



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

Jim Friedman, Chairman
Everard Ashworth, Vice Chairman
Bruce E. Smith, Commissioner
Gregory Carson, Commissioner
Nikos Valance, Commissioner

Oscar Peña, General Manager
Timothy Gosney, Legal Counsel
Jessica Rauch, Clerk of the Board

PORT COMMISSION WORKSHOP MEETING AGENDA WEDNESDAY, JUNE 8, 2016 AT 12:00PM VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE, VENTURA, CA

*A **Closed Session** of the Board will be held at approximately **10:00AM** in the Port District Office located at 1603 Anchors Way Drive, Ventura, California to discuss items on the Attachment to Agenda-Closed Session Conference with Legal Counsel and then reconvene thereafter to adjourn the Workshop.*

*The Board will convene in **Open Session** at the Port District Office located at 1603 Anchors Way Drive for its Special Meeting-Workshop at **12:00PM***

ADMINISTRATIVE AGENDA:

CALL TO ORDER: *By Chair Jim Friedman.*

PLEDGE OF ALLEGIANCE: *By Chair Jim Friedman.*

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

ADOPTION OF AGENDA (5 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 (Port Commission). 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

The Minutes of the May 25, 2016 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.

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 Office Lease Agreement for Lisa Rizzo dba Custom Embroidery

Recommended Action: Motion.

That the Board of Port Commissioners approve a new office lease agreement for the premises located at 1575 Spinnaker Drive #206 A/B consisting of 494 square feet between the Ventura Port District dba Ventura Harbor Village and Lisa Rizzo dba Custom Embroidery for a two-year term with a two year option.

B) Approval of Out of Town Travel Requests

Recommended Action: Motion.

That the Board of Port Commissioners approve the Out of Town Travel Requests for Business Operations Manager, Brian Pendleton and Consultant, Richard Parsons.

WORKSHOP ITEM:

1) FY2016 – 2017 Preliminary Budget and Five Year Capital Improvement Plan

Recommended Action: Informational.

That the Board of Port Commissioners review and discuss the 2016–2017 Ventura Port District Preliminary Budget and Five Year Capital Improvement Plan.

REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT

This agenda was posted on Wednesday, June 3, 2016 at 5:00 p.m., at the Port District Office and on the Internet - www.venturaharbor.com (Port Commission).

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, JUNE 8, 2016

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

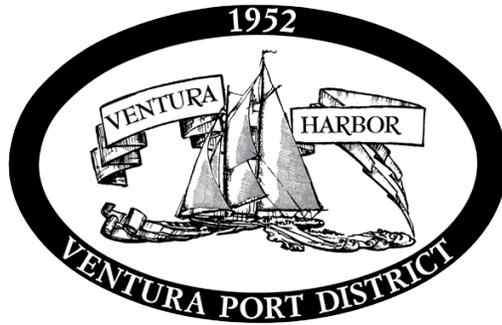
a) Property: **Parcels 15, 16, 18**
Negotiating Parties: Oscar Peña, Brian Pendleton, Timothy Gosney
Under Negotiation: Possible Amendment of Option Agreement

b) Property: **1575 Spinnaker Drive #206 A/B**
Negotiating Parties: Oscar Peña, Brian Pendleton, Timothy Gosney
Under Negotiation: New Office Lease for Custom Embroidery

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

3. Public Employee Performance Evaluation per Government Code Section 54957:

a) General Manager



BOARD OF PORT COMMISSIONERS

JUNE 8, 2016

APPROVAL OF MINUTES

MAY 25, 2016



Minutes of Regular Meeting of the Ventura Port District Board of Port Commissioners Held May 25, 2016

The Regular Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 7:16PM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

Jim Friedman, Chair
Everard Ashworth, Vice Chair
Gregory L. Carson
Bruce E. Smith
Nikos Valance

Commissioners Absent:

None

Port District Staff:

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

Legal Counsel:

Timothy Gosney
Collin Spillman

AGENDA

CALL TO ORDER: By Chairman Jim Friedman at 7:16PM.

PLEDGE OF ALLEGIANCE: By Chairman Friedman.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTON: Commissioner Carson moved, seconded by Commissioner Smith and carried by a vote of 4-0 (Commissioner Valance was out of the room) to adopt the May 25, 2016 agenda.

APPROVAL OF MINUTES

The Minutes of May 11, 2016 workshop meeting were considered as follows:

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 to approve the minutes of the May 11, 2016 workshop meeting.

PUBLIC COMMUNICATIONS: Councilmember Cheryl Heitmann informed the Commission that the City Council voted on a sales tax to be added to the November ballot and also reminded everyone of the Presidential rally occurring at Ventura College. Sam Sadove informed the Commission that the Marina expansion project is moving forward. John Higgins presented the Commission with a book of Harbor Village sketches from a public member.

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

BOARD COMMUNICATIONS: None.

DEPARTMENTAL STAFF REPORTS: Richard Parsons updated the Commission on the 2017 Energy and Water Development Appropriations Bill and on the progress of the accessibility improvements in Harbor Village.

GENERAL MANAGER REPORT: Mr. Pena announced staff anniversaries.

LEGAL COUNSEL REPORT: None.

CONSENT AGENDA:

A) Approval of New Retail Lease for The Ultimate Escape Rooms

Recommended Action: Motion.

That the Board of Port Commissioners approve a new retail lease agreement for the premises located at 1591 Spinnaker Drive #117C consisting of 1,291 square feet between the Ventura Port District dba Ventura Harbor Village and The Ultimate Escape Rooms for a two-year term with a two year option.

ACTION: Commissioner Smith moved, seconded by Commissioner Carson and carried by a vote of 5-0 to approve a new retail lease agreement for the premises located at 1591 Spinnaker Drive #117C consisting of 1,291 square feet between the Ventura Port District dba Ventura Harbor Village and The Ultimate Escape Rooms for a two-year term with a two year option.

B) Approval of New Office Lease for Quemuel Communications

Recommended Action: Motion.

That the Board of Port Commissioners approve a new office lease agreement for the premises located at 1583 Spinnaker Drive #212 consisting of 374 square feet between the Ventura Port District dba Ventura Harbor Village and Aimee Quemuel dba Quemuel Communications, Inc. for a two-year term.

ACTION: Commissioner Smith moved, seconded by Commissioner Carson and carried by a vote of 5-0 to approve a new office lease agreement for the premises located at 1583 Spinnaker Drive #212 consisting of 374 square feet between the Ventura Port District dba Ventura Harbor Village and Aimee Quemuel dba Quemuel Communications, Inc. for a two-year term.

STANDARD AGENDA:

1) Approval of Financial Statements and Checks for March 2016

Recommended Action: Resolution No. 3306.

That the Board of Port Commissioners adopt Resolution No. 3306 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in March 2016.

ACTION: Commissioner Smith moved, seconded by Commissioner Valance and carried by a vote 5-0 to adopt Resolution No. 3306 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in March 2016.

