



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

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

Brian Pendleton, General Manager
Oscar Peña, Business Operations Manager
Timothy Gosney, Legal Counsel
Jessica Rauch, Clerk of the Board

PORT COMMISSION AGENDA REGULAR MEETING JULY 3, 2019 VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE VENTURA, CA 93001

CLOSED SESSION - 5:30PM

OPEN SESSION – 7:00PM

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.

CLOSED SESSION AGENDA (1 hour 25 minutes)

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

ADJOURNMENT

OPEN SESSION – 7:00PM

ADMINISTRATIVE AGENDA:

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 June 19, 2019 Regular 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.

STAFF COMMUNICATIONS (5 minutes)

Ventura Port District Staff will update the Commission on important topics if needed.

LEGAL COUNSEL REPORT (5 minutes)

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

ELECTION OF OFFICERS (3 minutes)

Pursuant to the Harbors and Navigation Code 6241.1 and 6248, the Board shall select a new Secretary.

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 New Professional Services Agreement with Dudek for Continued Support of the 2018 NOAA Sea Grant Tasks

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve a new Professional Services Agreement with Dudek in the amount of \$100,000 for continued permitting and project management support for the Ventura Shellfish Enterprise (VSE) project 2018 Sea Grant tasks.

B) Approval of New Professional Services Agreement with Plauché & Carr, LLP for Continued Support of the 2018 NOAA Sea Grant Tasks

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve a new Professional Services Agreement with Plauché & Carr, LLP in the amount of \$40,000 for continued support of the 2018 NOAA Sea Grant Tasks.

C) Approval of Lease Termination Agreement between the District and Coffee Dock & Post

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the Lease Termination Agreement between the District and Coffee Dock & Post for the space located at 1575 Spinnaker Drive, #105A&B.

STANDARD AGENDA:

1) Approval of Fee Increase for Dry Storage Facility

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve a fee increase for the District's remodeled dry storage facility.

2) Approval of Assignment of Lease for Ventura Harbor Boatyard (VHBY) and Related Transaction Documents Connected with the Sale of VHBY Stock to Silver Bay Seafoods

Recommended Action: Voice Vote

That the Board of Port Commissioners approve the assignment of the VHBY lease and related transaction documents, and conditionally authorize the General Manager to execute such documents as necessary to effectuate the transaction upon approval of the final form of such documents by the General Manager and Legal Counsel.

REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT

This agenda was posted on Friday, June 28, 2019 by 5:00 p.m. at the Port District Office and online at www.venturaharbor.com - Port District Business - Meetings and Agendas.

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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, JULY 3, 2019

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

- a) Property: **1415 Spinnaker Drive**
Negotiating Parties: Brian Pendleton, Oscar Peña, Timothy Gosney
Under Negotiation: Ventura Harbor Boatyard, Inc.
Assignment of Lease
- b) Property: **Parcels 15, 16 and 18**
Negotiating Parties: Brian Pendleton, Oscar Peña, Timothy Gosney
Under Negotiation: Portside Partners Ventura Harbor LLC
Modification to Initial Financing Construction Loan
- c) Property: **Federal Authorized Sea Bottom**
Negotiating Parties: Brian Pendleton, Oscar Peña, Timothy Gosney
Under Negotiation: Army Corps of Engineers
Sea Bottom Aquaculture Master Permit (Verbal Report)

2. Conference with Legal Counsel - Pending Litigation per Government Code Section 54956.9(d)(1): Sandra Aiken, Ashley Hwang, Janice Hwang, and Priscilla Levy vs. Ventura Port District Public Facilities Corporation DBA Ventura Harbor Village, and Does 1-20 Inclusive, Ventura Superior Court Case No. 56-2018-00513846-CU-MC-VTA.

3. Conference with Legal Counsel - Potential Litigation per Government Code Section 54956.9(d)(2): One (1) Case.



BOARD OF PORT COMMISSIONERS

JULY 3, 2019

APPROVAL OF MINUTES

JUNE 19, 2019

VENTURA PORT DISTRICT

BOARD OF PORT COMMISSIONERS MINUTES OF JUNE 19, 2019



The Regular Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Chris Stephens at 7:03PM at the Ventura Port District Administration Office, 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

Chris Stephens, Chairman
Brian Brennan, Vice Chairman
Jean Getchell, Secretary
Everard Ashworth
Jackie Gardina

Commissioners Absent:

None.

