measurement Date)	<u>\$ 1,129,864</u>
Changes in the Year:	
Service cost	63,679
Interest on the total OPEB liability	35,155
Differences between actual and expected experience	(79,308)
Contributions - employer	-
Net investment income	-
Benefit payments	(13,492)
Administrative expenses	-
Net Changes	<u>6,034</u>
Balance at June 30, 2018	
(Measurement Date)	<u><u>\$ 1,135,898</u></u>

Change of Assumptions

The discount rate changed from 3.13% for the measurement period ended June 30, 2017, to 3.62% for the measurement period ended June 30, 2018 as a result of the change in the municipal bond 20-year high grade rate index.

Change of Benefit Terms

There were no changes of benefit terms.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

D. Other Postemployment Health Care Benefits (Continued)

Changes in the Total OPEB Liability (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (2.62%)	Discount Rate (3.62%)	1% Increase (4.62%)
Total OPEB Liability	\$ 1,307,091	\$ 1,135,898	\$ 996,970

Sensitivity of the Total OPEB Liability to Changes in Medical Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage point lower and 1-percentage point higher than the current medical trend rate:

	1% Decrease (4.00%)	Current Healthcare Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB Liability	\$ 974,638	\$ 1,135,898	\$ 1,337,866

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the District recognized OPEB expense of \$19,526. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 13,360	\$ -

The OPEB contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2020.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

D. Other Postemployment Health Care Benefits (Continued)

Payable to the OPEB Plan

At June 30, 2019, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2019.

E. Related-Party Transactions

The City of Ventura provides utility services to the District for water, sewage, and refuse. The cost for these services for the year ended June 30, 2019, was \$217,663.

F. Liability, Workers' Compensation, and Purchased Insurance

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The District is a member of the California Joint Powers Insurance Authority (the Authority). The Authority is composed of 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, purchase excess insurance or reinsurance, and arrange for group purchased insurance for property and other lines of coverage. The Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board of Directors operates through a nine-member Executive Committee.

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on actuarial analysis. Costs are allocated to individual agencies based on payroll and claims relative to other members of the risk-sharing pool.

Primary Liability Program - Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million are distributed based on the outcome of cost allocation within the first and second loss layers.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

F. Liability, Workers' Compensation, and Purchased Insurance (Continued)

Primary Self-Insurance Programs of the Authority (Continued)

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

Primary Workers' Compensation Program - Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2018-19 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance - The District participates in the pollution legal liability insurance program that is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the District. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the three-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sublimit during the three-year term of the policy.

Property Insurance - The District participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. District property is currently insured according to a schedule of covered property submitted by the District to the Authority. District property currently has all-risk property insurance protection in the amount of \$21,958,274. There is a \$10,000 deductible per occurrence, except for nonemergency vehicle insurance, which has a \$2,500 deductible.

VENTURA PORT DISTRICT
Notes to Basic Financial Statements
June 30, 2019

NOTE 3 - OTHER INFORMATION (CONTINUED)

F. Liability, Workers' Compensation, and Purchased Insurance (Continued)

Purchased Insurance (Continued)

Crime Insurance - The District purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Adequacy of Protection - During the past four fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2018-19.

G. Commitments and Contingencies

The District is in the planning process to renovate three sets of public restrooms located in Ventura Harbor Village to meet current accessibility standards.

As of year end, the District's outstanding commitments under construction contracts totaled \$ 3,709,060 .

Pursuant to a licensing agreement, the licensee is maintaining a cash bond in the form of a \$200,000 certificate of deposit. In the event of a breach of the agreement, the District has the right to recover damages suffered from this cash bond.

NOTE 4 - SUBSEQUENT EVENTS

Events occurring after June 30, 2019, have been evaluated for possible adjustments to the financial statements or disclosure as of January 30, 2020, which is the date these financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

ATTACHMENT 2
VENTURA PORT DISTRICT

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CALPERS MISCELLANEOUS PENSION PLAN

Last Ten Years*

Fiscal year ended	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's proportion of the net pension liability	0.02833%	0.02888%	0.02941%	0.03029%	0.03347%
Plan's proportionate share of the net pension liability	\$ 2,730,230	\$ 2,863,665	\$ 2,545,114	\$ 2,079,308	\$ 2,082,353
Plan's covered payroll	\$ 1,694,729	\$ 1,561,936	\$ 1,562,010	\$ 1,523,114	\$ 1,517,322
Plan's proportionate share of the net pension liability as a percentage of its covered payroll	161.10%	183.34%	162.94%	136.52%	137.24%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	75.26%	73.31%	74.06%	78.40%	77.27%
Plan's proportionate share of aggregate employer contributions	\$ 318,203	\$ 295,311	\$ 267,174	\$ 253,448	\$ 191,421

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014, measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015, measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

Demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation; therefore, only five years are shown.

ATTACHMENT 2
VENTURA PORT DISTRICT

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CALPERS SAFETY PENSION PLAN

Last Ten Years*

Fiscal year ended	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's proportion of the net pension liability	0.00782%	0.00760%	0.00738%	0.00956%	0.00797%
Plan's proportionate share of the net pension liability	\$ 753,843	\$ 753,476	\$ 638,236	\$ 656,331	\$ 495,667
Plan's covered payroll	\$ 655,094	\$ 657,626	\$ 663,839	\$ 583,371	\$ 583,323
Plan's proportionate share of the net pension liability as a percentage of its covered payroll	115.07%	114.58%	96.14%	112.51%	84.97%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	75.26%	73.31%	74.06%	78.40%	83.08%
Plan's proportionate share of aggregate employer contributions	\$ 139,572	\$ 111,402	\$ 98,956	\$ 91,982	\$ 68,909

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

Demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation; therefore, only five years are shown.

ATTACHMENT 2
VENTURA PORT DISTRICT

SCHEDULE OF PLAN CONTRIBUTIONS
CALPERS MISCELLANEOUS PENSION PLAN

Last Ten Years*

Fiscal year ended	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution (actuarially determined)	\$ 383,062	\$ 339,385	\$ 307,781	\$ 284,888	\$ 251,228
Contributions in relation to the actuarially determined contributions	<u>(383,062)</u>	<u>(339,385)</u>	<u>(307,781)</u>	<u>(284,888)</u>	<u>(251,228)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,650,654	\$ 1,694,729	\$ 1,561,936	\$ 1,562,010	\$ 1,523,114
Contributions as a percentage of covered payroll	23.21%	20.03%	19.71%	18.24%	16.49%

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closec
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 for all plans with the exception of 52 for PEPRA 2%@62
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

* Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

ATTACHMENT 2
VENTURA PORT DISTRICT

SCHEDULE OF PLAN CONTRIBUTIONS
CALPERS SAFETY PENSION PLAN

Last Ten Years*

Fiscal year ended	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution (actuarially determined)	\$ 122,967	\$ 106,348	\$ 98,629	\$ 97,035	\$ 74,952
Contributions in relation to the actuarially determined contributions	<u>(122,967)</u>	<u>(106,348)</u>	<u>(98,629)</u>	<u>(97,035)</u>	<u>(74,952)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	599,298	\$ 655,094	\$ 657,626	\$ 663,839	\$ 583,371
Contributions as a percentage of covered payroll	20.52%	16.23%	15.00%	14.62%	12.85%

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closec
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 for all plans with the exception of 52 for PEPR 2%@62**
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

* Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

ATTACHMENT 2
VENTURA PORT DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years*

Fiscal year end	<u>6/30/2019</u>	<u>6/30/2018</u>
Measurement date	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB Liability:		
Service cost	\$ 63,679	\$ 61,824
Interest on total OPEB liability	35,155	32,642
Differences between expected and actual experience	(79,308)	-
Benefit payments, including refunds and the implied subsidy benefit payments	<u>(13,492)</u>	<u>(14,832)</u>
Net Change in Total OPEB Liability	6,034	79,634
Total OPEB Liability - Beginning of Year	<u>1,129,864</u>	<u>1,050,230</u>
Total OPEB Liability - End of Year (a)	<u><u>\$ 1,135,898</u></u>	<u><u>\$ 1,129,864</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered - employee payroll	\$ 2,196,212	\$ 2,052,394
Total OPEB liability as percentage of covered - employee payroll	51.72%	55.05%

Notes to Schedule:

Assumption Changes:

The discount rate changed from 3.13% for the measurement period ended June 30, 2017 to 3.62% for the period ended June 30, 2018 as a result of the change in the municipal bond 20-year high grade rate index.

Benefit Changes:

There were no changes in benefits.

* Fiscal year 2018 was the first year of implementation; therefore, only two years are shown.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Port Commissioners
of the Ventura Port District
Ventura, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Ventura Port District (the District) as of and for the year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Uniform Guidance Procurement Policy Documentation

In December 2013, the U.S. Office of Management and Budget (OMB) issued comprehensive grant reform rules titled *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) that contained new procurement requirements related to the expenditure of federal grant awards. These procurement requirements were required to be implemented for fiscal year 2018-2019, yet the District has not yet documented its policies and procedures to implement these new federal compliance requirements. We recommend that management review the Uniform Guidance and incorporate the required changes into the District's purchasing policy and other administrative policies.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Irvine, California
January 30, 2020



VENTURA
PORT DISTRICT
Established 1952

BOARD OF PORT COMMISSIONERS

FEBRUARY 5, 2020

STANDARD AGENDA ITEM 2

INNER HARBOR AND KEYS
MAINTENANCE DREDGING

VENTURA PORT DISTRICT
BOARD COMMUNICATION

STANDARD AGENDA ITEM 2
Meeting Date: February 5, 2020

TO: Board of Port Commissioners
FROM: Richard Parsons, Project Manager
SUBJECT: Inner Harbor and Ventura Keys Maintenance Dredging

RECOMMENDATION:

That the Board of Port Commissioners take the following actions:

- A) Find, based upon the evidence presented below, that a contract awarded to Manson Construction Company pursuant to Section 20751.2 of the California Public Contract Code is likely to cost less than a contract awarded pursuant to Section 20751.
- B) Award the Inner Harbor and Ventura Keys Maintenance Dredging contract to Manson Construction Company at a rental rate of \$5,500 per hour in accordance with the Agreement (Attachment 1); and
- C) Approve the Cooperative Agreement for the Maintenance Dredging of the Ventura Keys Stub Channel between the Port District and the City of Ventura (Attachment 2).

SUMMARY:

Recent bathymetric surveys in the northern portion of the Pierpont Basin and the Stub Channel providing vessel access to the Ventura Keys indicate that it would be prudent now to perform maintenance dredging in those areas before future storm flows in the Arundell Barranca create shoal conditions that compromise navigational safety.