2) Draft Parking Management Plan for Ventura Harbor

Recommended Action: Informational.

That the Board of Port Commissioners provide comments and direction regarding the Draft Parking Management Plan for Ventura Harbor.

ACTION: The Port Commission received a presentation by Business Operations Manager, Brian Pendleton and Principal Transportation Planner Scott Schell on the Draft Parking Management Plan for Ventura Harbor. The following is feedback from the Commission:

- Employee parking stickers; however hard to enforce
- For overflow parking could use Lot 19A, vacant lot owned by Hobson Smith or talk to the Yacht Club for during the week parking.
- If all parking paid, it may be detrimental to the Village businesses.
- For enforcement, we would need to include salary and benefits costs, as well as the cost of maintenance in determining our overall operating costs for the plan.
- Interested in what the overall revenue would be from paid parking.
- Integrate the use of bicycles in plan
- Parking should not be all paid, but have first 75-90 minutes free
- Like the idea of angled parking on Spinnaker Drive and having people back into those spots
- The District has no authority to charge for parking on the public streets within the harbor
- The overnight parking of the patrons of the dive boats and charters during the peak season utilizes close to 25% of our available public spaces
- New parking lot concept between two beach lots; see us having problems with the Coastal Commission
- City successfully implemented paid parking Downtown without losing business.

Public Comment: Lynn Mikelatos, owner of The Greek and Margarita Villa does not have a problem with paid parking and believes staff is on the right track. She has always been in favor of a structure and likes the back in angled parking. Sam Sadove does not have a parking problem in his lots, until the launch ramp fee went up. He also believes staff is on the right track for a solution, but suggests a mix of paid and free parking. Harbormaster John Higgins mentioned that there have been a number of different trials they have tried for parking solutions during the summer months. The 3 hour parking does become problematic because of enforcement. He is not for or against paid parking. Councilmember Cheryl Heitmann

commented on the new parking program the City implemented Downtown. There is a Parking Advisory Committee that worked to solve the City's parking problem of employees parking on Main Street all day. The program is paying for itself and has overall been a successful program.

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

Recommended Action: Resolution No 3307.

That the Board of Port Commissioners adopt Resolution No. 3307, approving the updates to the Board of Port Commissioners Protocols and Policies Manual and rescinding Resolution No. 3271.

ACTION: Commissioner Valance moved, seconded by Commissioner Carson and carried by a vote of 5-0 to continue this item to a July or September meeting.

4) Discussion on Creating a Non-Profit Organization for the Ventura Port District

Recommended Action: Informational.

That the Board of Port Commissioners discuss the possibility of creating a non-profit organization for the Ventura Port District to help in raising funds for projects around Ventura Harbor Village.

ACTION: Commissioner Ashworth moved, seconded by Commission Carson and carried by a vote of 5-0 to continue this item to a July meeting.

REQUEST FOR FUTURE AGENDA ITEMS: None.

ADJOURNMENT: The meeting was adjourned at 9:46PM.

Secretary



BOARD OF PORT COMMISSIONERS

JUNE 8, 2016

CONSENT AGENDA ITEM A

APPROVAL OF NEW OFFICE LEASE
FOR LISA RIZZO DBA CUSTOM
EMBROIDERY

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM A
Meeting Date: June 8, 2016

TO: Board of Port Commissioners
FROM: Robin Baer, Property Manager
SUBJECT: Approval of New Office Lease Agreement for Lisa Rizzo dba Custom
Embroidery 1575 Spinnaker Drive #206 A/B

RECOMMENDATION:

That the Board of Port Commissioners approve a new office lease agreement for the premises located at 1575 Spinnaker Drive #206 A/B consisting of 494 square feet between the Ventura Port District dba Ventura Harbor Village and Lisa Rizzo dba Custom Embroidery for a two-year term with a two year option.

BACKGROUND:

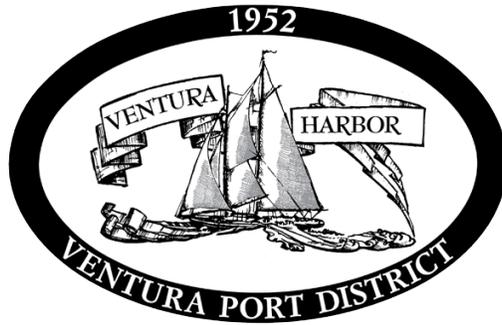
Custom Embroidery is an embroidery service for t-shirts, jackets, towels, etc. and has been a tenant since 2007.

Staff has re-negotiated with this tenant who will now be signing a two-year term lease with a two-year option.

FISCAL IMPACT:

This new lease reflects current market rental rates for office space in the complex. The annual occupancy cost for this tenant is \$8,900. The minimum rent over the two year term is adjusted annually by 3% per year.

We look forward to continued future success with this tenant. Staff recommends the Board's approval of the new lease transaction.



BOARD OF PORT COMMISSIONERS

JUNE 8, 2016

CONSENT AGENDA ITEM B

APPROVAL OF OUT OF
TOWN TRAVEL REQUESTS

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM B
Meeting Date: June 8, 2016

TO: Board of Port Commissioners
FROM: Oscar F. Peña, General Manager
SUBJECT: Out of Town Travel Requests

RECOMMENDATION:

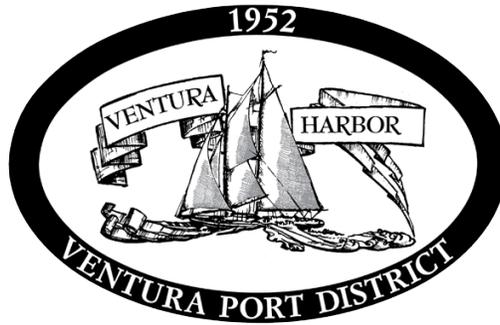
That the Board of Port Commissioners approve the following out of town travel request for:

- A) Business Operations Manager, Brian Pendleton to travel to Carlsbad, CA for the Urban Land Institute Hotel and Resort Development Conference from June 20 - 22, 2016. This benefits the District by allowing staff to learn more about development opportunities for Ventura Harbor and promote the Request for Proposals for Parcels 5 and 8. Estimated cost for the travel is as follows:

Registration	\$	395.00
Transportation	\$	100.00
Lodging	\$	505.60
Meals	\$	185.00
Miscellaneous	\$	100.00
TOTAL	\$	1,285.60

- B) Consultant, Richard Parsons to travel to Oakland, CA for the CMANC Board of Directors Meeting on Monday, July 18, 2016. This benefits the District by allowing Mr. Parsons to participate in a strategy session for upcoming congressional appropriations.