Port District Staff:

Brian Pendleton, General Manager
Oscar Peña, Business Operations Manager
John Higgins, Harbormaster
Joe Gonzalez, Facilities Manager
Gloria Adkins, Accounting Manager
Robin Baer, Property Manager
Richard Parsons, Consultant
Jessica Rauch, Clerk of the Board

Legal Counsel:

Timothy Gosney
Elsa Sham

AGENDA

CALL TO ORDER: By Chairman Stephens at 7:03PM.

PLEDGE OF ALLEGIANCE: By Commissioner Brennan.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTON: Commissioner Brennan moved, seconded by Commissioner Getchell and carried by a vote of 5-0 to adopt the June 19, 2019 agenda.

APPROVAL OF MINUTES

The Minutes of the April 18, 2019 Special Meeting and May 1, 2019 Regular Meeting were considered as follows:

ACTION: Commissioner Getchell moved, seconded by Commissioner Brennan and carried by a vote of 4-0-1 (Gardina Abstained) to approve the May 15, 2019 Regular Meeting Minutes.

PUBLIC COMMUNICATIONS: None.

CLOSED SESSION REPORT: Mr. Gosney stated that the Board met in closed session; discussed and reviewed all items on the agenda. Staff was given instructions on how to proceed as appropriate and there was no action taken that is reportable under The Brown Act. The Board will reconvene after open session to complete discussions on the last item.

BOARD COMMUNICATIONS: Commissioner Gardina reported that she met with Lynn Mikelatos. Commissioner Brennan inquired about the lawn area adjacent to Harbor Cove Café. Commissioner Stephens reported that he and Commissioner Brennan attended the Design Review Committee (DRC) meeting to show his support for the Village painting project, which was approved.

DEPARTMENTAL AND DEPUTY GENERAL MANAGERS REPORTS: Mr. Pendleton thanked the Chair and Vice Chair for their support at the DRC meeting. Mr. Peña updated the Commission on the Boatyard Assignment of Lease, Fisherman's Storage Lease and the Fisherman's Storage Sublease with Diana Dupuy. Harbormaster Higgins updated the Commission on the progress of the 24/7 schedule.

LEGAL COUNSEL REPORT: Mr. Gosney reported that First American has done their six month review to the Parcels 5 and 8 title commitments and there are no changes and the titles are clear except for the exemptions to the titles. These will be good for another six months.

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 out of town travel requests for General Manager, Brian Pendleton to attend the California Special Districts Association General Manager Leadership Summit in Newport Beach, CA.

ACTION: Commissioner Getchell moved, seconded by Commissioner Brennan and carried by a vote of 5-0 to approve the out of town travel requests for General Manager, Brian Pendleton to attend the California Special Districts Association General Manager Leadership Summit in Newport Beach, CA.

B) Termination of Current Office Lease Agreement and Approval of New Office Lease Agreement for Ken Caparoni dba State Farm Agent

Recommended Action: Voice Vote.

That the Board of Port Commissioners:

- a) Approve the termination of a lease agreement, dated April 1, 2017, for the premises located at 1583 Spinnaker Drive #210, consisting of 637 square feet; and
- b) Approve a new office lease agreement for the premises located at 1583 Spinnaker Drive #210, consisting of 637 square feet between the Ventura Port District dba Ventura Harbor Village

and Ken Caparoni dba State Farm Agent for a three-year term with a three-year option with no tenant improvements.

ACTION: Commissioner Getchell moved, seconded by Commissioner Brennan and carried by a vote of 5-0 to approve the termination of a lease agreement, dated April 1, 2017, for the premises located at 1583 Spinnaker Drive #210, consisting of 637 square feet; and approve a new office lease agreement for the premises located at 1583 Spinnaker Drive #210, consisting of 637 square feet between the Ventura Port District dba Ventura Harbor Village and Ken Caparoni dba State Farm Agent for a three-year term with a three-year option with no tenant improvements.

C) Approval of Lease Termination Agreement for Beer and Sausage, LLC, a California LLC dba BS Taproom/Beer Season

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the Lease Termination Agreement between the District and Beer and Sausage, LLC, a California LLC dba BS Taproom/Beer Season for the space located at 1591 Spinnaker Drive, #113/#115.

ACTION: Commissioner Getchell moved, seconded by Commissioner Brennan and carried by a vote of 5-0 to approve the Lease Termination Agreement between the District and Beer and Sausage, LLC, a California LLC dba BS Taproom/Beer Season for the space located at 1591 Spinnaker Drive, #113/#115.

D) Approval of Office Lease Assignment to Terraform Productions, Inc.