BACKGROUND:

1) In order to accomplish the necessary dredging, the District is fortunate that Section 20751.2 of the Public Contract Code includes the following language:

Notwithstanding Section 20751, the board of the Ventura Port District may award a contract for the performance of dredging work within the district's boundaries without competitive bidding, provided that both of the following apply:

- a) The dredging contractor was selected through a federal competitive bidding process for a federal dredging project then underway in the County of Ventura.*
- b) The board makes written findings, based on substantial evidence in the record, that the contract awarded pursuant to this section is likely to cost less than a contract awarded pursuant to Section 20751.*

The U.S. Army Corps of Engineers advertised an Invitation for Bids No. W912PL-19-B-001 for the Ventura Harbor Maintenance Dredging on December 2018 (the complete bid solicitation is available for inspection in the Port District office). The bids received by the Corps were opened on January 17, 2019, and an abstract of those bids as well as the Government Estimate is attached as Attachment 3. The abstract indicates that the low bidder was Manson Construction Co. with a bid of \$10,887,500.00 for the 3 cycles (i.e. years) of maintenance dredging.

Manson's charge for mobilizing the 27-inch hydraulic cutter head suction dredge the *H.R. Morris* (the largest on the west coast) and associated floating equipment as well as over 6000 ft. of 28-inch discharge pipe is \$1,250,000.00, the cost of which is part of the Corps of Engineers contract. Manson is presently in the process of mobilizing for the Corps of Engineers project and expects to begin the actual dredging operation the week of February 3, 2020. With the Manson equipment already in the harbor and mobilized at the Corps expense, it is inconceivable that the District could secure a less costly bid for the dredging work by securing its own competitive bids.

The District has in the past, however, tried other contracting approaches to the inner harbor dredging that involved securing its own competitive bids. In February and March/1992 the District contracted for a clamshell operation in the Pierpont Basin and Stub Channel. That effort removed a total of 22,874 cubic yards at a cost of \$299,538.00. It is estimated that that effort would cost at least \$450,000 today.

In March/2005 the District contracted for a smaller 24 in hydraulic cutterhead dredge to remove shoal material in the stub channel only. That effort proved to be most unsatisfactory. The dredge was unable to move the rock and stone material composing much of the material discharged by the Arundell Barranca. Only 1,847 cubic yards was removed at a cost of \$112,630.00.

Thus, there is substantial evidence to support a finding that contracting in accordance with the provisions of Section 20751.2 will cost less than a competitively bid contract.

2) Attachment 1 is an Agreement between the Ventura Port District and Manson Construction Company establishing a \$5,500 per hour rental rate for the hydraulic pipeline dredge H.R. Morris to conduct a maintenance dredging operation within Ventura Harbor/Ventura Keys. This contract form has been utilized with Manson in the past and has proven to work satisfactorily. It has been approved as to form by the District's legal counsel. It is estimated that the total contract cost will be about \$250,000.

3) Attachment 2 is a Cooperative Agreement for Maintenance Dredging of the Ventura Keys Stub Channel between the Ventura Port District and the City of San Buenaventura. The agreement calls for the Port District to have Manson Construction Company perform maintenance dredging in a portion of the Ventura Keys Stub Channel. The city's prorated share of the dredging cost shall be based upon the proportionate volume of material removed from the City's waterway versus the total volume of material removed from both the District and City water areas. In no event shall the City's share exceed \$75,000. The Cooperative Agreement has been approved as to form by the Port District's legal counsel and the City Attorney. The Ventura City Council is expected to approve the agreement on February 10, 2020.

FISCAL IMPACT:

The maintenance dredging contract with Manson Construction is expected to have a cost of \$250,000. The funds for that expenditure are available in the District's Dredging Reserve. The City's prorated share is expected to be about \$50,000.

ATTACHMENTS:

Attachment 1 – Agreement between VPD and Manson Construction Company

Attachment 2 – Cooperative Agreement between VPD and City of Ventura

Attachment 3 – Abstract of Bids

ATTACHMENT 1

AGREEMENT

This Agreement is made as of January 16, 2020 by and between the Ventura Port District, hereinafter referred to as "Owner" and Manson Construction Co. hereinafter referred to as "Contractor."

1. Scope of Work.

Contractor shall provide the equipment and labor necessary to perform hydraulic pipeline dredging from the areas indicated on the attached drawing (Exhibit A) and the material will be transported via Pipeline to a location south of the surfer's Knoll (the "Work"). The Work shall be performed on a "time and material" basis at Contractor's convenience and as directed by Owner. Upon commencement, while Contractor is obliged to perform the Work as directed by Owner, Contractor does not warrant any minimum quantity or minimum production rate or that the Work will be performed or completed by any specific date or time. It is estimated that the work will require about two (2) days and Contractor will commence performance of the Work during either February or March of 2020 and, once commenced, Contractor shall thereafter diligently pursue completion of the Work.

2. Equipment and Manpower.

Contractor shall provide the following equipment and personnel at the following rates:

- 2.1. The 27 in. hydraulic pipeline dredge H. R. Morris, dredge tenders CUB and PUP, and associated equipment and personnel at a rental rate \$5,500 per hour.
- 2.2. The Contractor shall comply with the California prevailing wage law set forth in California Labor Code Sections 1771 et seq. and Contractor shall maintain payroll records as required by California Labor Code Section 1778. Contractor shall also be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5.

3. Payment Terms.

Owner shall pay the Contractor as follows:

- 3.1. \$5,500 per Hour (the "Hourly Rate")
- 3.2. Including a maximum of ten (10) hours for mobilization and five (5) hours for demobilization.
- 3.3. Contractor shall bill Owner upon completion of project.

4. Delay.

4.1. The Hourly Rate shall begin upon the Contractor's commencement of dredging Work (which will begin after the Contractor has completed its mobilization) as set forth on Exhibit A and the Hourly Rate shall continue to be calculated until Contractor is instructed by Owner to stop performing such dredging work and to start demobilizing; provided, however, Owner and Contractor acknowledge that in the event of any breakdown of the dredge H.R. Morris or any other equipment used in the performance of the Work by Contractor, the Hourly Rate will cease to be calculated and rent will cease to be owing by Owner to Contractor after 4 hours of delay.

4.2. It is further acknowledged that in the event of unfavorable weather conditions or weather forecast, and notwithstanding anything contained in Section 6, below, to the contrary, either party may

ATTACHMENT 1

immediately terminate this Agreement and the parties shall not incur any further obligations under this Agreement. In the event this Agreement is terminated prior to Contractor's mobilization, the Owner shall not be required to pay Contractor any mobilization costs or fees.

5. Force Majeure.

Contractor shall not be liable to Owner for any inability to perform caused by any act of God, peril of the sea, adverse weather conditions, Strikes or labor disputes, hostilities, war or any type of governmental action.

6. Termination by Owner.

Either party may terminate this Agreement at any time by giving the other party four (4) hours written notice; provided, however that Owner shall pay Contractor for all services Contractor renders through the termination of the Work. The Work under this Agreement must be completed by March 30, 2020.

7. Permits.

7.1. The Contractor shall conform to the requirements of the Owner's Permit to Operate from the Ventura County Air Pollution Control District which is attached to this Agreement and all other such permits and licenses required to be obtained by the Contractor in the normal course of its business. The Owner shall be responsible to obtain all permits from governmental agencies necessary to perform the Work, including but not limited to the Department of the Army dredging permit (evidence of which shall be provided by the Owner prior to the commencement of the dredging operation), California Coastal Commission Coastal Development Permit, and California Regional Water Quality Control Board water quality permit. The Owner shall be responsible for all monitoring requirements of the permits it has obtained and will indemnify and hold the Contractor harmless against any and all claims, demands, causes of actions and liabilities of every kind and nature whatsoever (including legal fees and costs) arising out of Owner's failure to meet the monitoring requirements.

7.2. Owner shall furnish a map setting forth the correct locations of all pipelines, platforms, other facilities, and obstructions in the area of the Work and shall release, defend, indemnify and hold harmless Contractor, its subcontractors, and their respective employees and vessels from claims, demands, or suits to the extent arising out of errors or omissions contained in said map.

8. Layout.

Contractor will establish initial range lines and tide board, subject to Owner's approval. Contractor shall be responsible for day-to-day control to assure proper positioning and dredge depths. Owner shall provide direction and instruction to Contractor, as necessary, throughout Contractor's performance of the Work

9. Access.

Owner shall arrange for Contractor to have all necessary access to the Work.

ATTACHMENT 1

10. Hazardous Dredge Spoils.

For purposes of this Agreement, Owner is the owner and generator of the dredge material that is the subject of this Agreement. Notwithstanding any other indemnification in this Agreement, to the fullest extent permitted by law, the Owner shall defend, indemnify and hold harmless the Contractor from and against any and all claims, including but not limited to attorney's fees, arising out of or related to the performances of the Work in an area affected by preexisting hazardous/contaminated material, except for hazardous/contaminated material brought onto or used at the site by Contractor. This indemnity shall survive the completion of the Work under this Agreement or termination of this Agreement.

11. Insurance.

Contractor shall provide and maintain in full force and effect, at its sole cost and expense (including the cost of all deductibles) throughout the time of performance of the Work the following insurance:

- 11.1. hull and machinery insurance on all tugs and barges provided, including equipment thereon, for the full value of such vessels and equipment;
- 11.2. protection and indemnity insurance on all tugs and barges provided with a minimum limit of \$10 million per occurrence;
- 11.3. workers compensation and employers liability insurance upon its employees, extended to provide coverage under applicable state acts, the United States Longshore & Harbor Workers' Compensation Act (USL&H), as well as Maritime Employers Liability (MEL) coverage as applicable, with statutory limits for workers compensation and limits of \$1 million for employers liability; and
- 11.4. Commercial general liability insurance, including contractual liability, with a minimum limit of \$10 million per occurrence.

Contractor shall cause Owner to be named as additional insured on all policies, except the workers compensation policy described in 11.3 above. Further, Contractor shall cause its insurers on all of the aforesaid policies to waive subrogation against the Ventura Port District and its consultants. Prior to commencement of Work, Contractor shall deliver certificates of insurance to Owner containing the foregoing additional insured and waiver of subrogation provisions, and endorsed to provide thirty (30) days prior written notice to the additional insured of termination of coverage. Commencement of Work by Contractor without providing such certificates of insurance shall not constitute a waiver of these insurance requirements.