Transportation	\$	350.00
Meals	\$	95.00
Personal Vehicle	\$	95.00
Miscellaneous	\$	50.00
TOTAL	\$	590.00



BOARD OF PORT COMMISSIONERS

JUNE 8, 2016

WORKSHOP AGENDA ITEM 1

VENTURA PORT DISTRICT
PRELIMINARY BUDGET FOR
FY2016-2017 AND
PRELIMINARY FIVE YEAR CAPITAL
IMPROVEMENT PLAN

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

WORKSHOP AGENDA ITEM 1
Meeting Date: June 08, 2016

To: Board of Port Commissioners
From: Oscar Peña, General Manager
Brian Pendleton, Business Operations Manager
Gloria Adkins, Accounting Manager
Subject: FY 2016–2017 Preliminary Budget and Five Year Capital Improvement Plan

RECOMMENDATION:

That the Board of Port Commissioners review and discuss the 2016–2017 Ventura Port District Preliminary Budget and Five Year Capital Improvement Plan (CIP).

SUMMARY:

On May 11, 2016 the Board of Port Commissioners reviewed and discussed the 2016–2017 Ventura Port District Preliminary Budget and Five Year Capital Improvement Plan (CIP). Since that time some adjustments have been made based upon that prior discussion and additional information. Those changes are reflected in the proposed Preliminary Annual Budget and Five Year Capital Improvement Plan (CIP) as described in the narrative below.

INTRODUCTION:

We are pleased to present a budget for the District for FY2016-17 that continues to build the momentum for both the District and our stakeholders in the harbor community.

The General Manager, Business Operations Manager and the Accounting Manager play an important role with the preparation of a responsible budget. The attached budget was developed in concert with Department Managers to establish a blue print for providing services throughout the harbor and as a working financial plan for the fiscal year. It also represents the plan by which Port District policies, priorities and programs are implemented. The budget provides the means to communicate with stakeholders, businesses and employees how the District's financial resources are used to provide services and support to the harbor community. The budget includes projected income from our leasehold, operating costs and the Capital Improvement projects that the District plans to undertake during the fiscal year.

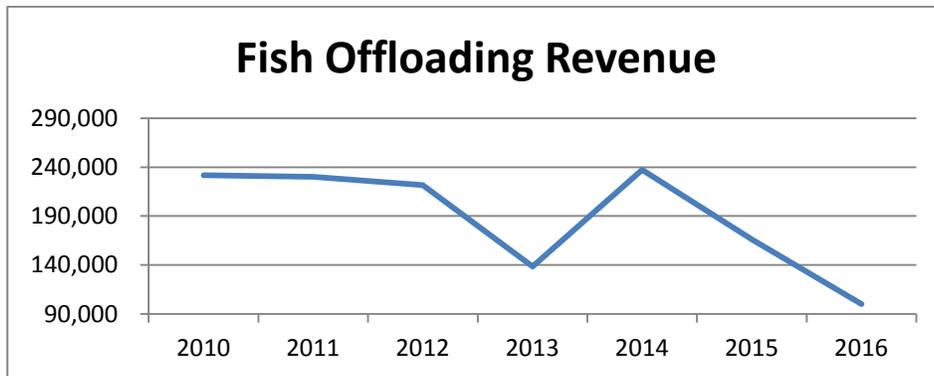
The budget process began in March with Department Managers forecasting and preparing budgets for operating revenues and expenses of existing and proposed services, programs, and capital expenditures for fiscal year 2016–2017. In collaboration with staff the numbers were compiled and analyzed for the Board's review.

There have been some success stories in this fiscal year that pave the way for more opportunity in the future. The addition of a Business Operations Manager to the District staff has introduced new initiatives. Our leasing team has created more diversity in the tenant mix at Harbor Village with new retailers, restaurants, and a new Fish Market. The occupancy level today is 97%. These new and expanded tenancies will increase revenues in the FY2016-17.

The District refinanced the Certificates of Participation and the loans with the Department of Boating and Waterways. This refinancing will result in savings of approximately \$2.6M over the next 20 years.

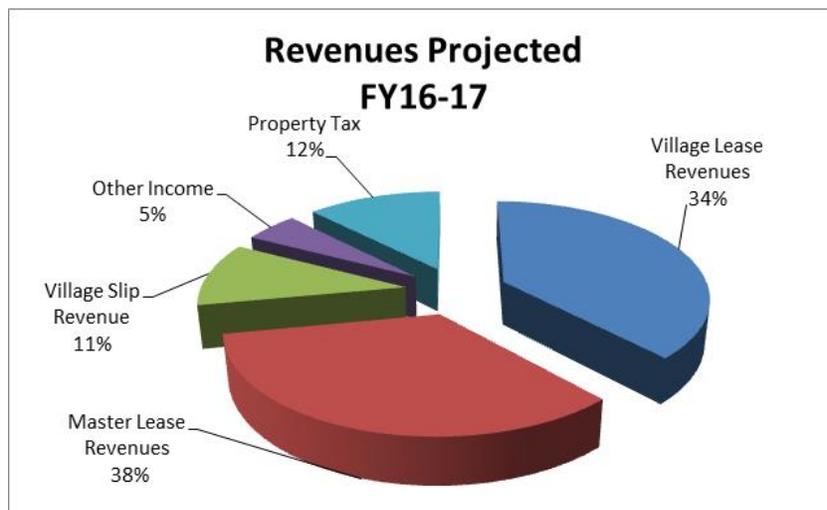
El Niño caused problems with the harbor entrance this year which affected some of our commercial fishermen, fuel docks, boatyards and charter vessels. There may have been others but these categories were impacted the most. In a collaborative effort with the Army Corps of Engineers, the District was able to increase our dredging funding from \$4.83 million to include an additional \$2.5 million. The total funding for the FY2016 dredging effort was \$7.33 million which removed approximated 900,000 cubic yards of sand from the harbor entrance and sand trap. This was made possible in large part by Congresswoman Julia Brownley and high level Corps staff. This dredging effort has created a safe and navigable harbor for the future. We will continue our efforts to ensure the Ventura Harbor receives adequate funding from the federal government in the future.

Commercial fishing has always been an important part of the heritage of the harbor and provides revenue to the District through the offloading fees. Unfortunately, commercial fishing in our region for California Market Squid has been down since 2013 and there are no indicators this will change for 2017. Obviously, warmer water caused by El Niño has affected this fishery. Below is a chart that tracks Fish Offloading Revenue.



As an enterprise, the District generates 88% of its total revenues from all of the real estate transactions in the harbor. In other words, the District receives a minimum rent and/or a percentage of a tenant's gross sales from all of the business operations in the harbor (excluding the Channel Islands National Park). The other 12% of non-operating revenues are derived from the Port District's share of property taxes within the City of Ventura and dedicated to public safety through our Harbor Patrol: Every public agency in the City receives a percentage of these property taxes.