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the Assignment and Assumption of Lease and Consent of Landlord Agreement between Frankie Marc Anthony, Terraform Productions, Inc., and the Ventura Port District for the lease of the premises located at 1583 Spinnaker Drive #211.

ACTION: Commissioner Getchell moved, seconded by Commissioner Brennan and carried by a vote of 5-0 to approve the Assignment and Assumption of Lease and Consent of Landlord Agreement between Frankie Marc Anthony, Terraform Productions, Inc., and the Ventura Port District for the lease of the premises located at 1583 Spinnaker Drive #211.

STANDARD AGENDA:

1) Approval of Fiscal Year 2019-2020 Final Budget and Five Year Capital Improvement Plan (30 minutes)

Recommended Action: Roll Call Vote.

That the Board of Port Commissioners:

- a) Adopt Resolution No. 3374, approving the Fiscal Year 2019-20 Ventura Port District Budget and Five Year Capital Improvement Plan (CIP); and
- b) Adopt Resolution No. 3375, establishing the Salary Schedule for Non-represented Employees for the Fiscal Year 2019-20.

Commissioner Comments: See attachment 1 for Commissioner Getchell's comments.

ACTION: Commissioner Brennan moved, seconded by Commissioner Getchell and carried by a vote of 5-0 to adopt Resolution No. 3374, approving the Fiscal Year 2019-20 Ventura Port District Budget and Five Year Capital Improvement Plan (CIP); and

adopt Resolution No. 3375, establishing the Salary Schedule for Non-represented Employees for the Fiscal Year 2019-20.

2) Approval of Professional Services Agreement with Swift Chip for Information Technology Services for FY2019-2020 (10 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the FY19-20 Professional Services Agreement with Swift Chip not to exceed \$115,000 for District Information Technology services.

ACTION: Commissioner Getchell moved, seconded by Commissioner Gardina and carried by a vote of 5-0 to approve the FY19-20 Professional Services Agreement with Swift Chip not to exceed \$115,000 for District Information Technology services.

3) One-Ton Derrick Crane Procurement (10 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners:

- a) Find that the General Manager has made a good faith determination that a sole source procurement opportunity has been presented to the District; and
- b) Authorize the sole source procurement of a one ton derrick crane from Allied Power Products, Inc. in the amount of \$141,273.

PUBLIC COMMENT: Sam Sadove commented that the crane is a sore subject. There were a number of issues with the first crane purchased a few years ago. He suggested going out to bid to see if there are other companies.

Staff clarified that staff did go out to bid, specifying it being an Allied Power crane. The District got one bid from Cushman Contracting that was over the budget, so was not brought back to the Board.

ACTION: Commissioner Brennan moved, seconded by Commissioner Gardina and carried by a vote of 5-0 to find that the General Manager has made a good faith determination that a sole source procurement opportunity has been presented to the District; and authorize the sole source procurement of a one ton derrick crane from Allied Power Products, Inc. in the amount of \$141,273.

4) Authorization to Purchase a Block Volvo Diesel Engine for Harbor Patrol Fire Boat (5 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners authorizes the General Manager to purchase a Long Block Volvo Diesel Engine and provide part exchange from Pacific Marine Repair under a Sole Source Procurement consistent with Section IV (A)(1)(4) of the Procurement and Purchasing Policy in the amount of \$30,200.

ACTION: Commissioner Getchell moved, seconded by Commissioner Gardina and carried by a vote of 5-0 to authorize the General Manager to purchase a Long Block Volvo Diesel Engine and provide part exchange from Pacific Marine Repair under a Sole Source Procurement consistent with Section IV (A)(1)(4) of the Procurement and Purchasing Policy in the amount of \$30,200.

5) Consideration of Agenda Reorganization (5 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners consider the reorganization of the meeting agenda to provide additional opportunities for public comment on closed session matters.

PUBLIC COMMENT: Sam Sadove thanked the Commission for taking this action and complying with the Brown Act.

ACTION: Commissioner Brennan moved, seconded by Commissioner Gardina and carried by a vote of 5-0 to approve the reorganization of the meeting agenda to provide additional opportunities for public comment on closed session matters.

6) Response to Letter, Dated April 18, 2019 (15 minutes)

Recommended Action: Voice Vote.

That the Board of Port Commissioners receive an informational report in response to a letter, dated April 18, 2019, subject "Requested May 6, 2019 City Council Agenda Item Re Ventura Port District," and provide direction to staff as appropriate.