12. Choice of Law.

The validity, interpretation and construction of this Agreement shall be governed by the general maritime law of the United States, except that if there is no applicable general maritime rule of law the laws of the State of California shall apply. Any suit involving this Agreement must be filed in the state or federal courts located in Ventura or Los Angeles, California, with the substantially prevailing party entitled to recover its reasonable legal fees and costs.

13. Independent Contractor.

Contractor agrees that it is acting as an independent contractor in the performance of the Work under this Agreement, and not as an employee of Owner.

14. Indemnification.

Each party, to the extent permitted by law, shall indemnify, defend and hold harmless the other party, its affiliated companies, and all of their commissioners, directors, officers, employees, agents and representatives from and against all claims, liabilities, damages, losses or expenses to the extent arising out of any negligence, willful misconduct, breach of contract, or violation of law for which the indemnifying party, its employees, agents, or subcontractors in the performing of services under this Agreement is at fault. In the event the parties are jointly at fault, each party shall indemnify the other in proportion to its relative fault. The claims, liabilities, damages, losses or expenses covered hereunder include, but are not limited to, settlements, judgments, court costs, attorneys' fees and other litigation expenses, fines and penalties arising out of actual or alleged: (a) injury to or death of any person, including employees of Contractor or Owner, or (b) loss of or damage to property, including property of Contractor or Owner, or (c) breach of contract, or (d) damage to the environment.

15. Operation and Maintenance of Equipment.

Contractor shall be solely responsible for the operation and maintenance of the equipment used in providing services under this Agreement, and Owner shall have no liability with respect to any costs incurred in operating and maintaining that equipment.

16. Authorized Representatives.

Contractor shall designate Max Oviedo as its authorized representative for the Work with whom Owner and its representatives shall communicate. Owner designates Richard Parsons as its authorized representative for the Work with whom Contractor and its representative shall communicate.

17. Assignment.

In engaging Contractor to perform the work contemplated under this Agreement, Owner has relied on the experience, expertise and integrity of Contractor. The rights and obligations of Contractor under this Agreement shall therefore not be assignable without Owner's prior express written consent.

18. Notice.

Any notice, tender, or delivery to be given under this Agreement by either party to the other may be effected by personal delivery in writing, by email, or by registered certified mail, postage prepaid, return receipt requested, and will be deemed communicated as of time of delivery for personal delivery or email or two (2) days after mailing. Mailed notices must be addressed as set forth below, but each party may change its address by written notice in accordance with this paragraph.

ATTACHMENT 1

If to Owner:	Ventura Port District Attn: Richard Parsons, Dredging Program Manager 1603 Anchors Way Ventura, CA 93001 (805) 890-8505: rwpdredging@hotmail.com
If to Contractor:	Manson Construction Co. Attn: Max Oviedo 340 Golden Shore, Suite 310 Long Beach, CA 90802 MOviedo@mansonconstruction.com
Copy to:	Manson Construction Co. Attn: General Counsel 5209 East Marginal Way S Seattle, WA, 98134 206-762-0850 Contractsandinsurance@mansonconstruction.com

19. Entire Agreement.

This Agreement represents the entire agreement between Owner and Contractor and supersedes any prior written or oral representations,

IN WITNESS WHEREOF the parties have executed this agreement in duplicate as of the day and year first above written.

OWNER:

Ventura Port District,
an independent Special District

CONTRACTOR:

Manson Construction Co.,
a Washington corporation

By: _____
Signature

By: _____
Signature

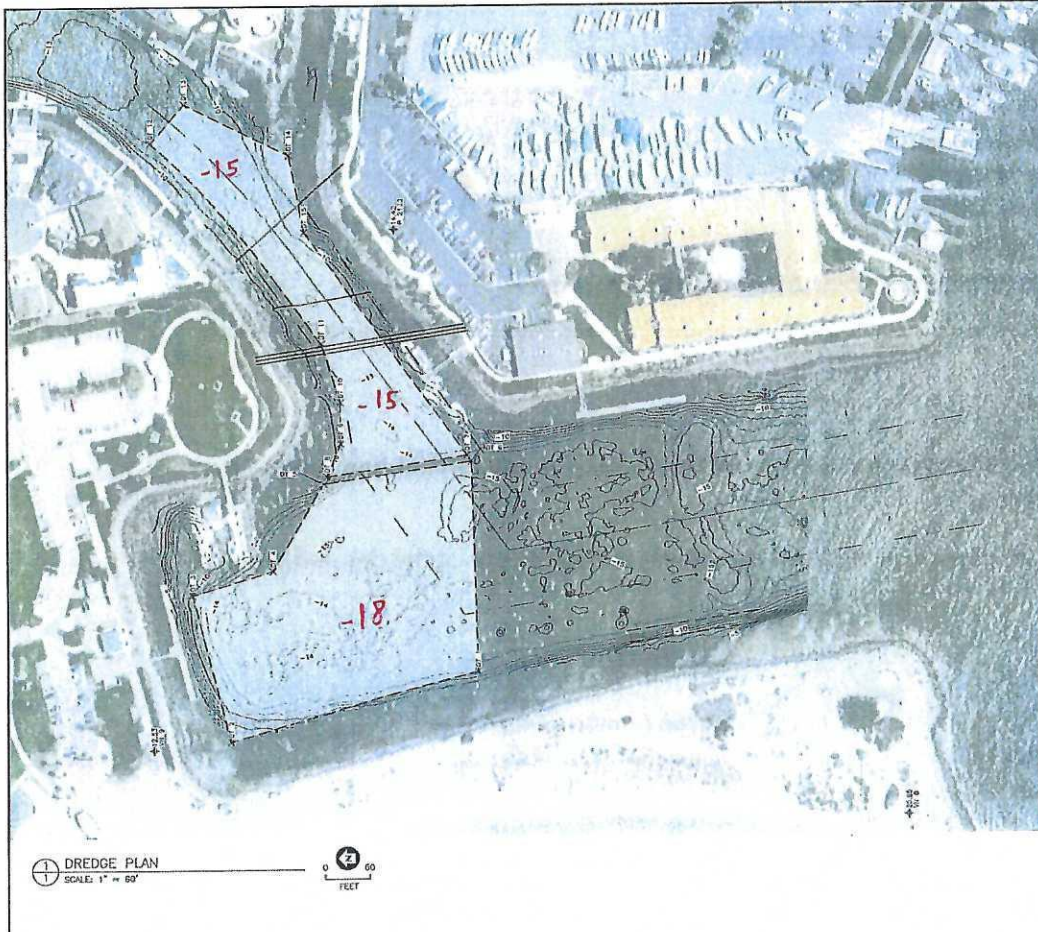
Name printed or typed

Name printed or typed

Its: _____
Title

Its: _____
Title

EXHIBIT A



TEMPLATE CONTROL			
POINT NO	DT	NORTHING	EASTING
60747	DT 0	1,916,330.56	6,178,711.33
60739	DT 1	1,916,543.18	6,178,403.40
60740	DT 2	1,916,878.61	6,178,309.85
60741	DT 3	1,916,930.52	6,178,507.12
60742	DT 4	1,916,821.42	6,178,539.01
60743	DT 5	1,916,753.30	6,178,856.50
60744	DT 6	1,916,583.36	6,178,886.82
60745	DT 7	1,916,559.30	6,178,895.02
60746	DT 8	1,916,749.27	6,178,686.27
60748	DT 10	1,916,730.28	6,178,767.33
60749	DT 11	1,916,735.85	6,178,847.11
60750	DT 12	1,916,956.39	6,179,116.76
60751	DT 13	1,916,840.40	6,179,183.54
60752	DT 14	1,916,798.53	6,179,089.74
60753	DT 15	1,916,778.40	6,178,996.91

NOT FOR CONSTRUCTION

**COOPERATIVE AGREEMENT FOR
MAINTENANCE DREDGING OF THE VENTURA KEYS STUB
CHANNEL
CITY OF SAN BUENAVENTURA AGREEMENT No.**

This Cooperative Agreement for the Maintenance Dredging at the Ventura Keys Stub Channel ("AGREEMENT") is entered into by and between the Ventura Port District ("DISTRICT"), and the City of San Buenaventura ("CITY"), individually referred to as "Party" and collectively as "Parties."

WHEREAS, DISTRICT proposes to conduct maintenance dredging operations ("PROJECT") within Ventura Harbor in water areas adjacent to the CITY's Ventura Keys Stub Channel, as depicted in the attached plan (attached to and incorporated herein by reference as Exhibit A), to remove shoal conditions that are potentially hazardous to vessel navigation; and

WHEREAS, CITY owns and maintains the waterways within the Ventura Keys; and

WHEREAS, CITY is desirous of having DISTRICT utilize its contractor to remove shoal material from the Ventura Keys Stub Channel; and

WHEREAS CITY proposes to pay to DISTRICT the CITY's prorata share of the dredging cost attributable to the cost of removing shoal material from the Ventura Keys Stub Channel but not to exceed \$75,000; and

WHEREAS, DISTRICT expects to have its dredging contractor, Manson Construction Company, conduct the dredging operation in March 2020;

ATTACHMENT 2

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the Parties agree as follows:

A. DISTRICT agrees to:

1. Cause the maintenance dredging operation within the CITY waterway to be conducted in compliance with the following regulatory requirements:

Department of the Army Permit No. SPL-2007-00872-GLH dated April 10, 2019

Coastal Development Permit No. 4-18-0390 dated July 10, 2019

State Lands Commission Lease No. PRC 8786.9, dated December 3, 2019

Los Angeles Regional Water Quality Control Board Order No. R4-2019-0038 dated March 14, 2019

2. Award a contract for the maintenance dredging work to the Manson Construction Company in accordance with Section 20751.2 of the Public Contract Code.
3. Cause the contractor for the dredging operation to name the CITY and its officials, officers, agents, and employees as additional insureds on all insurance policies that the contractor obtains for the PROJECT.
4. Invite CITY to attend all preconstruction conferences and all final inspections for the dredging operation held with contractor.
5. Coordinate with CITY in responding to public comments and concerns regarding the dredging operations or impacts that may directly affect City residents or the general public.
6. After completion of the dredging operation, submit an invoice to CITY for the CITY's prorata share of the total cost of the operation, including equipment mobilization, digging, surveying, and monitoring. CITY's prorata share shall be based upon the

ATTACHMENT 2

proportionate volume of material removed from the CITY's waterway versus the total volume of material removed from both the DISTRICT and CITY water areas. In no event shall the CITY's share exceed \$75,000.

B. CITY agrees to:

1. Pay to DISTRICT its prorata share of the total cost of the maintenance dredging operation as set forth in Section A.6, above, not to exceed \$75,000.
2. Attend any construction progress meetings that include any issues pertaining to CITY improvements.