The total revenue projected for the 2016-2017 Fiscal Year is \$8,734,000. Below is a chart that identifies the source of these revenues:

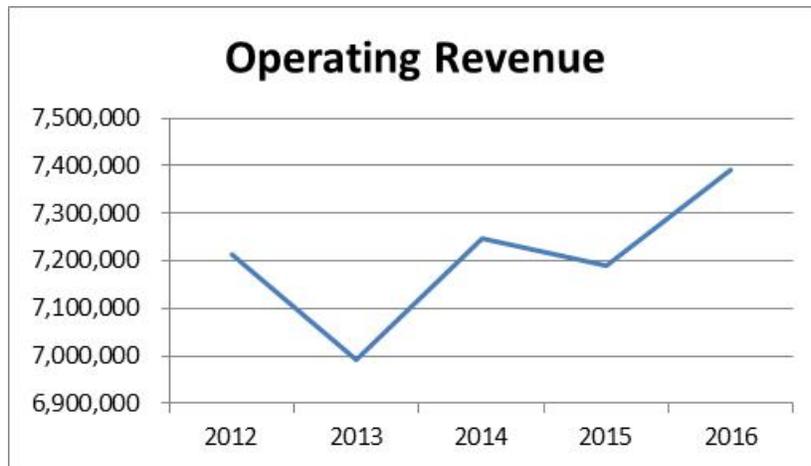


OPERATING REVENUE:

Staff has developed a fiscally conservative budget for FY2016-17. There is only a slight increase in revenues associated with the Harbor Village complex because of anticipated construction activity in the common area associated with the accessibility improvements. This could have an impact on tenant sales and the percentage rent paid to the District. Sondermann Ring Partners (SRP) will likely exercise the option and execute the ground lease. This results in minimum rent of \$240,000 for FY2016-17. Next year the annual rental will be \$300,000.

Unfortunately, the marina industry is still experiencing higher vacancies which have resulted in lower revenues. Although there have been slight improvements, overall there are still 1,100 slips in Ventura County that are vacant. In Ventura Harbor there are 275 slips vacant out of an inventory of 1,253 slips. Fortunately, occupancy levels at Harbor Village have improved; this is primarily with office and retail space. Restaurants in the harbor are doing a good job competing with other restaurants within the Ventura/Oxnard areas.

We are projecting a 3% increase in operating revenues. Below is a graph that outlines the operating revenue from 2012 to 2016. As you can see there is a slight upward trend in revenue.



OPERATING EXPENSES:

There is a projected 3% increase in the budget which is partially attributed to the proposed increase in payroll expenses. This is slightly less than the increase from the year ending 2015 to 2016 (see below schedule). Since the meeting on May 11, one change was made to the Marketing budget to include street banners on Spinnaker Drive for \$9,000.

Total Operating Expenditures

2015	4,818,854	- 2%
2016	5,071,500	5%
2017	5,246,000	3%

The District has implemented a wage freeze in four of the past five years. The General Manager is proposing an increase of four percent (4%) to the payroll section of the budget. If

approved, performance evaluations will be conducted for each employee and appropriate salary and wage adjustments will be made in July 2016. This represents an increase to District wages of approximately \$75,000 in wages and retirement costs of approximately \$11,000 for a total cost of approximately \$86,000. Staff recommends that the Board consider this increase to help off-set increases to medical insurance premiums.

The District continues to pay for all State mandated increases in retirement costs. These District funded retirement costs have risen an average of twelve (12.2) percent annually for public safety employees and nearly four (3.8) percent annually for miscellaneous employees. District employees continue to pay all increases to medical insurance premiums. For employees with a family coverage rate, these premium increases averaged thirteen (13) percent annually for HMO plans and eight (8) percent annually for PPO plans since 2008. The District's contribution toward employee insurance benefits is \$600 per month.

On the California Department of Finance (DOF) website, there is information provided about wages and salaries for government agencies that track/projects the annual percentage change in salaries and wages over time. The chart below represents the percentage increase from 2013 to 2017:

2013	2014	2015	2016	2017
1.1%	4.3%	3.3%	3.7%	3.9%

The 3.9% increase in salary and wages is in line with staff's recommendation. Examples of other government agencies within the region over the past two years range from approximately three (3) to five (5) percent.

CAPITAL IMPROVEMENTS:

Implementing an aggressive five year Capital Improvement Plan (CIP) has been a priority to the District. Some of the priorities include accessibility Improvements at Harbor Village and various roof replacements at Harbor Village

The planning for all of these projects are already underway and have been discussed with the Board in previous Board meetings. However, in evaluating cash flow projections and project priorities several proposed changes to the CIP have been made. Two new projects have been added related to Parking Management Plan short and mid-term strategies. Phase 4 accessibility improvements at Harbor Village has been added to the CIP, while Village restroom accessibility improvements have been deferred to 2020-21 with prioritization of the restroom modifications in The Greek restaurant for 2016-17. The Harbor Village Entrance Revitalization (Harbor Blvd / Spinnaker Drive) which did not exist in previous fiscal year CIP plans is now included from 2018-19 to 2020-21.

Below is a summary of the projected revenues and expenditures for the 2016-17 fiscal year:

Preliminary Budget Summary

Operating Income	\$7,644,000
Non-operating Income (Property Tax)	<u>1,090,000</u>
Total Income	\$8,734,000
Operating Expenses	\$5,246,000
Non-operating Expenses (Debt Service)	1,265,000
Harbor Patrol / Safety / Launch Ramp	<u>1,257,500</u>
Total Expenditures	\$7,768,500
Cash Flows Before Improvements ¹	\$965,500
Total Capital & Accessibility Improvements	\$2,865,000
Building Tenant Improvements ²	<u>\$257,000</u>
Deficit Cash Flow after all Improvements	<u>\$(2,156,500)</u>

Notes:

¹Grant monies are not included in the projected revenues or expenses.

²See separate worksheet schedule for Building Tenant Improvements.

Attached is the proposed preliminary budget for 2016–2017 and proposed Five Year Capital Improvement Plan. Included with these reports are detailed worksheets of the budget by department and a five-year capital improvement plan.

The FY16-17 preliminary budget reflects a positive cash flow of \$965,500 from normal operations. The budget also reflects building tenant improvements of \$257,000 and capital & accessibility improvement expenditures of \$2,865,000, of which \$2,156,500 of these improvements will be funded using unrestricted cash reserves.

The Commission has also engaged Associated Transportation Engineers (ATE) who has prepared a parking management plan for existing uses throughout the harbor, but with particular emphasis on the Harbor Village area. Parking surveys were conducted during summer 2015 by Associated Transportation Engineers (ATE) on behalf of the District. The surveys demonstrated that many Harbor Village parking lots were at or near capacity on weekend afternoons during the peak season times studied. This was not the case on weekdays, where parking availability was much greater. This parking management plan will help maximize available parking to the benefit of visitors and customers in the Harbor Village complex and beach areas.

There is an opportunity to replace docks D, G and H at Harbor Village Marina. District staff is still evaluating the replacement cost and the potential of securing financing for this is approximately \$4.4M dock replacement project. This will be included in the final capital improvement budget.