PUBLIC COMMENT: Councilmember Lorrie Brown appreciated the response given by staff on the letter and how issues will be addressed in the future. The City Council is concerned and she would like to take back some information on how some of the issues will be addressed in the next six months. Sam Sadove does not think the staff report answers the issues in the letter. Vikki Brock agrees with Mr. Sadove. She is mainly concerned with actions of individual commissioners and commissioners record of contributions. Staff is not in a position to respond; the response should come from Legal or the City. It did not address what the signees were looking for.

Commissioner Comments:

Commissioner Brennan – He responded to Councilmember Brown that the board report can be used to inform the Council on how staff has addressed the issues.

Commissioner Getchell - See attachment 2.

Commissioner Gardina – She has been impressed with the public engagement at the District. She thinks what the letter shows is a true investment in the future of the Harbor and a true investment in making sure that the Commission is operating at its best to move the Harbor forward positively. As frustrating as it may be right now, she encouraged leaving the lines of communication open and to continue coming to the meetings, continue to ask questions, make comments and thank you for bringing this letter to our attention.

Commissioner Ashworth – Seconds what Commissioner Gardina said. He is here because he loves the Harbor and is committed to making it something special. The key thing is we need to continue to work constructively, which means identifying opportunities, good thinking on how to put it in place, and execute and succeed. We are trying to develop the Harbor in a way we will all benefit.

Commissioner Stephens – In interviewing Brian, he had a lot of ideas on how to better communicate with tenants/stakeholders that the Board is supportive of.

ACTION: Commissioner Brennan moved, seconded by Commissioner Ashworth and carried by a vote of 5-0 to accept the report as presented and send to the City Council.

REQUEST FOR FUTURE AGENDA ITEMS: Commissioner Ashworth asked about a Capital Improvement Plan Assessment update. Commissioner Brennan asked for a Parking Plan update.

ADJOURNED TO CLOSED SESSION AT 9:04PM

RECONVENED TO OPEN SESSION AT 10:14PM

CLOSED SESSION REPORT: Mr. Gosney reported that during the reconvened closed session the Board was briefed on and discussed one of the two potential litigation cases under Government Code Section 54956.9(d)(2) identified under Item No. 4 on the closed session attachment to the agenda. Staff and legal counsel were provided guidance and instruction on to how to proceed. There was no action taken that is reportable under the Brown Act.

ADJOURNMENT: The meeting was adjourned at 10:15PM.

Secretary

Commissioner Getchell's Comments

June 19, 2019

FY 2019-2020 Budget

I. On May 15, I suggested **that the FY 2019-2020 Budget include a half-time staff position to provide grant management for the NOAA grants and perform other support work** to the Commission, General Manager and shellfish project participants. I reiterate and emphasize the need for such a position, given the promotion of Brian Pendleton to General Manager and his current duties. I also reiterate the benefit of establishing a formal, institutional relationship with the University of Southern California (USC), a Sea Grant institution that involves scientific research, education, training and extension projects. USC and the University of California, San Diego are the only Sea Grant Colleges in California.

II. With increasing operating costs and a decrease in prior estimates of revenue from property development (a delay at Portside and no scheduled development of Parcels 5 and 8), I **encourage the Commission to reduce duplication of effort and to invest in the future of District staff**. With the promotion of Brian Pendleton to General Manager, I hoped that this would provide a unique opportunity to take advantage of local expertise to return dredging in-house. The good news I've heard is that Brian plans to personally oversee the dredging effort. His continued participation in CMANC as the District's representative would be a very positive step in that direction. The credit for his singular role in obtaining dredging funding, which Commissioner Ashworth acknowledged during consideration of his appointment as General Manager, was also very good news for the future. With those accomplishments, I encourage the Commission to take advantage of the new General Manager's interest in managing the District's dredging program and not duplicate funding that is sorely needed elsewhere.

III. I suggest **that funding be redirected to preparation of a *Business Plan* and a *Financial Prospectus* for the shellfish project**. The shellfish project is the District's #1 priority and should be supported, accordingly. *The Business Plan* is needed to determine if implementation of the shellfish project is financially feasible and worth the District's investment of time and resources. Otherwise, the NOAA grant would produce only permitting and food safety protocols that could be used by anyone to his advantage and not the District's. *The Financial Prospectus* is required to solicit venture capital for the project. As your Commission is aware, there has been no plan or prospectus prepared, and the Budget being considered this evening has no funding specified for these analytical documents or for the capital improvements and equipment required to implement a shellfish project. Without informed decision-making, a decision to appropriate additional funding to the shellfish project would not be an investment; it would be more like a gamble. Moreover, what would be the basis to negotiate a dollar amount with a prospective Master Lessee?