C. HOLD HARMLESS AND INDEMNIFICATION:

1. CITY agrees to indemnify, defend, and hold harmless DISTRICT, its agents, officials, officers, representatives, and employees, from and against all claims, lawsuits, liabilities, or damages of whatever nature arising out of or in connection with, or relating in any manner to any wrongful act or omission of CITY, its agents, employees, subcontractors, and employees thereof, pursuant to the performance or non- performance of this AGREEMENT.
2. DISTRICT agrees to indemnify, defend, and hold harmless CITY, its agents, officials, officers, representatives, and employees, from and against all claims, lawsuits, liabilities, or damages of whatever nature arising out of or in connection with, or relating in any manner to any wrongful act or omission of DISTRICT, its agents, employees, subcontractors, and employees thereof, pursuant to the performance or non- performance of this AGREEMENT.

D. ENTIRE AGREEMENT. This AGREEMENT contains the entire AGREEMENT of the Parties hereto with respect to the matters contained herein, and supersedes any prior agreement or understanding, oral or written. This AGREEMENT may be

ATTACHMENT 2

amended, modified, or otherwise altered, or its provisions waived, only upon mutual consent of the Parties by written amendment.

- E. ASSIGNMENT. This AGREEMENT may not be assigned by either Party without the written consent of the other, which consent shall not be unreasonably withheld, and any assignment without such written consent shall be void.
- F. NOTICES. All notices must be given in writing, delivered in person, by telecopier, commercial courier, or registered or certified mail. All notices will be deemed given on the date personally delivered or transmitted by telecopy, or 24 hours after delivery to any commercial courier for overnight delivery, or 48 hours after deposit into the United States Mail. Notices must be addressed to the Parties at the following addresses, unless timely changed by a written notice delivered to the other Party.

TO DISTRICT:

VENTURA PORT DISTRICT

1603 Anchors Way Drive

Ventura, CA 93001

Attention: General Manager

Ph: (805) 642-8538

TO CITY:

CITY OF SAN BUENAVENTURA

501 Poli Street

San Buenaventura, CA, 93001

Attention: Public Works Director

Ph: (805) 654-7702

- G. INTERPRETATION. This AGREEMENT will be construed under the laws of the State of California, and will not be strictly construed for or against either Party as a result of their joint preparation of this AGREEMENT.

ATTACHMENT 2

- H. NO IMPLIED AGENCY. No Party to this AGREEMENT is the agent of the other Party and nothing in this AGREEMENT may be construed as permitting or authorizing either Party to this AGREEMENT to act in any capacity as an agent of the other. Furthermore, nothing in this AGREEMENT may be construed as creating a partnership or joint venture between the Parties. Notwithstanding the foregoing, the Parties acknowledge that they are undertaking the PROJECT for their mutual benefit, and the Parties agree to execute such further agreements and documents and take such further actions as may be reasonably necessary to implement this AGREEMENT.
- I. NO THIRD PARTY BENEFICIARY. Except as expressly set forth herein, this AGREEMENT is not intended to benefit any person or entity not a party hereto.

IN WITNESS WHEREOF, the undersigned authorized representatives of the Parties have executed this AGREEMENT, which shall be effective on the date last signed below.

VENTURA PORT DISTRICT

Brian Pendleton
General Manager

Dated: _____

CITY OF SAN BUENAVENTURA

Alex D. McIntyre
City Manager

Dated: _____

ATTEST:

Antoinette M. Mann, MMC, CRM
City Clerk

APPROVED AS TO FORM
Gregory G. Diaz, City Attorney

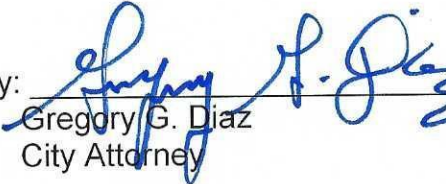
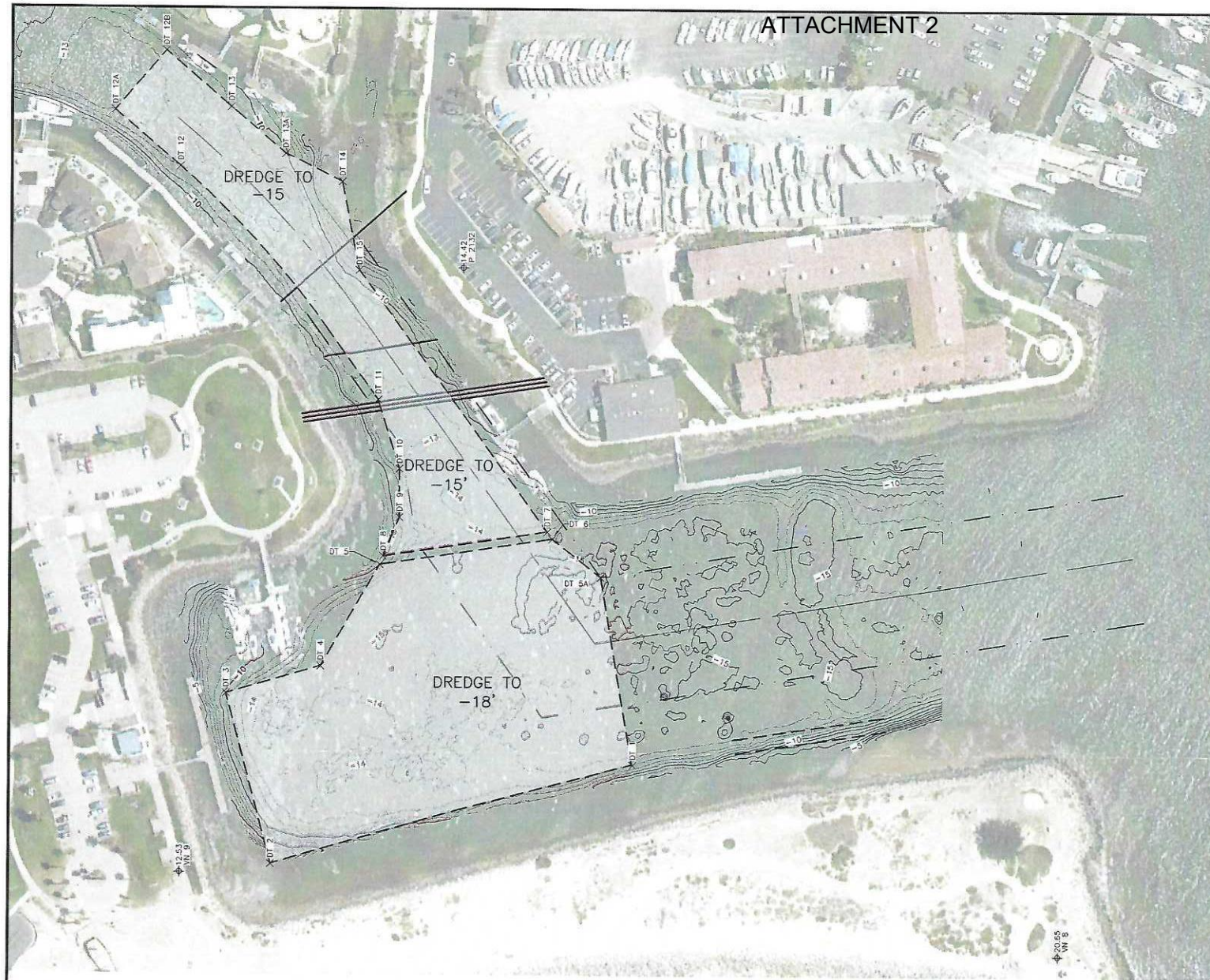
By:  11/28/2020
Gregory G. Diaz Date
City Attorney

EXHIBIT A

ATTACHMENT 2



1 PRELIMINARY DREDGE PLAN
SCALE: 1" = 60'

TEMPLATE CONTROL			
	POINT NO	NORTHING	EASTING
60755	DT 5A	1,916,496.87	6,178,642.90
60758	DT 12A	1,917,062.40	6,179,181.73
60756	DT 12B	1,917,003.35	6,179,250.82
60757	DT 13A	1,916,864.65	6,179,132.27
60739	DT 1	1,916,459.12	6,178,426.00
60740	DT 2	1,916,878.61	6,178,309.85
60741	DT 3	1,916,930.82	6,178,507.12
60742	DT 4	1,916,821.42	6,178,539.01
60743	DT 5	1,916,753.30	6,178,656.56
60744	DT 6	1,916,553.36	6,178,686.82
60745	DT 7	1,916,559.30	6,178,695.02
60746	DT 8	1,916,749.27	6,178,666.27
60747	DT 9	1,916,730.56	6,178,711.38
60748	DT 10	1,916,730.78	6,178,767.33
60749	DT 11	1,916,755.85	6,178,847.11
60750	DT 12	1,916,986.39	6,179,116.76
60751	DT 13	1,916,927.48	6,179,186.23
60752	DT 14	1,916,798.53	6,179,099.74
60753	DT 15	1,916,778.40	6,178,996.91

PRELIMINARY - NOT FOR CONSTRUCTION

NOBLE
CONSULTING

GEC

2201 DUPONT DRIVE, SUITE 400
IRVINE, CA 92615
949-752-1500
949-752-6361 (FAX)

NO	DATE	REVISION
1	1/6/20	MODIFIED DREDGE LIMITS

DESIGNED BY: JIM/TJF
DRAWN BY: JIM/TJF
CHECKED BY: JIM/TJF
APPROV. BY: JIM/TJF

VENTURA PORT DISTRICT
PRELIMINARY DREDGING PLAN
###

SHEET 1 OF 1
JOB NO: 887-21
SCALE: AS SHOWN
DATE: JAN. 6, 2020

ABSTRACT OF BIDS
INVITATION FOR BIDS NO. W912PL-19-B-0001

FOR

Ventura Harbor Maintenance Dredging
Ventura County, California

With 2 Amendments

Bid Opening Date: 17 January 2019

2 bidders.

1. Manson Construction Company	Seattle, WA	\$ 10,887,500
2. The Dutra Group	San Rafael, CA	\$ 17,500,000
Government Estimate		\$ 12,406,629

I CERTIFY that I have opened, read,
and recorded on this abstract all offers
received in response to this solicitation.