As part of the Five Year Capital Improvement Plan, staff has developed a Historical and Projected Cash Flow Report that forecasts available unrestricted cash reserves through FY2023. This report includes all improvement projects indicated on the Five Year Capital Improvement Plan and the Tenant Improvement Plan. (See Attachment 6)

The report factors in the District's Reserve Policy that requires a 40% reserve balance be maintained annually. This represents 40% of the District's operating expenses annually.

When all of the income and expenses are factored into this report, we are able to calculate the total value of the unrestricted reserves at the end of June 30th of each fiscal year available for future improvements after the 40% has been set aside.

The Unrestricted Capital Improvement Reserves at June 30 each year is highlighted in dark blue on the cash flow report. The outcome reflects that there is a surplus of funds available each year.

The assumptions in this report are contingent upon the revenues received from the Sondermann Ring Project.

FUTURE OUTLOOK:

The General Manager will continue to manage the harbor operations, facilitate the harbor-wide distribution of public information and ensure that services are provided efficiently, effectively and with diligent oversight. District staff will continue to further the District's Mission Statement.

Several key projects are on the immediate horizon at the Harbor including SRP's Portside Ventura Harbor project consisting of 300 apartments, 20,000 square feet of commercial space, 150-boat marina, public park, and public launch ramp. Also the Holiday Inn Express 40-room expansion with new lobby and amenities is nearly entitled. In preliminary planning stages are the Ventura Harbor Marina and Yacht Yard expansion which would double boat slips from 40 to 80 and add a two-story retail, office building w/ handicap access. Also underway is a multi-phased accessibility and common area enhancement capital improvement project in Harbor Village.

The Ventura Port District has been awarded a two year, approximately \$300,000 Sea Grant fund in collaboration with the Ventura Shellfish Enterprise (VSE), a multi-stakeholder initiative that seeks to permit and manage a commercial shellfish culture as a technically proven method for the production of high value seafood to be landed at Ventura Harbor. We are hopeful this new sustainable fishery will potentially improve the District's revenues in the future.

A Request for Proposals for development of visitor serving uses on two District parcels has been approved by the Commission and is currently underway. Development proposals are due in August 2016.

GOALS AND OBJECTIVES:

The Board of Port Commissioners adopted six goals in 2004, which remain in effect today to support its mission statement;

“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.”

The District will provide a rewarding and vibrant coastal marine experience to its residents and visitors through efficient and timely execution of the District Goals presented in Attachment 7. Each of these six goals have corresponding objectives. These proposed objectives for Fiscal Year 2016-2017 were inspired by the mission statement and goals and are reflective of the District’s budget and CIP.

Staff is very excited about these new opportunities and what they might bring to Ventura Harbor Village and the Ventura Port District.

ATTACHMENTS:

Attachment 1 - Preliminary Budget FY2016-17

Attachment 2 - Summary of Five Year Capital Improvement and Accessibility Plan

Attachment 3 - Preliminary Budget by Department

Attachment 4 - Capital Improvement and Accessibility Improvement Five Year Projection Detail

Attachment 5 – FY16-17 Tenant Improvement Budget

Attachment 6 – Historical & Projected Revenue and Expense Cash Flows

Attachment 7 – Goals and Objectives

Attachment 8 – Letter from Kevin Clerici, Executive Director of Downtown Ventura Partners, dated May 9, 2016

**VENTURA PORT DISTRICT
PRELIMINARY ANNUAL BUDGET
FOR FISCAL YEAR 2016-17
6/08/2016**

	<u>Actual 2014-15</u>	<u>Budget 2014-15</u>	<u>Est/Act 2015-16</u>	<u>Budget 2015-16</u>	<u>Budget 2016-17</u>	<u>Comments</u>
OPERATING REVENUE						
Parcel Lease Income	2,945,857	2,990,000	3,085,000	3,035,000	3,100,000	
SRP Lease	60,000	60,000	60,000	60,000	240,000	SRP in final permitting stages/9mos@\$25k each
Dry Storage Income	83,787	80,000	110,000	97,000	110,000	
Commercial Fishermen's Storage	69,453	70,000	70,000	76,500	76,500	
Parking Income	62,895	55,000	70,000	65,000	70,000	
Misc. Income/Rentals	126,805	109,000	97,500	101,500	71,000	
Harbor Village Lease Income						
Retail	450,752	425,000	430,000	410,000	460,000	
Restaurant	912,900	870,000	965,000	965,000	965,000	
Offices	558,711	555,000	605,000	605,000	630,000	
Charters	358,826	355,000	340,000	350,000	300,000	
Commercial Fishing Premises	70,337	70,000	95,000	95,000	130,000	
Fish Offloading	166,045	150,000	100,000	120,000	100,000	
Harbor Village Misc. Income	3,754	6,000	5,500	6,000	5,500	
Booth/Vendor Income	11,800	9,500	13,000	10,000	7,500	
Sponsorships	17,225	16,500	17,000	16,500	14,000	
Harbor Event Permits	43,754	33,000	42,000	40,500	34,500	
Harbor Village Marina Slip Rentals	888,259	876,000	901,000	926,000	930,000	
Harbor Village CAM Income	273,628	270,000	300,000	295,000	305,000	
Harbor Village Merchants Promo Dues	85,878	80,000	85,000	90,000	95,000	
TOTAL OPERATING REVENUE	7,190,666	7,080,000	7,391,000	7,364,000	7,644,000	
% change from previous years actual	-1%		3%		3%	
OPERATING EXPENDITURES						
<u>Personnel Expenses</u>						
Total Wages	1,561,080	1,584,500	1,572,700	1,640,500	1,646,500	
<u>Other Personnel Expenses</u>						
Payroll Taxes	24,616	27,500	24,700	29,500	26,000	
Workers Comp Insurance	121,803	123,000	63,000	63,000	80,000	
Medical & Life Insurance	212,998	221,500	216,500	224,000	224,000	
Optional Benefit Plans	144,013	146,000	145,500	149,000	149,000	
Retirement Contributions	346,096	368,500	388,000	389,500	421,500	
Totals Other Personnel Exp	849,526	886,500	837,700	855,000	900,500	
Total Personnel Expenses	2,410,606	2,471,000	2,410,400	2,495,500	2,547,000	
% change from previous years actual	0%		0%		6%	