IV. **To avoid additional legal challenges and delay in implementing the shellfish project, I urge this Commission to direct the preparation of an Environmental Impact Statement / Environmental Impact Report (EIS/EIR).** I have spoken to several of the most respected planning and EIR consultants in California and they think it would be foolhardy not to prepare an EIS/EIR. If the project involves a federal action, the lead agency must prepare both an EIS and an EIR, which can be combined into one document. Had the District chosen to site the project in State Waters, the project's environmental review could have tiered off the Programmatic EIR being prepared for the California Department of Fish and Wildlife's State Aquaculture Program. That Draft EIR should be released for public comment by the end of June.

V. Recognizing the opposition to the shellfish project that already exists and will likely increase, I urge the District to **appropriate funding for legal costs and adopt an economically conservative Budget** that maintains the current balance of unrestricted assets that could become available to cover future legal defense costs.

ATTACHMENT 2

Ventura Port Commission

July 19, 2019

Open Session / Standard Agenda Item No. 6

Response to April 18, 2019 Letter Sent to City of Ventura

Commissioner Getchell's Comments

Allocation of Resources to Commercial Fishermen

The detail provided concerning capital improvements addressed this issue very well. The precarious situation regarding the long-term lease for fishermen's storage no doubt raised this concern. Perhaps strategic planning for items like long-term storage for the commercial fishermen could be delegated to the Marina Manager who is literally closer to the commercial fishermen than other staff? Or he could coordinate work on items like this with the Property Manager, under the direction of the General Manager?

No Shortcomings / Strategy for Improvement?

This response doesn't appear to recognize any shortcomings or opportunities for improvement. With the recent change in District General Managers, this would have been a splendid opportunity to emphasize the District's commitment to right action as it moves into the future.

Specifically, it would be helpful to develop a definite guideline concerning Commissioner absences rather than granting total discretion to the Chairman. The existing protocol specifies "unexcused absences", but provides no objective criteria to consider granting an excuse. What should qualify? Illness, annual vacation, family emergency? Revising the protocol would create greater certainty and avoid criticism for arbitrary decisions and substantial absences.

The accuracy, timeliness and appropriateness of public information could be improved. To that end, I developed a suggested *Public Information Protocol* in April that I've submitted to the Chairman

City Response?

This letter went to the City. Its authority over the Port District is limited to appointing and removing Commissioners. What, if anything, does the City plan to do regarding allegations of Commissioner misconduct? Until that issue is resolved, I think this Response is premature.

Need for Independent Review

The allegations range from minor to potentially significant, and a good investigation would make a fair determination. District management should not evaluate or investigate itself. District Counsel is better able to review existing conduct / procedures, and recommend improvements.

General Manager's Most Important Work

The General Manager's greatest responsibility is articulating the District's mission, getting out and about and engaging with harbor business partners on a regular basis; and ensuring that strategies to implement the mission are continually updated, implemented, and understood by stakeholders and other entities the District needs to prosper. Effective communication is essential and cannot be done only by emails, printed material and the role(s) exercised by others. The "Parker Surprise", which City Council Members discussed with me, documented a communication strategy that didn't work. Effective communication is the General Manager's most important job. Almost everything else can be delegated to managers and other staff members. A General Manager's success depends on effective inter-personal communication because the District's greatest assets are people who do business person-to-person.



BOARD OF PORT COMMISSIONERS

JULY 3, 2019

CONSENT AGENDA ITEM A

APPROVAL OF NEW PROFESSIONAL
SERVICES AGREEMENT WITH DUDEK
FOR CONTINUED SUPPORT OF THE
2018 NOAA SEA GRANT TASKS

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM A
Meeting Date: July 3, 2019

TO: Board of Port Commissioners
FROM: Brian Pendleton, General Manager
SUBJECT: Ventura Shellfish Enterprise: Approval of New Professional Services Agreement with Dudek for Continued Support of the 2018 NOAA Sea Grant Tasks

RECOMMENDATION:

That the Board of Port Commissioners approve a new Professional Services Agreement with Dudek in the amount of \$100,000 for continued permitting and project management support for the Ventura Shellfish Enterprise (VSE) project 2018 Sea Grant tasks.

SUMMARY:

The Professional Service Agreement (PSA) with Dudek is for permitting and project management services pertaining to the Ventura Shellfish Enterprise (VSE) project and related FY2019-2020 NOAA Sea Grant for FY 2019-2020. The estimated budget is based on anticipated costs above and beyond the funding allocated by the 2018 Sea Grant.