Name and Title of Certifying Official: WENDELL L. MENDOZA, Contract Specialist

Date: 1/17/19

Signature: MENDOZA.WENDELL.
LACUATA.1178015857

Digitally signed by
MENDOZA.WENDELL.LACUATA.1178015857
DN: cn=US, o=U.S. Government, ou=DoD, ou=PKI,
ou=USA
cn=MENDOZA.WENDELL.LACUATA.1178015857
Date: 2019.01.17 17:23:09 -0800

ATTACHMENT 3

W912PL-19-B-0001 Ventura Harbor Maintenance Dredging 2 Amendments

Bid Opening 17 January 2019

Manson Construction Co.
5209 E. Marginal Way S.
Seattle, WA 98134

PRICING SCHEDULE

Item No.	Description	Estimated Quantity	Unit	Unit Price	Amount
1	Mobilization and Demobilization, 1st Cycle	1	Job	Lump Sum	\$1,250,000.00
2	Dredging, First Cycle - All Areas				
2A	First 300,000 yd ³	300,000	Cubic Yards	\$ 6.25	\$1,875,000.00
2B	Over 300,000 yd ³	100,000	Cubic Yards	\$ 6.25	\$625,000.00
TOTAL BASE BID AMOUNT					\$3,750,000.00

OPTION ITEMS

OPTION 2nd Cycle Dredging

3	Mobilization and Demobilization, 2nd Cycle	1	Job	Lump Sum	\$1,250,000.00
4	Dredging, 2nd Cycle - All Areas				
4A	First 300,000 yd ³	300,000	Cubic Yards	\$ 6.50	\$1,950,000.00
4B	Over 300,000 yd ³	50,000	Cubic Yards	\$ 6.50	\$325,000.00
OPTION 2nd Cycle Dredging - TOTAL ESTIMATED AMOUNT					\$3,525,000.00

OPTION 3rd Cycle Dredging

5	Mobilization and Demobilization, 3rd Cycle	1	Job	Lump Sum	\$1,250,000.00
6	Dredging, 3rd Cycle - All Areas				
6A	First 300,000 yd ³	300,000	Cubic Yards	\$ 6.75	\$2,025,000.00
6B	Over 300,000 yd ³	50,000	Cubic Yards	\$ 6.75	\$337,500.00
OPTION 3rd Cycle Dredging - TOTAL ESTIMATED AMOUNT					\$3,612,500.00

TOTAL ESTIMATED AMOUNT OF BASE BID PLUS ALL OPTIONS \$10,887,500.00

ATTACHMENT 3

W912PL-19-B-0001 Ventura Harbor Maintenance Dredging 2 Amendments

Bid Opening 17 January 2019

The Dutra Group
2350 Kerner Blvd, Ste 200
San Rafael, CA 94901-5595

PRICING SCHEDULE

Item No.	Description	Estimated Quantity	Unit	Unit Price	Amount
1	Mobilization and Demobilization, 1st Cycle	1	Job	Lump Sum	\$1,100,000.00
2	Dredging, First Cycle - All Areas				
2A	First 300,000 yd ³	300,000	Cubic Yards	\$ 15.00	\$4,500,000.00
2B	Over 300,000 yd ³	100,000	Cubic Yards	\$ 11.00	\$1,100,000.00
TOTAL BASE BID AMOUNT					\$6,700,000.00

OPTION ITEMS

OPTION 2nd Cycle Dredging

3	Mobilization and Demobilization, 2nd Cycle	1	Job	Lump Sum	\$500,000.00
4	Dredging, 2nd Cycle - All Areas				
4A	First 300,000 yd ³	300,000	Cubic Yards	\$ 14.50	\$4,350,000.00
4B	Over 300,000 yd ³	50,000	Cubic Yards	\$ 11.00	\$550,000.00
OPTION 2nd Cycle Dredging - TOTAL ESTIMATED AMOUNT					\$5,400,000.00

OPTION 3rd Cycle Dredging

5	Mobilization and Demobilization, 3rd Cycle	1	Job	Lump Sum	\$500,000.00
6	Dredging, 3rd Cycle - All Areas				
6A	First 300,000 yd ³	300,000	Cubic Yards	\$ 14.50	\$4,350,000.00
6B	Over 300,000 yd ³	50,000	Cubic Yards	\$ 11.00	\$550,000.00
OPTION 3rd Cycle Dredging - TOTAL ESTIMATED AMOUNT					\$5,400,000.00

TOTAL ESTIMATED AMOUNT OF BASE BID PLUS ALL OPTIONS \$17,500,000.00

ATTACHMENT 3

W912PL-19-B-0001 Ventura Harbor Maintenance Dredging 2 Amendments

Bid Opening 17 January 2019

Independent Government Estimate

PRICING SCHEDULE

Item No.	Description	Estimated Quantity	Unit	Unit Price	Amount
1	Mobilization and Demobilization, 1st Cycle	1	Job	Lump Sum	\$1,306,282.00
2	Dredging, First Cycle - All Areas				
2A	First 300,000 yd ³	300,000	Cubic Yards	\$ 7.68	\$2,304,000.00
2B	Over 300,000 yd ³	100,000	Cubic Yards	\$ 6.52	\$652,000.00
TOTAL BASE BID AMOUNT					\$4,262,282.00

OPTION ITEMS

OPTION 2nd Cycle Dredging

3	Mobilization and Demobilization, 2nd Cycle	1	Job	Lump Sum	\$1,346,580.00
4	Dredging, 2nd Cycle - All Areas				
4A	First 300,000 yd ³	300,000	Cubic Yards	\$ 7.76	\$2,328,000.00
4B	Over 300,000 yd ³	50,000	Cubic Yards	\$ 6.72	\$336,000.00
OPTION 2nd Cycle Dredging - TOTAL ESTIMATED AMOUNT					\$4,010,580.00

OPTION 3rd Cycle Dredging

5	Mobilization and Demobilization, 3rd Cycle	1	Job	Lump Sum	\$1,387,267.00
6	Dredging, 3rd Cycle - All Areas				
6A	First 300,000 yd ³	300,000	Cubic Yards	\$ 8.00	\$2,400,000.00
6B	Over 300,000 yd ³	50,000	Cubic Yards	\$ 6.93	\$346,500.00
OPTION 3rd Cycle Dredging - TOTAL ESTIMATED AMOUNT					\$4,133,767.00

TOTAL ESTIMATED AMOUNT OF BASE BID PLUS ALL OPTIONS \$12,406,629.00



BOARD OF PORT COMMISSIONERS

FEBRUARY 5, 2020

STANDARD AGENDA ITEM 3

VENTURA PORT DISTRICT GOALS AND
5-YEAR OBJECTIVES

VENTURA PORT DISTRICT
BOARD COMMUNICATION

STANDARD AGENDA ITEM 3
Meeting Date: February 5, 2020

TO: Board of Port Commissioners
FROM: Brian D. Pendleton, General Manager
Todd Mitchell, Business Operations Manager
SUBJECT: Ventura Port District Goals and 5-Year Objectives

RECOMMENDATION:

That the Board of Port Commissioners approve the Ventura Port District 5-Year Objectives.

SUMMARY:

The Board provided direction to the General Manager to conduct a Goal Setting Workshop. The Goal Setting Workshop was conducted by Management Partners on Saturday, September 14th at the Marriott Ventura Beach. In attendance were the Board, District staff and Legal Counsel, Harbor tenants, a member of city council and staff, community leaders and members of the public. The workshop was well attended based on the prior experience of Management Partners in hosting such events.

As a follow-up to the Goal Setting Workshop, Management Partners prepared a written report for the District as attached, which was presented at the November 20th Board meeting for Commission consideration and stakeholder input. Staff returned on December 18th with a follow-up report presented to the Board which agreed in principle to the objectives but requested staff provide additional details on timelines and metrics with an anticipated return to the Board by January 22, 2020. At the January 22, 2020 meeting, the Board provided further direction and asked staff to return on February 5th where it is anticipated the Board will adopt the 5-year objectives. The proposed changes to 5-Year Objectives since the January 22 Board meeting are marked in red.

IMPLEMENTATION:

The Board requested additional specificity on implementation of the Objectives. Staff has determined that the Board's directions might be best achieved through the SMART approach:

- Specific
- Measurable
- Achievable
- Relevant
- Time-bound

As a result, staff has prepared the Board Goals and Objectives Workbook. The intent of the Workbook is to be a living document that:

- 1) Restates the Mission Statement and Long-Term Goals
- 2) Captures the fundamental 5-Year Objectives identified during the Workshop and subsequent Board meeting discussions
- 3) Includes high-level actions associated with achieving the Objectives:
 - a. Strategy – sub-section identifying how the Objectives can advanced or achieved
 - b. Action – actions currently identified to be undertaken to support each Strategy
 - c. Milestone – action timeline(s) associated with each milestone
- 4) Provides a method by which to report updates to the Board on a quarterly or semi-annual basis
- 5) Broadly speaking, seeks to align spending with Goals and 5-Year Objectives

BACKGROUND:

The District entered into a Professional Services Agreement (PSA) with Management Partners (MP) to facilitate the September 14, 2019 Goal Setting Workshop. Management Partners is a professional management consulting firm specializing in helping government organizations improve their operations for more than 20 years. They identify problems and best practices that reveal ways to improve operations and take pride in delivering a quality product designed for implementation.

Founded in 1994, MP has a proven track record providing clients with professional expertise in all aspects of local government management. Because their staff includes leaders and managers with practical experience in all aspects of local government operations, their clients are able to benefit from this knowledge. As consultants, they are committed to first-rate staff work for every single engagement.

In advance of the Goal Setting Workshop, District staff conducted outreach efforts to the District's Master and Village tenants, City Council and executive staff, Chamber of Commerce, Downtown Ventura Partners, Ventura Visitors and Convention Bureau, the Keys Neighborhood Association, Pierpont Neighborhood Council, commercial fishing community and VSE stakeholders.

The District's Mission Statement, Goals and proposed 5-Year Objectives are attached. Additionally, the District prioritizes programs and projects through adoption of an annual budget and related 5-year Capital Improvement Plan. The District adopted the FY19-20 budget on June 19, 2019 which can be viewed at <https://venturaharbor.com> – Port District Business – Transparency Reports.

FISCAL IMPACT:

Funding in the amount of \$11,000 has been included in the FY19-20 budget to conduct a District Goal Setting Workshop. The District entered a PSA with Management Partners in the amount of \$8,900, which was subsequently increased by \$1,900 for a total of \$10,800.

In accomplishing goals and objectives, the District will need to evaluate financial impacts primarily through the annual and mid-year budget decisions which include five-year capital improvements plans. This is not a one-time analysis, but rather on-going in nature over the five-year period.