FY16-17 Budget Continued, 6/08/2016

	<u>Actual 2014-15</u>	<u>Budget 2014-15</u>	<u>Est/Act 2015-16</u>	<u>Budget 2015-16</u>	<u>Budget 2016-17</u>	<u>Comments</u>
<u>General Expenses</u>						
Advertising (Public notices)	10,360	12,000	6,000	6,000	7,000	
Leasing / Real Estate	-	-	17,000	17,000	17,000	
Port District Open House	550	5,000	4,000	4,000	4,000	
Auto Mileage & Allowance	12,013	15,000	13,500	13,500	11,500	
Auto/Boat Equip & Maint.	26,096	34,000	27,000	34,500	32,000	
Bad Debt	24,375	36,000	25,000	25,000	25,000	
Bank Fees & Other Misc.	10,226	15,000	15,000	15,000	15,000	
Building Maintenance	167,222	229,000	213,000	243,000	243,000	
Communications	42,402	41,000	55,000	43,000	50,000	
Conferences, Meetings & Training	27,846	42,500	35,500	41,500	39,000	
Dock & Fish Pier Maint. & Repairs	43,165	59,000	46,000	49,000	44,500	
Equipment Rental	10,924	22,000	18,500	18,500	21,500	
Village Enhancements	19,560	50,000	35,000	35,000	-	Moved to Building Maintenance
General Harbor Maintenance	4,668	5,000	4,000	4,000	4,000	
General Liability Insurance	273,447	274,500	260,000	260,000	264,000	
Grounds Maintenance	85,758	155,500	114,500	111,000	114,000	
Janitorial Supplies	41,082	52,000	53,000	60,500	57,000	
Land/Building Rental Expense	69,453	70,000	70,000	76,500	76,500	
Memberships & Subscriptions	19,305	21,000	21,600	21,500	23,000	
Office Computer Equip & Related	19,726	24,000	23,000	20,500	31,000	
Office Supplies & Equipment	25,297	51,500	30,000	30,000	31,500	
Operating Supplies	23,644	34,500	30,000	34,000	30,500	
Other Equipment & Repairs	35,491	41,500	49,000	46,000	42,000	
Professional Serv. - Auditing	13,483	15,000	15,000	20,000	35,000	VPD audit & acctg assistance \$20k & tenant audits \$15k
Professional Serv. - Legal	228,847	240,000	195,000	245,000	200,000	FY15-16 reduction due to reimbursement of fees from others
Professional Serv. - Shellfish Legal	-	-	-	-	20,000	
Professional/Outside Services	291,577	363,500	276,500	304,500	320,500	Parcel 5/8 RFP real estate and preliminary title expenses; Village broker commissions; Parking Study
Prof. Serv/Downtown Trolley Partnership	24,000	25,000	24,000	24,000	24,000	
Uniforms & Tool Allowances	12,974	15,500	17,000	17,000	17,500	
Utilities and Trash	344,204	383,000	363,500	411,500	378,000	
Dredging Related Expenses	227,706	260,000	313,000	305,000	236,000	
Total General Expenses	2,135,401	2,592,000	2,369,600	2,536,000	2,414,000	
% change from previous years actual	-5%		11%		2%	
<u>Marketing & Promotional Expenses</u>						
Advertising & Marketing	131,070	131,000	134,500	134,500	137,000	
Ad Production/Graphic Design	20,700	20,000	22,000	22,000	20,000	
Street Event Banners	641	1,000	1,500	1,500	10,500	Add \$9,000 for street banners along Spinnaker Dr.
Village Maps/Promotional Materials	17,667	20,000	16,500	16,500	15,000	
Certified Rack	2,447	2,500	2,500	2,500	2,500	
Tourism Outreach, FAM Tours and Meetings	3,552	9,000	9,000	9,000	9,500	
Entertainment & Music	21,181	23,000	23,000	23,000	20,000	
Brand Build/Promotions/Campaigns/Events	56,684	60,000	63,500	63,500	60,000	

FY16-17 Budget Continued, 6/08/2016

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
Operating Expenditures, Marketing & Promotional Expenses Continued						
Equipment Rental-Copier Village Office	5,068	6,000	5,000	5,000	-	Moved to Admin budget
Content/Web/Paid Social Media	13,762	18,500	13,600	13,600	10,000	
Miscellaneous	75	500	400	400	500	
Total Marketing & Promotional Expenses	<u>272,847</u>	<u>291,500</u>	<u>291,500</u>	<u>291,500</u>	<u>285,000</u>	
% change from previous years actual	0%		7%		-2%	
TOTAL OPERATING EXPENDITURES	4,818,854	5,354,500	5,071,500	5,323,000	5,246,000	
% change from previous years actual	-2%		5%		3%	
Operating Cash Flows In (Out)	2,371,812	1,725,500	2,319,500	2,041,000	2,398,000	
NON-OPERATING and OTHER EXPENDITURES						
Harbor Patrol expenses not funded by property taxes	142,124	218,000	161,000	168,000	167,500	
Cost of Issuance/Rate resetting premium	-	-	135,600	135,600	-	
COP's Interest Payment	450,213	455,000	435,000	435,000	300,000	
COP's Series 2016 Interest Refunded DBW loan	-	-	-	-	140,000	
DBAW Loan#1 Interest Payment \$4m	158,977	160,000	160,000	160,000	-	DBW Loans refunded as Series 2016 COP's
DBAW Loan#2 Interest Payment \$1.5m	54,250	55,000	55,000	55,000	-	
Principle Payments on bonds/loans	<u>616,306</u>	<u>620,000</u>	<u>640,000</u>	<u>640,000</u>	<u>825,000</u>	
TOTAL NON-OPER. EXPENDITURES	1,421,870	1,508,000	1,586,600	1,593,600	1,432,500	
Annual Cash Flows In (Out) from normal operations before any Improvements	949,942	217,500	732,900	447,400	965,500	
Building Tenant Improvements	163,911	230,000	285,000	285,000	257,000	See Attached Schedule
Accessibility Improvements	117,768	265,000	800,000	800,000	1,660,000	See attached Capital Improvement and ADA Accessibility Improvement Plan
Capital Improvements Projects	202,220	1,581,000	1,230,000	1,230,000	1,205,000	See attached Capital Improvement and ADA Accessibility Improvement Plan
Annual Cash Flows In (out) after Improvements	466,043	(1,858,500)	(1,582,100)	(1,867,600)	(2,156,500)	
Improvements funded through Unrestricted Improvement Reserve Fund	(466,043)	1,858,500	1,582,100	1,867,600	2,156,500	
Projected Unrestricted Reserve Balance	\$ 7,704,000	\$ 5,700,000	\$ 6,104,000	\$ 6,134,000	\$ 4,607,500	
Onetime Lease Revenue			630,000	630,000	1,200,000	
Adjusted Unrestricted Reserve Balance	\$ 7,704,000	\$ 5,700,000	\$ 6,734,000	\$ 6,764,000	\$ 5,807,500	

FY16-17 Budget Continued, 6/08/2016

Harbor Patrol Department Expenses funded from Property Taxes and Assessments collected by the County of Ventura