BACKGROUND:

At the November 14, 2018 Commission meeting, the Board of Port Commissioners authorized the General Manager to sign the Cost Reimbursement Research Sub-Award Agreement for \$169,860 for the Ventura Shellfish Enterprise Project. This represents the first year's grant amount of the two-year award. The 2018 Sea Grant is for a two year period on a one-plus-one yearly basis and second year grant funds is contingent upon funding availability. The year one grant period is from September 1, 2018 to August 31, 2019. The total two-year sub-award is \$266,660. As a follow-up to this action, on January 16, 2019 the Board approved a PSA in the amount of \$108,610 for environmental review services (Task 5) pertaining to the 2018 NOAA Sea Grant utilizing grant funds allocated to legal services.

Increasing the supply of safe, sustainably produced domestic seafood is a priority of the State Legislature, NOAA and the U.S. Department of Commerce. The VSE project is a multi-party initiative that seeks to permit twenty 100-acre plots for growing the Mediterranean mussel (*Mytilus galloprovincialis*) via submerged long lines within the Santa Barbara Channel near Ventura Harbor. The Ventura Port District received a substantial NOAA Sea Grant sub-award of \$300,000 in 2015 for the proposed project in support of these goals. As part of the 2015 grant, the VSE team developed a Strategic Permitting Plan previously provided to the Board and made available to stakeholders and the public. This Strategic Permitting Plan provides a great deal of information about project goals, objectives and regulatory requirements and can be found online at venturashellfishenterprises.com. The VSE project objectives include:

- To increase the supply of safe, sustainably produced, and locally-grown shellfish while minimizing potential negative environmental impacts;
- To enhance and sustain Ventura Harbor as a major west coast fishing port and support the local economy;
- To provide economies of scale, pre-approved sub-permit area, and technical support to include small local producers who would not otherwise be able to participate in shellfish aquaculture;
- To provide an entitlement and permitting template for aquaculture projects state-wide;
- To enhance public knowledge and understanding of sustainable shellfish farming practices and promote community collaboration in achieving VSE objectives;

- To advance scientific knowledge and state of the art aquaculture practices through research and innovation.

The proposed project goals and objectives further several of the District's fundamental mission and objectives, as summarized below:

- Maintaining a safe and navigable harbor;
- Diversification of commercial fishing opportunities to benefit the fishing industry and local and regional economies;
- Continued priority (as a commercial fishing harbor) for federal funding appropriations for annual dredging of the federal harbor entrance.

The VSE project, now sited for regulatory review in federal waters proximate to Ventura Harbor, seeks to address several regulatory and planning challenges that create impediments to the expansion of a domestic marine shellfish culture industry in California. The key objectives of the 2018 Sea Grant include:

- Permit Assignment Strategy
- Environmental Review
- Seafood Safety and Quality
- Grower/Producer Compliance Training Program and Information Dissemination
- Project Summary

FISCAL IMPACTS:

The Board approved \$100,000 in the FY19-20 budget on June 19, 2019 for project related environmental professional services and expenses to supplement the grant funding described above for the VSE project.

ATTACHMENTS:

None.



BOARD OF PORT COMMISSIONERS

JULY 3, 2019

CONSENT AGENDA ITEM B

APPROVAL OF NEW PROFESSIONAL
SERVICES AGREEMENT WITH PLAUCHÉ &
CARR, LLP FOR CONTINUED SUPPORT OF
THE 2018 NOAA SEA GRANT TASKS

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM B
Meeting Date: July 3, 2019

TO: Board of Port Commissioners
FROM: Brian Pendleton, General Manager
SUBJECT: Ventura Shellfish Enterprise: Approval of New Professional Services Agreement with Plauché & Carr, LLP for Continued Support of the 2018 NOAA Sea Grant Tasks

RECOMMENDATION:

That the Board of Port Commissioners approve a new Professional Services Agreement with Plauché & Carr, LLP in the amount of \$40,000 for continued support for Ventura Shellfish Enterprise (VSE) project 2018 Sea Grant tasks.

SUMMARY:

The Professional Service Agreement (PSA) with Plauché & Carr, LLP is for legal services pertaining to the Ventura Shellfish Enterprise (VSE) project and related 2018 NOAA Sea Grant for FY 2019-2020. The estimated budget is based on anticipated costs above and beyond the funding allocated by the 2018 Sea Grant.