ATTACHMENTS:

Attachment 1 – Board Goals and Objectives Workbook (PowerPoint)

Attachment 2 – Management Partners Workshop Report

Ventura Port District

Goals and 5 Year Objectives

FY 2019-2024
2019 WORKSHOP

Mission Statement (Current)

The Ventura Port District, home to the Channel Islands National Park, provides a safe and navigable harbor and a seaside destination that benefits residents, visitors, fishermen and boaters to enjoy Ventura Harbor's exceptional facilities, events and services.

Port District Goals (Current)

The District will provide a rewarding and vibrant coastal marine experience to our residents and visitors through efficient and timely execution of these District Goals.

1. Maintain and enhance a safe and navigable harbor by:
 - a. Securing funding for dredging the Harbor entrance through the Army Corps of Engineers in coordination with agencies and our elected officials;
 - b. Dredging the Inner Harbor and preserving infrastructure;
 - c. Providing superior Harbor Patrol, Maintenance, and related District services;
 - d. Preserving and enhancing infrastructure, equipment and facilities for a modernized, efficient and safe working harbor.
2. Support and promote commercial and recreational boating and fishing.
3. Increase economic development, vitality, and diversity of the District through effective leasing and marketing strategies.
4. Promote sustainable use of our natural environment through business practices and programs designed in concert with our tenants, educators, agencies, and interest groups.
5. Build respectful, productive, and mutually beneficial business relationships with our tenants, public agencies, elected officials and the community.
6. Provide exceptional public service and transparency at all levels within the organization through effective leadership, training, mentoring, and oversight. This promotes accountability, increased public trust, and a more efficient, effective and public focused organization.

Port District 5 Year Objectives

In its continuing effort to fulfill its mission and achieve the goals set out above, while managing the daily Harbor operations, the District establishes the following objectives to guide its Commission and staff through the fiscal year 2023-2024:

- Harbor Dredging
- Commercial Fishing
- Harbor Village
- Harbor Parking & Traffic Circulation
- Channel Islands National Park Visitor Center
- Master Tenants & Development Parcels 5 & 8
- Public and Civic Engagement Plan

Harbor Dredging

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Ensure that annual dredging occurs at the federal Harbor entrance and as needed in the inner Harbor	Support and advocate for congressional funding to the Army Corps of Engineers in support of the Harbor's annual dredging program	CMANC Meeting attendance	3 times per year
		USACE District, Division & HQ meetings and communication	As needed or >2 times per year
		Engagement of Lobbyist to provide representation with the Federal Government and Congress	Ongoing
		Advocating for inclusion of VPD in President's Budget	Ongoing
	Provide an on-going leadership role and active participation with California Marine Affairs and Navigation Conference (CMANC) and other relevant organizations in support of federal and state assistance	Continued Board Role at CMANC	Ongoing
		Committee lead and/or Executive Board role	By next Board Election
		Engagement with CA Association of Port Authorities (CAPA) to evaluate state funding opportunities	Q1 2021
	Ventura Port District Dredging	Transfer of Dredging Knowledge	End of Q2 2020
		Develop inner Harbor Dredging Strategy	Q3 2020

Commercial Fishing

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Support current commercial fishing industry central to Ventura's premier working waterfront through: stakeholder engagement, diversification, and infrastructure improvements	Reactivate Ventura's commercial fishing association and/or establish fishermen working group as part of improved stakeholder engagement	Reach out to our commercial fishing business owners and key industry people	Q1 2020
		Facilitate meetings/dialogue with District and fishing industry stakeholders	Q2 2020
		Determine appropriate ongoing engagement mechanism between District and stakeholders	Q3 2020
	Continue improvements of Commercial Fishing Industry service offerings by District	Complete fishermen storage improvements	Q2 2021
		Install new hoist at fish pier	Q3 2020
		Evaluate harbor infrastructure and related amenities to ensure we continue to meet commercial fishing needs	Annually

Commercial Fishing (Continued)

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Support current commercial fishing industry central to Ventura's premier working waterfront through: stakeholder engagement, diversification, and infrastructure improvements	VSE Project Grant utilization	Prepare & Approve Operations Plan	Q2 2020
		Manage the 2018 CA Sea Grant subaward for the proposed Ventura Shellfish Enterprise (VSE) project	Q3 2020
		Report on Sea Grant Outcome to Board, Stakeholders, CA Sea Grant staff	Q4 2020
		Identify and apply for additional grant opportunities	From Q4 2020 onward
	Complete permitting, regulatory, and legislative approvals for VSE project	Address LAFCo issue through State Legislature	Q1 2020 through Q4 2020
		Prepare Navigation Risk Assessment	Q2 2020
		Obtain Coastal Commission Consistency Determination	Q4 2020
		Obtain USACE Permit for VSE	Q2 2021
	VSE Subleasing	Complete first VSE sub-lease	Q2 2022

Harbor Village

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Maintain and improve Harbor Village infrastructure and enhance the overall visitor experience	Complete Harbor Village refresh programs	Complete Harbor Village Painting	Q3 2020
		Approve Harbor Village Signage, Wayfinding Program	Q4 2020
		Complete Harbor Village Wayfinding Signage	Q3 2021
		Complete Village Tenant Signage, Awnings	Q2 2024
		Complete Current ADA Improvements	Q4 2021
		Complete infrastructure upgrades (elevators, roof replacements per CIP)	Q4 2024
	Leasing/Property Management Action Plan	Prepare, approve and implement Annual Leasing/Property Management Action Plan	Annually – Q3
	Marketing Action Plan	Engage Village tenants for Marketing Action Plan input	Annually – Q2
		Prepare, approve and implement Annual Marketing Action Plan	Annually – Q3

Harbor Parking Study & Traffic Circulation

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Continue to increase and/or maximize visitor parking and traffic circulation during busy periods	Evaluate pedestrian, bicycling, transit networks and parking within and around the Harbor	Perform update to parking, traffic data once Portside is fully occupied	Q3 2021
		Review & update 2017 Parking Study (evaluate/prioritize/schedule short-term, mid-term, and long-term recommendations)	Q4 2021
		Establish Ride-sharing drop-off/pick-up locations within Harbor Village	Q4 2020
		Coordinate with City and Regional Transportation services for expanding public transit options to Harbor	Q4 2021
	Pursue needed improvements and management plans	Prepare Parking and Traffic Circulation Plan(s)	Q1 2022
		Identify and budget for Capital Improvements to improve parking and circulation	Q2 2022
	Evaluate pedestrian, bicycling, transit networks and pursue needed improvements, enforcement strategies in partnership with the City	Coordinate with City on planning for transit network improvements	As per Civic Engagement goals Q4 2021 through Q1 2022
		Collaborate with City on updates to Local Coastal Plan and General Plan	As per Civic Engagement goals Q1 2020 through Q4 2023

National & State Parks Agency Collaboration

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Maintain Channel Islands National Park Service (NPS) presence at Harbor	Coordinate with NPS Superintendent and General Services Administration (GSA) to secure long-term leases for NPS personnel currently located at 1441 and 1691 Spinnaker Dr. (Harbor Village)	Identify mutually agreeable improvements as part of new lease planning	Q1 2021
		Secure lease agreement with GSA for NPS staff	Q2 2021
	Coordinate with NPS Superintendent and General Services Administration (GSA) to evaluate long-term goals and improvement needs for the Channel Islands National Park Visitor Center	Collaborate with NPS Superintendent to identify mutual long-term goals and options at Ventura Harbor for NPS operations, NPS visitor center	Q3 2021 onward
		Investigate synergies for collaborative improvement of NPS Visitor Center	Q4 2021 onward
Draw upon Ventura Harbor area Nat'l. & State parks and wetland areas to enhance ecotourism	Coordinate with National & California State Parks to develop destination-based ecotourism offerings	Continue collaboration with National & State Parks officials regarding multiple opportunities for enhancing the visitor destination in and around Ventura Harbor	Q2 2024

Master Tenants & Development Parcels 5 & 8

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Collaborate with existing and future Master Tenants to maintain, improve, and develop the Harbor	Engagement and support of Master Tenants for successful business operations at the Harbor	Coordination with VIM on dock replacement project	Q1 2020 through Q4 2020
		Coordination with Portside on buildout and commercial tenant leasing	Q1 2020 and ongoing
		Evaluate opportunities with master tenants in conjunction with future projects	Q3 2020 & annually
	Evaluate opportunities for Parcels 5 and 8	Collaborate with City, tenants and stakeholders on updates to Local Coastal Program and General Plan	Q1 2020 through Q4 2023
		Evaluate studies, reports previously prepared as part of development due diligence efforts	Q3 2021 through Q4 2021
		Evaluate potential land use synergies with master tenants, current uses in conjunction with future development	Q3 2021 through Q4 2023
		Collaborate with City, CA Coastal Commission and stakeholders including NPS to prepare a master plan	Q4 2023 through Q2 2024

Public and Civic Engagement Plan

OBJECTIVE	STRATEGY	ACTION	MILESTONE
<i>What to achieve</i>	<i>How will it be achieved</i>	<i>Actions to be undertaken</i>	<i>Action timeline</i>
Strengthen communication and further develop close working relationships with stakeholders, business partners, and civic leaders	Collaborate with business partners and stakeholders through increased engagement, communication, and participation.	Continued tenant meetings (marketing, Staff 1:1, and Commissioner 1:1)	Ongoing quarterly meetings
		Stakeholder budget workshops	Q2 2021 and once annually
		Continued Stakeholder Goal-Setting workshops	Q3 2021 and once annually
	Collaborate with City, regional, state, and federal agency officials in pursuit of mutually beneficial projects, programs	Collaborate with City, tenants and stakeholders on updates to Local Coastal Program and General Plan	Q1 2020 through Q4 2023
		Coordinate with City on planning for transit network improvements	Q4 2021 through Q1 2022
		Collaborate with other commercial/ regional harbors and Special Districts	Q2 2020 and ongoing
		Further collaboration between Harbor Patrol and City Emergency Services for enhanced services in the Harbor	Q1 2021 and ongoing
		Collaborate with State and Federal agencies for projects, programs & grants	Q4 2020 and ongoing
	Public and Civic Engagement Planning	Develop, Approve a Public and Civic Engagement Plan (PCEP)	Q3 through Q4 2020
		Implementation of PCEP	Q1 2021



Ventura Port District
Board of Port Commissioners Workshop
Held September 14, 2019

October 2019

**Management
Partners**



ATTACHMENT 2

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ATTACHMENT 2

Workshop Report

The Ventura Port District held a public participation workshop on Saturday, September 14, 2019, from 1:00 p.m. to 5:00 p.m. at the Marriott Ventura Beach Hotel.

The workshop provided an opportunity for Port Commissioners to discuss District priorities for the coming year and to strengthen communication between the Commissioners, staff, and stakeholders. This report contains a summary of the results of the workshop.