	<u>Actual</u> <u>2014-15</u>	<u>Budget</u> <u>2014-15</u>	<u>Est/Act</u> <u>2015-16</u>	<u>Budget</u> <u>2015-16</u>	<u>Budget</u> <u>2016-17</u>	<u>Comments</u>
Property Taxes and Assessments from County	1,042,763	1,010,000	1,070,000	1,070,000	1,090,000	
	5%		3%		2%	
<u>Harbor Patrol Personnel Expenses</u>						
Total Wages	604,676	626,500	678,500	674,000	648,500	
Payroll Taxes	10,761	15,000	15,000	15,000	14,500	
Workers Comp Insurance	192,000	192,000	108,000	108,000	140,000	
Medical & Life Insurance	54,578	59,000	50,500	50,500	61,500	
Optional Benefit Plans	47,089	50,000	45,000	45,000	45,000	
Retirement Contributions	91,264	95,000	122,500	117,000	122,500	
Total Harbor Patrol Personnel Exp	<u>1,000,368</u>	<u>1,037,500</u>	<u>1,019,500</u>	<u>1,009,500</u>	<u>1,032,000</u>	
% change from previous year actual	6%		2%		1%	
<u>Harbor Patrol Other Expenses</u>						
Uniforms	25,021	31,000	18,000	18,000	13,000	
Oil & Fuel Expense	26,201	34,000	31,000	34,000	34,000	
Operating Supplies & Expense	10,510	21,000	36,000	36,000	35,000	
Boat Maintenance	85,363	60,000	65,000	65,000	60,000	
Auto Equip & Maint.	6,463	5,000	8,500	8,500	8,500	
Conferences & Training	6,235	3,500	4,000	4,000	5,000	
Summer Lifeguard Services	24,726	32,000	45,000	59,000	65,000	
Professional Services	-	4,000	4,000	4,000	5,000	
Total Harbor Patrol Other Expenses	<u>184,519</u>	<u>190,500</u>	<u>211,500</u>	<u>228,500</u>	<u>225,500</u>	
% change from previous year actual	15%		15%		7%	
Total Harbor Patrol Expenses	1,184,887	1,228,000	1,231,000	1,238,000	1,257,500	
	7%		4%		2%	
Expenditures remaining after Property Tax Revenues were applied are funded from Operating Revenues	(142,124)	(218,000)	(161,000)	(168,000)	(167,500)	

FY16-17 Budget Continued, 6/08/2016

Expenditures funded by Grants and Special Funding

	<u>Actual</u> <u>2014-15</u>	<u>Budget</u> <u>2014-15</u>	<u>Est/Act</u> <u>2015-16</u>	<u>Budget</u> <u>2015-16</u>	<u>Budget</u> <u>2016-17</u>	<u>Comments</u>
<u>Grants and Special Funding</u>						
DBAW Grants-abandon vessel & vessel turn-in	10,563	13,500	5,500	5,500	14,000	
DBAW Grants-Boat Equipment	-	49,500	-	59,500	55,000	
DBAW Grant-Training Expense Reimburseme	-	6,000	10,000	10,000	10,000	
DBAW Grants-Launch Ramp Slope	21,881	167,000	-	-	-	
TOTAL GRANTS & SPECIAL FUNDING	32,444	236,000	15,500	75,000	79,000	
<u>Projects, Equipment and Training Expenses</u>						
Vessel Salvage-Abandoned and Turn-in	10,563	13,500	5,500	5,500	14,000	
Boat Engines & Equipment for new boat	-	49,500	-	59,500	55,000	
Harbor Patrol Training	-	6,000	10,000	10,000	10,000	
Renovate Launch Ramp Slope	21,881	167,000	-	-	-	
TOTAL PROJECTS & EQUIPMENT	32,444	236,000	15,500	75,000	79,000	

**Capital Improvements and ADA Improvements Plan
Summary of Five Year Projection**

Item #	Project Location/Description	Fiscal Yr 16-17	Fiscal Yr 17-18	Fiscal Yr 18-19	Fiscal Yr 19-20	Fiscal Yr 20-21
1	National Park Service Bldg - refurbish chair elevator			15,000		
2	Harbor Village Bldgs - refurbish elevators	105,000	125,000			
3	Harbor Village Bldgs - maintain/replace vinyl windows	130,000				
4	Harbor Village Bldgs-replace/repair roofs/tiles/gutters	500,000	700,000	650,000		
5	National Park Service Bldg - 1691 Bldg - HVAC system				100,000	
6	Harbor Village Bldgs - paint all exterior walls/trim/facades		500,000			
7	Dry Storage Lot - replace/repair fencing				20,000	
8	Fish Pier - resurface as needed		370,000			
9	Fish Pier Crane - replace aging crane					120,000
10	District Headquarter - replace Patrol vehicle & Maintenance vehicles	160,000		40,000		40,000
11	District Headquarters - replace HVAC condenser unit system				20,000	
12	District Headquarters - emergency generator				70,000	
13	Harbor - all parking lots - repair as needed/slurry coating			650,000		
14	Harbor Village Entry Feature - repairs	60,000				
15	Schooner Drive Entry Signage	100,000				
16	Harbor Village Entrance Feature Revitalization					500,000
17	Harbor Village Trash Enclosure - refurbish	50,000				
18	New Launch Ramp Pay Station			20,000		
19	Parking Lot stripping reconfiguration	100,000			50,000	
20	Paid Parking Equipment and Infrastructure			250,000		
21	Carousel Courtyard Revitalization & Phase 3 ADA Accessibility	1,500,000				
22	Additional Parking Lot ADA Improvements	100,000				
23	Harbor Village - ADA Restroom Improvements	60,000				250,000
24	Harbor Village - ADA Restrooms, Shower, and Laundry Facilities Improvements					300,000
25	Harbor Village - ADA Phase 4				500,000	
	Total Capital Improvement Plan	1,205,000	1,695,000	1,625,000	260,000	660,000
	Total ADA Improvement Plan	1,660,000	-	-	500,000	550,000
	TOTAL CAPITAL IMPROVEMENTS & ADA IMPROVEMENTS	2,865,000	1,695,000	1,625,000	760,000	#####