BACKGROUND:

At the November 14, 2018 Commission meeting, the Board of Port Commissioners authorized the General Manager to sign the Cost Reimbursement Research Sub-Award Agreement for \$169,860 for the Ventura Shellfish Enterprise Project. This represents the first year's grant amount of the two-year award. The 2018 Sea Grant is for a two year period on a one-plus-one yearly basis and second year grant funds is contingent upon funding availability. The year one grant period is from September 1, 2018 to August 31, 2019. The total two-year sub-award is \$266,660. As a follow-up to this action, on January 16, 2019, the Board approved a PSA with Plauché & Carr, LLP in the amount of \$40,000 for Task 4 pertaining to the 2018 NOAA Sea Grant utilizing grant funds allocated to legal services.

Increasing the supply of safe, sustainably produced domestic seafood is a priority of the State Legislature, NOAA and the U.S. Department of Commerce. The VSE project is a multi-party initiative that seeks to permit twenty 100-acre plots for growing the Mediterranean mussel (*Mytilus galloprovincialis*) via submerged long lines within the Santa Barbara Channel near Ventura Harbor. The Ventura Port District received a substantial NOAA Sea Grant sub-award of \$300,000 in 2015 for the proposed project in support of these goals. As part of the 2015 grant, the VSE team developed a Strategic Permitting Plan previously provided to the Board and made available to stakeholders and the public. This Strategic Permitting Plan provides a great deal of information about project goals, objectives and regulatory requirements and can be found online at venturashellfishenterprises.com. The VSE project objectives include:

- To increase the supply of safe, sustainably produced, and locally-grown shellfish while minimizing potential negative environmental impacts;
- To enhance and sustain Ventura Harbor as a major west coast fishing port and support the local economy;
- To provide economies of scale, pre-approved sub-permit area, and technical support to include small local producers who would not otherwise be able to participate in shellfish aquaculture;
- To provide an entitlement and permitting template for aquaculture projects state-wide;

- To enhance public knowledge and understanding of sustainable shellfish farming practices and promote community collaboration in achieving VSE objectives;
- To advance scientific knowledge and state of the art aquaculture practices through research and innovation.

The proposed project goals and objectives further several of the District's fundamental mission and objectives, as summarized below:

- Maintaining a safe and navigable harbor;
- Diversification of commercial fishing opportunities to benefit the fishing industry and local and regional economies;
- Continued priority (as a commercial fishing harbor) for federal funding appropriations for annual dredging of the federal harbor entrance.

The VSE project, now sited for regulatory review in federal waters proximate to Ventura Harbor, seeks to address several regulatory and planning challenges that create impediments to the expansion of a domestic marine shellfish culture industry in California. The key objectives of the 2018 Sea Grant include:

- Permit Assignment Strategy
- Environmental Review
- Seafood Safety and Quality
- Grower/Producer Compliance Training Program and Information Dissemination
- Project Summary

FISCAL IMPACTS:

The Board approved \$40,000 in the FY19-20 budget on June 19, 2019 for project related legal professional services and expenses to supplement the grant funding described above for the VSE project.

ATTACHMENTS:

None.



BOARD OF PORT COMMISSIONERS

JULY 3, 2019

CONSENT AGENDA ITEM C

APPROVAL OF LEASE TERMINATION
AGREEMENT BETWEEN THE DISTRICT
AND COFFEE DOCK & POST

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM C
Meeting Date: July 3, 2019

TO: Board of Port Commissioners
FROM: Brian Pendleton, General Manager
SUBJECT: Approval of Lease Termination Agreement between the District and Coffee Dock & Post

RECOMMENDATION:

That the Board of Port Commissioners approve the Lease Termination Agreement between the District and Coffee Dock & Post for the space located at 1575 Spinnaker Drive, #105A&B.

SUMMARY:

As part of the efforts to resolve the litigation involving Coffee Dock & Post, the parties agreed to a lease termination between Coffee Dock & Post (Tenant) and Ventura Port District (Landlord), subject to Board approval.

BACKGROUND:

On January 1, 2015, Plaintiffs Sandra Aiken, Priscilla Levy, Ashley Hwang, and Janice Hwang, entered into an eight (8) year lease with the Ventura Port District DBA Ventura Harbor Village for the business Coffee Dock & Post. In 2017, Plaintiffs sought to sell the business and a lease assignment. Due to disagreement regarding the lease assignment, Plaintiffs filed a civil action against the District. The parties engaged in extensive discussion regarding potential resolution to the litigation and agreed to lease termination between Coffee Dock & Post and Ventura Port District, subject to Board approval.