John Bramble, Special Advisor with Management Partners, facilitated the workshop with support from Julie Hernandez, Senior Management Advisor.

Workshop Overview

Objectives

- To identify the Ventura Port District's preliminary list of two- to five-year goals.
- To identify methods to increase and improve communication between Ventura Port District and stakeholders.

Agenda

- Welcome by the Chair
- Comments by the General Manager
- Review of the agenda
- Icebreaker
- Review District accomplishments and discuss factors contributing to them
- Public comments
- Gather public input regarding the Board's two- to five-year goals
- Brainstorm methods to communicate with stakeholders
- Wrap up and next steps

Participants

Board Commissioners

**Chairman
Chris Stephens**



**Vice-Chairman
Brian Brennan**



**Secretary
Jackie Gardina**



**Commissioner
Everard Ashworth**



**Commissioner
Mike Blumenberg**



Management Staff

- Brian Pendleton, General Manager
- Robin Baer, Property Manager
- Joe Gonzalez, Facility Manager
- John Higgins, Harbor Master
- Todd Mitchell, Business Operations Manager
- Richard Parsons, District Consultant
- Jessica Rauch, Executive Secretary/Clerk of the Commissioner
- Jennifer Talt-Lundin, Marketing Manager
- Dave Werenburg, Marina Manager

Stakeholders

The workshop was open to the public and they were encouraged to participate by outreach efforts prior to the event. Approximately 34 members of the public attended.

Ground Rules

At the start of the workshop, the facilitator suggested several ground rules to help the group have a successful workshop.



- Participate
- Seek consensus
- Listen to understand
- Assume good intent
- Stay focused
- Speak up if we need course correction
- Enjoy the day!

Bike Rack

The bike rack includes topics that were raised during the workshop but require additional time and attention or were not relevant to the agenda of the day.

Workshop Preparation

In preparation for the workshop, John Bramble held individual interviews with each Commissioner to learn about their priorities for the coming year. An agenda and PowerPoint presentation were prepared based on the information gathered.

Welcome and Opening Comments

The workshop began by Chairman Chris Stephens welcoming the attendees, conducting a Board roll call, and explaining the importance of the workshop, followed by comments from General Manager, Brian Pendleton.

General Manager Pendleton had helped set the context for the day by further explaining why the workshop is important, reviewing the District's mission statement, and introducing Management Partners facilitators by sharing why the firm had been selected as part of their strategic planning process.

The Chair then held a lottery as to which table the Commissioners and General Manager would sit. The end result was that Commissioners, staff members and members of the public were mixed together in small groups.

Icebreaker Exercise

John Bramble led a bingo icebreaker as a way for the participants to warm-up and get to know each other.



Review of District Accomplishments and Factors Contributing to Them

The participants (which included Commissioners, staff and members of the public) in the small groups discussed and celebrated some of the accomplishments their District has made.

After their small group discussions, John asked the groups to share some of the factors they thought had either contributed to their success or on the contrary, have hindered them. Below are notes of the discussion.

Contributing Factors

- Keeping the Harbor open for boating and fishing.
- The District's plan on painting the buildings; public meetings were held regarding the color palette; partners' support and advocacy agreement.
- Having in-house marketing for the Channel Islands.
- Public engagement and a sense of community.
- Portside Ventura project; the developer's tenacity for 15 years to develop Portside.
- District and business partnerships.
- A variety of restaurants and places to eat with different cuisines.
- A variety of retail stores.
- Public energy – people who are committed to the Harbor.
- The ability to obtain grant funding for needed research and studies.
- Implementation of lifeguard services.
- Restaurants promoting live music and entertainment.
- The Harbor community work well together.
- The ability to keep the Port as a top commercial fishing place in the state.

Hindering Factors

- Lack of a Parking and Traffic Master Plan, particularly for special events; there needs to be a better traffic flow. It takes two hours to exit from the Parade of Lights which is sometimes the reason why people decide not to come back.
- Lack of public information or the sharing of knowledge about tsunami emergency preparedness.
- Environmental review creates challenges.
- A large number of vacant spaces in the Port's retail area.
- The Harbor is made up of two separate sections, and it is hard to walk or commute between the two places.
- Where's Ventura Harbor Village? Need marketing to promote the Harbor.
- No public transportation to the Harbor.

Additional Public Comments

After the discussion of the District's successes, Chairman Chris Stephens opened the meeting for public comments. Below are highlights from the 10 individuals who spoke at this time.

- The need for the Port District to develop an annual strategic plan with a vision and a set of values.
- Traffic and parking is an issue which creates a loss of customers.
- Speeding traffic is an issue.
- Political flags are not appreciated.
- Businesses who are leasing do not like having a month-to-month lease. They want longer-term leases.
- Common area maintenance is unfair in application; accounting information is not available in terms of what is paid, what is received, and who receives it.
- Partnerships – several of the tenants believe they are Anchor stores and should be appreciated as such.
- Visit Ventura and City of Ventura are proposing to bring X-games (ESPN) to Ventura, and in which the Fairgrounds and Port may become potential partners.
- Take advantage of Ventura's art community by bringing more events to the Harbor.
- History can be used to evaluate current services, such as:
 - Vision study in late 90's – where is it?
 - Study for a Beach Plan should be reviewed.
 - Secure a clear title for parcels to be developed, before marketing them.

- Shellfish project needs to add inclusion for commercial fishermen.
- Be more inclusive by including tenants to help market events; make the financial plan and marketing plan public
- Maintain existing murals.
- Outrigger canoe race annually; need room to grow and store more equipment.
- Given that the weekends are busy and are peak time for businesses, public workshops should be held during the weekday instead of on the weekend – so that businesses can have the opportunity to attend and participate.
- Communication between tenants and Harbor District; tenants feeling constrained in the past and are not always open.
- The Port’s infrastructure is outdated and needs maintenance.
- Need more information on Master Plan for Parcel 20.
- September 4, 2019 pledge request:
 - “Are Leaseholder revenues being used for Shellfish project?”
 - Public stakeholders want commitment for signed pledge by District stating that they will not use leasehold revenues for shellfish project.
- Cooperative working environment between the District and tenants.

Input Regarding the Board’s Two- to Five-Year Goals

This section of the workshop was to provide Commissioners with public input and develop a consensus on two- to five-year goals at a future Board meeting.

John began with a review of the importance of goal setting and its correlation to establishing team consensus, timing, and performance measurements.

John then reviewed the list of potential goals he had heard during his interviews with Commissioners and the General Manager. The list of potential goals is numbered and detailed in a handout that was distributed for discussion (see *Attachment A*).

After reviewing that list, John asked all workshop participants whether there are any other “potential goals” that should be added to the list before they begin their discussions in small groups. No additional comments were made, so John began the discussion exercise.

Process. Each small group was asked to refer to the handout of potential goals (*Attachment A*) and create their list of goals, and then to identify their top eight priorities out of the list they have created.

Table 1 highlights what each team has identified as a priority for the District.

Table 1. Group Report Outs of District Priorities

<p>Group One</p> <ul style="list-style-type: none"> • Build a stronger relationship between the City and District (#6 and #10) • Develop year-round plans for the Harbor as a sustainable gathering place (#9) • Beautification and update Village buildings • Update the painting and landscaping of the Village (#4) • Strengthen relationships with stakeholders (#1) <ul style="list-style-type: none"> ○ Give recognition and a level playing field • Modernize marketing plans <ul style="list-style-type: none"> ○ Prioritize calendar 	<p>Group Two</p> <ul style="list-style-type: none"> • Weekend parking and as it relates to goal #10 • Teamwork and communication with stakeholders (#1) • Cooperation with the City of Ventura (#6) • Make the Harbor an entertainment attraction seven days a week (#10) • Increase marketing to locals and diversifying District entertainment for all ages (#9) • Encourage growth of new liveaboards • Consideration of sea-level change (#8) • Use #7 (diversity of commercial fishing) • Shelve Parcel 5 and 8 (#11)
<p>Group Three</p> <ul style="list-style-type: none"> • Increase communication with the City along with greater integration of services (i.e., Police Department and Fire) <ul style="list-style-type: none"> ○ Speeding ○ Enforcement • Develop a strong relationship between the town and Port Commissioners • Improve traffic congestion (i.e., transportation), so it can attract more visitors to the Harbor • Wetland awareness – river and harbor ecological tours • Increase visitor foot traffic during off-season times • Vagrancy issues – consider taking humane/effective actions; be assertive with voicing Harbor concerns • Harbor businesses; consider opening businesses at an earlier time • Planning and transparency of the money the District has spent regarding the Shellfish Enterprise project • Parcel 5 and 8 assessment and establishment of goals before furthering the project with more concrete steps • Balancing revenue generation with quality • Continue to engage in Harbor stakeholder meetings on a regular basis 	<p>Group Four</p> <ul style="list-style-type: none"> • Equity among tenants • Parking: access to parking, shuttle • Transparency on tenant fees • Addressing tenants fear of retribution if they speak up • Leases – consider an easier renewal process • Improve communication between the District and all other stakeholders • Aligning the Districts goals with tenant goals – currently, they are not aligned • Dredging/commercial fishing

<p>Group Five</p> <ul style="list-style-type: none"> • Improve infrastructure for commercial fishing in order to attract aquatic shellfish operations • #11 – Development of Parcel 5 and 8, and consider continued implementation of Parking Management Strategy • #9 – Develop a plan to make the Village sustainable throughout the year with a diversity in business, entertainment, events and attractions • #1 – Strengthen, teamwork, communications relationships between stakeholders, tenants, Commissioners and staff with more informal community/public engagement opportunities • Increase/enhance merchant meetings to encourage collaboration among businesses; discuss timing and frequency; “Squid days” farmers market, seafood market • Parking and alternate transportation 	<p>Group Six</p> <ul style="list-style-type: none"> • Transportation <ul style="list-style-type: none"> ○ Parking ○ Pedestrian safety ○ Speed reduction • Building stronger partnerships <ul style="list-style-type: none"> ○ City cycling community ○ Marketing groups
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Commissioners’ Comments on Priorities

After each small group had reported out their priorities, Commissioners then shared their comments about the potential priorities they had heard from the exercise.