FISCAL IMPACT:

The potential fiscal impact is the loss of rents for 2-3 months for Coffee Dock, while staff advertises for another tenant. The average rent was \$3,600 per month. Depending on how quickly staff finds another tenant, the fiscal impact may be lower or higher. Also, if a more favorable lease arrangement with another party occurs, the District stands to receive higher rents than previous.

ATTACHMENTS:

None.



BOARD OF PORT COMMISSIONERS

JULY 3, 2019

STANDARD AGENDA ITEM 1

APPROVAL OF FEE INCREASE FOR DRY STORAGE FACILITY

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 1
Meeting Date: July 3, 2019

TO: Board of Port Commissioners
FROM: Oscar Peña, Business Operations Manager
SUBJECT: Approval of Fee Increase for Dry Storage Facility

RECOMMENDATION:

That the Board of Port Commissioners approve a fee increase for the District's dry storage facility.

SUMMARY:

Staff recommends an increase of 14-15%, making the fee \$4.00 per foot up to 33' length and \$5.00 per foot for boats 33' and over. This proposed fee increase would still be competitive with other storage facilities in Southern California - see a sample of comparisons below:

Ventura Harbor & Marina Yacht Yard
(\$3.75/ft)

Channel Islands Boat Yard
(\$3.75-\$5.50/ft)

California Classic Storage (RV/Boat)
(\$4.00/ft)

Moorpark Boat & RV Storage
(Averages \$5.00-6.00/ft)

BACKGROUND:

The District owns and operates a dry storage facility, which has been decreased in capacity due to Anchors Way Drive street modifications required by the Portside development. This will result in the number of spaces being reduced from 122 to approximately 88 with an estimated completion time for August 2019. The previous storage facility rates were increased 10% in July 2007, which changed the fee from \$2.75 per foot to \$3.00 per foot. In May 2015, the Board approved a 17% increase, making the fees \$3.50 per foot. Rates have not been increased since that time.

District staff has updated the application process, and generally speaking priority will be given to tenants who left in good standing. However, due to the reduce number of stalls and required redesign of the dry storage facility, there may be instances where some boats cannot be accommodated. Moving forward, Harbor Patrol will determine the appropriate stall sizes for each boater, based on individual boat and trailer size. When staff is ready to repopulate the dry storage facility, likely by this fall, notices will be sent out.

FISCAL IMPACT:

Monthly income from the dry storage rentals could average approximately \$9,700 a month or \$116,400 per year if at a 100% occupancy rate. These amounts do not include potential kayak storage, which would be minimal at \$15/month. Previously, the District was receiving approximately \$8,500 monthly or \$102,000 annually.

ATTACHMENTS:

None.



BOARD OF PORT COMMISSIONERS

JULY 3, 2019

STANDARD AGENDA ITEM 2

APPROVAL OF ASSIGNMENT OF LEASE
FOR VENTURA HARBOR BOATYARD
(VHBY) AND RELATED TRANSACTION
DOCUMENTS WITH THE SALE OF VHBY
STOCK TO SILVER BAY SEAFOODS

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 2
Meeting Date: July 3, 2019

TO: Board of Port Commissioners
FROM: General Legal Counsel
SUBJECT: Approval of Assignment of Lease for Ventura Harbor Boatyard (VHBY) and
Related Transaction Documents Connected with the Sale of VHBY Stock to
Silver Bay Seafoods

RECOMMENDATION:

That the Board of Port Commissioners approve the assignment of the VHBY lease and related transaction documents, and conditionally authorize the General Manager to execute such documents as necessary to effectuate the transaction upon approval of the final form of such documents by the General Manager and Legal Counsel.

SUMMARY:

Silver Bay Seafoods, LLC (SBS) is acquiring all the corporate stock in VHBY. Such an acquisition would result in a "change in control" of VHBY, and, by definition under the VHBY lease, constitutes an assignment of the lease. Assignments require Board approval.

BACKGROUND:

In complicated transactions of this nature, there are a number of documents to be prepared, reviewed and approved by the parties. In this instance, the transaction has remained fluid leading up to the meeting and, though all parties have worked diligently to prepare the necessary documents, there has been insufficient time to get everything done. However, it is evident that the documents can and will be completed in the near future.

Should there be any question about such conformity, or should the General Manager feel that the final documents should be reviewed by the Board; the approval of the assignment will be brought back to the Board for decision.

FISCAL IMPACT:

The Ventura Port District will receive \$135,000 in consideration of the assignment.

ATTACHMENTS:

None.