Below are the Commissioner’s comments on what they consider to be potential priorities for the District

- Plug-ins for electric vehicles
- Shelve Parcel 5 and 8 development until a Master Plan is created
- Improve the tone of communication and cooperation with other stakeholders; helps with equity; helps with relationships
- Parking and transportation
- More community/public engagement meetings
- Economic vitality
- Marketing
- Sustainable public gathering place (Consider Parcel 5 as potential place)
- Improving and building a relationship with the City
- Sustain fishing operations
- Ventura style – operate within its “mantra”



Brainstorming Methods of Communicating with Stakeholders

This section of the workshop focused on gathering input about ways of communicating and enhancing transparency between the District and stakeholders. Working in small groups, workshop participants discussed the following questions

1. *What is presently being done by the District to keep the public informed?*
2. *Discuss ideas to communicate and enhance transparency with stakeholders.*

Table 2 provides notes from the discussions.

Table 2. Group Input on District – Stakeholder Communication

<p>Group One</p> <ul style="list-style-type: none"> • Consider having a point person of contact for District tenants • Consider having “coffee with the Commissioner” • Face-to-face bi-monthly meetings with key District personnel • Provide more master tenant meetings • Improve monthly newsletter – snail mail maybe • Increase accountability 	<p>Group Two</p> <ul style="list-style-type: none"> • Staff and commissioners – walk the Harbor; make it a Commissioner goal to meet one person a week • Ventura Harbor in all social media <ul style="list-style-type: none"> ○ Who is monitoring it? ○ Who is reporting it and what kinds of reporting? ○ What kind of action(s) are being done? Or what type of action needs to be done? ○ Is the name Ventura Port District confusing to our identity? • Reconsider business hours in terms of the times they open <ul style="list-style-type: none"> ○ Niche ○ Restaurants • Outreach, by targeting the following: fishermen, businesses, retail, activities, liveaboards • Newsletter frequency • Digital notifications (push) parking notifications • Parking monitor system • Create a platform or a place for the public to provide anonymous comments • Need for transparency of common area maintenance fees
<p>Group Three</p> <ul style="list-style-type: none"> • How to better communicate: • Harbor Community Council and community group <ul style="list-style-type: none"> ○ Revive/activate/meaning? ○ Have goals for casual meetings and make it issue-driven • Inclusion of ad hoc meetings along with more formal meetings • Suggest a City of Ventura liaison to the Port District and have a representative from the voting district where the Port is located 	<p>Group Four</p> <ul style="list-style-type: none"> • Need to understand how we can “communicate” • Cannot have an atmosphere of “retribution” • Continue to host more public meetings; there is a need for more open forums • Staff should be specific, direct, non-punishing • Find new path for City Council

Group Five

- Collaboration with the City of Ventura, Harbor/Village tenants, chamber, committees, visit Ventura, and regional
- Non-formal discussions should be communicated and marketed in terms of time and frequency, workshops, town hall style, electronic news (E-news)
- Tenant to Port District communication
- General Manager update – report back to tenants
- Connect City of Ventura and Harbor marketing efforts to build on each effort and tie City-Harbor
- Harbor Community Council
- Keep dialogue open with inter-government relations (city-county-state-federal)

Group Six

- Regular communications between tenants and commissioners (walk-arounds)
- Email communications regarding Port activities/actions



Wrap Up and Next Steps

The workshop concluded with John indicating that a workshop summary report will be prepared by Management Partners to document the discussions and outcomes of the day.

Closing Comments

John invited everyone in the room to share one thing they gained from the session. Brief highlights are provided below.

- New insight
- People care and are involved
- New information
- Commissioners participation and openness (not just listening)
- Broader awareness of issues from all members of the Harbor
- Perceptions of stakeholders
- Information on opportunities and challenges
- Open dialogue
- Format conducive
- Sustainable development principals used
- Surprised and informed by priorities
- Everyone came together
- Communications opened
- Okay not to continually produce – may be too fast to gain feedback (listen)
- Workshop operated well
- Communication improvements seem sincere
 - Increase ethnic public representation in the room
- Focus on solutions
- Communication improvements and being non-judgmental
- Encouraged to see commitment in resolving issues

Workshop Evaluations

At the end of the meeting, participants were invited to complete an evaluation form. ***Attachment B*** contains a consolidation of the responses from Port Commissioners and staff, and ***Attachment C*** contains a consolidation of responses from members of the public.

Attachment A – Potential List of Goals From Commissioners

The table includes the goals expressed by each Commissioner in their interviews with Management Partners in preparation for the workshop.

Table 3. List of Commissioner Goals Identified in the Interviews

Goals
1. Strengthen teamwork between Commissioners, staff and stakeholders and expand transparency with stakeholders.
2. Complete the Board's policies and procedures update.
3. Improve technology for the businesses and residents.
4. Complete the painting of the Village buildings.
5. Develop methods to maintain the financial and economic stability of the District balancing the needs of the harbor, village and fishing equally.
6. Build a plan for stronger relationship between the City of Ventura and the District. This includes: <ul style="list-style-type: none"> a. Restart of trolley from downtown to Port. b. Meshing the City's General Plan with the Port's strategic plans. c. Wayfinding signage. d. Improvement of bicycle connections. e. Use of the Wastewater Treatment plant property for bird watching.
7. Implement the Ventura Shellfish Enterprise.
8. Evaluate the risks of the rising sea and increased temperatures on plans for the developments in the harbor.
9. Develop plans that will make the Village a sustainable gathering place both on and off season.
10. Evaluate plans to make the Harbor District a quality entertainment attraction with offsite parking and methods to transport people to the Village.
11. Begin marketing Parcels 5 and 8.
12. Evaluate the possible connections of the wetlands, river and harbor as an attraction.
13. Attract low-cost temporary accommodations to capitalize on the Channel Island visitors.
14. Prepare a master plan for Parcel 20 to maximize its economic potential.
15. Develop a marketing plan to obtain an anchor tenant for the Village.
16. Assess the potential for Portside commercial space.

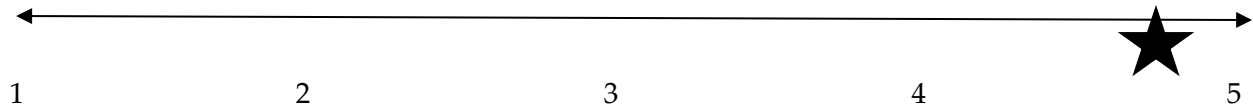
Attachment B – Workshop Evaluations: Commissioners and Staff

The following is a compilation of eight evaluations from Commissioners and staff members who participated in the workshop.

Overall usefulness of the workshop (4.75 average score)

Not Useful

Very Useful



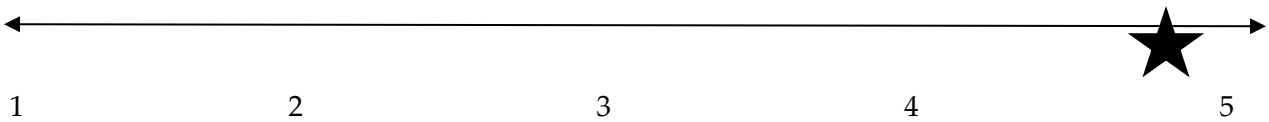
Workshop participant ratings for the overall usefulness of the workshop

Rating	1	2	3	4	5
No. of Responses	0	0	0	2	6

Overall quality of the workshop (4.63 average score)

Poor Quality

High Quality



Workshop participant ratings for the overall quality of the workshop

Rating	1	2	3	4	5
No. of Responses	0	0	0	3	5

The best thing about this workshop was...

- Input from diverse group of stakeholders.
- It was extremely informative.
- Good amount of time with a good plan to move through. Good to have staff and commissioners at each table.
- Enhanced dialogue.
- Honesty.
- Talking to understand our colleagues.
- Hearing the perceptions of stakeholders.
- Opportunity for open dialogue about important projects/programs

Something that could have been better...

- More participation from all stakeholder groups.
- Need a few more breaks.
- It was about right.
- Outline how we will follow up or act. More time.
- Did a great job.

Other Comments

- We had a good turnout but several key stakeholder groups including commercial fisherman, weren't represented.

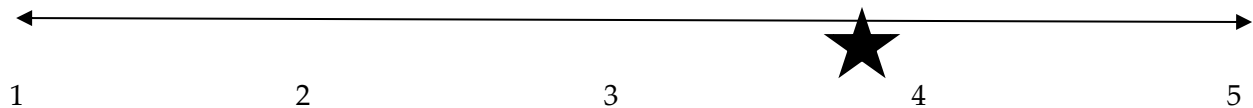
Attachment C – Workshop Evaluations: Members of Public

The following is a compilation of responses from 10 members of the public who participated in the workshop and completed the evaluation form.

Overall usefulness of the workshop (3.85 average score)

Not Useful

Very Useful



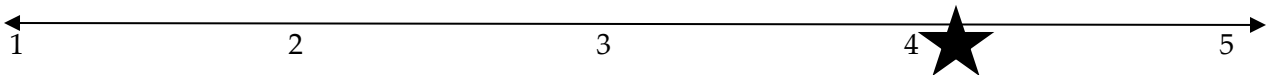
Workshop participant ratings for the overall usefulness of the workshop

Rating	0	1	2	3	4	4.5	5
No. of Responses	1	0	0	1	4	1	3

Overall quality of the workshop (4.15 average score)

Poor Quality

High Quality



Workshop participant ratings for the overall quality of the workshop

Rating	1	2	3	4	4.5	5
No. of Responses	0	0	1	6	1	2

The best thing about this workshop was...

- Feeling that things will improve
- Opportunity for many to express their desire for an amazing Harbor and what can make it true, and the consistency of opinion.
- Open dialogue across the spectrum of attendees
- Commissioners really participated by hearing our comments.
- Discussion of ideas, priorities, areas of better cooperation between City.
- Learning about the future of communication with the Ventura Port District Commissioners and [how it] will turn out.
- Change for open communication with Port Commissions.
- Communication between stakeholders, Port staff and Commissioners in an open format.
- Conversation.

- Open discussion of all issues.
- Apparent willingness to work with others. Common themes regarding parking/transportation.

Something that could have been better...

- All is going perfect. Clearly define the next step with many new ideas.
- Not much – objectives were achieved.
- I don't think you need to do better, the time was worthwhile.
- Usefulness of workshop: "time will tell"
- None.
- Have future meetings on a day that is not on a weekend during peak business hours.
- Change table for breakout position, rotate table?
- Shorter workshop, more frequent, bi-yearly?
- More time.
- Drawing conclusions for icebreaker, small table [exercise], large table [exercise was] presented well, [but could have done the following format] "so...now...could be better"

Other Comments

- Thank you!
- Maybe offer prizes for attending to encourage more public participation.
- Nice to see the dialogue.
- Next meeting should be a weekday afternoon or evening. Hold these regularly – want to see if things actually improve as a result of this workshop.
- Communication skills are not a given – probably would benefit from training in conflict resolution.