**VENTURA PORT DISTRICT
PRELIMINARY BUDGET BY DEPARTMENT
FISCAL YEAR 2016-17**

prelim 6/08/2016

	<u>Actual 2014-15</u>	<u>Budget 2014-15</u>	<u>Est/Act 2015-16</u>	<u>Budget 2015-16</u>	<u>Budget 2016-17</u>	<u>Comments</u>
OPERATING REVENUE						
Parcel Lease Income	2,945,857	2,990,000	3,085,000	3,035,000	3,100,000	
SRP Lease Rent	60,000	60,000	60,000	60,000	240,000	SRP in final permitting stages/9mos@\$25k each
Dry Storage Income	83,787	80,000	110,000	97,000	110,000	
Commercial Fishermen's Storage	69,453	70,000	70,000	76,500	76,500	
Boat Wash-down Income	5,030	3,000	4,000	4,500	4,000	
Commercial ID's Income	7,395	7,000	7,500	6,000	7,000	
Parking Income	62,895	55,000	70,000	65,000	70,000	
Sales of Services & Supplies	3,891	15,000	5,000	5,000	5,000	
Misc. Rentals	61,144	59,000	56,000	56,000	30,000	Category includes Venco Pipeline \$25k; Misc \$5k
Investment Income	49,345	25,000	25,000	30,000	25,000	
Harbor Village Lease Income						
Retail	450,752	425,000	430,000	410,000	460,000	Reflects new retail stores opening; Island Creations; Sock Store; & Barefoot Boutique expansion
Restaurant	912,900	870,000	965,000	965,000	965,000	Conservative estimate due to Phase 2 accessibility construction
Offices	558,711	555,000	605,000	605,000	630,000	Increased occupancy
Charters	358,826	355,000	340,000	350,000	300,000	Projected reduction in Island Packer Charters/damaged pier at Santa Cruz Island
Commercial Fish Premises	70,337	70,000	95,000	95,000	130,000	Adjusted to include changes to Del Mar Lease
Fish Offloading	166,045	150,000	100,000	120,000	100,000	
Tenant Late Charges	647	1,000	500	1,000	500	
Vending Machines/Misc Sales	3,107	5,000	5,000	5,000	5,000	
Booth/vendor income	11,800	9,500	13,000	10,000	7,500	Reduction due to no pirate days
Sponsorships/Co-Op Advertising	17,225	16,500	17,000	16,500	14,000	
Harbor Event Permit Fees	43,754	33,000	42,000	40,500	34,500	Blackbeard's no longer available for sublease
Marina Slip Rentals	855,686	850,000	870,000	900,000	900,000	Includes a projected slip rate increase of 4%
Marina Electrical Income	32,573	26,000	31,000	26,000	30,000	
CAM Income	273,628	270,000	300,000	295,000	305,000	
Merchants Promotion Dues	85,878	80,000	85,000	90,000	95,000	
TOTAL OPERATING REVENUE	7,190,666	7,080,000	7,391,000	7,364,000	7,644,000	
	Increase / -Decrease over prev year	-1%	3%		3.4%	

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
OPERATING EXPENDITURES BY DEPARTMENT						
<u>Maintenance Personnel Expenses</u>						
Regular Salaries	251,576	250,000	246,000	260,500	284,000	Payroll restructuring
Overtime Pay	2,319	6,000	3,000	4,500	3,000	
Holiday Pay	1,114	2,000	1,500	2,000	2,000	
Payroll Taxes	4,523	4,500	4,000	5,500	4,500	
Workers Comp Insurance	37,500	37,500	18,000	18,000	23,000	
Medical & Life Insurance	38,261	39,500	39,000	41,500	41,000	
Employee Optional Benefits	24,370	24,000	23,500	24,000	24,000	
Retirement Contributions	62,461	64,000	69,000	69,000	81,000	Payroll restructuring
Total Maintenance Personnel Expenses	422,124	427,500	404,000	425,000	462,500	
Increase / -Decrease over prev year	-3%		-4%		14%	
<u>Maintenance Other Expenses</u>						
Uniforms	4,124	6,000	6,500	6,500	6,500	
Oil & Fuel Expense	5,843	11,000	7,500	10,000	8,000	
Operating Supplies	19,729	22,500	22,000	22,000	22,500	
Janitorial Supplies	12,325	18,500	20,000	25,000	14,500	
Equipment Rental	3,828	10,500	10,000	10,000	8,000	
Auto Maintenance	11,658	15,500	10,000	15,000	14,000	
Building Maintenance	158,851	180,000	184,000	184,000	214,000	Added \$30,000 from Village Enhancements
Grounds Maintenance	46,403	100,000	67,500	67,500	70,000	
Village Enhancements	19,560	50,000	35,000	35,000	-	Moved to Building Maintenance
Seasonal Decorations	21,845	26,000	27,500	26,000	26,000	
Harbor Maintenance	4,668	5,000	4,000	4,000	4,000	
Docks Maint. & Repairs	7,099	8,000	4,000	7,000	6,500	
Equipment & Repairs	31,295	35,000	40,000	40,000	36,000	Includes: elevators inspections & repairs; building fire sprinklers inspections & repairs; repairs/replacement of small tools & equipment
Conferences & Training	4,736	6,000	2,000	5,000	5,000	
Utilities-Electrical	50,007	60,000	60,000	65,000	60,000	
Utilities-Gas	1,701	2,500	2,000	2,000	2,000	
Utilities-Water	32,808	36,000	40,000	40,000	40,000	
Trash Disposal	16,534	20,000	15,000	20,000	18,000	
Outside Services	47,964	40,000	54,000	82,000	84,000	SRP parcel cleanup has been deferred to FY1617
Total Maintenance Other Expense	500,978	652,500	611,000	666,000	639,000	
Increase / -Decrease over prev year	-27%		22%		5%	
Total Maintenance	923,102	1,080,000	1,015,000	1,091,000	1,101,500	
Increase / -Decrease over prev year	-18%		10%		9%	

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
Administration & General Personnel Exp						
Regular Salaries	595,438	605,000	600,000	635,000	650,500	Payroll restructuring
Overtime Pay	557	3,500	2,500	2,500	2,500	
Holiday Pay	-	-	250	-	500	
Payroll Taxes	7,628	7,500	7,700	7,500	8,500	
Workers Comp Insurance	7,103	8,500	4,000	4,000	6,000	
Medical & Life Insurance	60,711	64,500	56,000	57,000	56,500	
OPEB Benefits	9,286	8,500	12,000	12,000	12,500	
Employee Optional Benefits	45,420	46,000	48,000	49,000	49,500	
Retirement Contributions	148,267	154,000	169,500	169,500	183,000	
Total Admin. & General Personnel Exp	874,410	897,500	899,950	936,500	969,500	
Increase / -Decrease over prev year	-2%		3%		8%	
General & Administration Other Expenses						
Advertising (public notices)	10,360	12,000	6,000	6,000	7,000	
Leasing / Real Estate	-	-	17,000	17,000	17,000	
Port District Open House	550	5,000	4,000	4,000	4,000	
Telephone/WiFi Communications	42,402	41,000	55,000	43,000	50,000	AT&T office phones, Verizon-cell phones, wifi & internet
Rental Expense	69,453	70,000	70,000	76,500	76,500	
General Insurance	131,331	131,500	125,000	125,000	126,000	
Memberships	13,335	14,500	14,300	14,300	16,000	Increase for Business Operations Mgr's memberships
Memberships-LAFCO Contribution.	5,009	5,000	5,700	5,700	5,500	LAFCO Prelim budget 4/20/16 meeting
Subscriptions	961	1,500	1,600	1,500	1,500	
Office Supplies & Equipment	21,208	45,000	25,000	25,000	26,500	
Office Computer Equipment	17,298	21,000	15,000	12,500	23,000	
Security cameras/installs/maintenance	2,428	3,000	8,000	8,000	8,000	
Postage & Express	4,089	6,500	5,000	5,000	5,000	
Equipment Rental	7,096	11,500	8,500	8,500	13,500	Added Marketing/Marina Copier rental expense
Auto Mileage & Allowance	12,013	15,000	13,500	13,500	11,500	
Conferences & Meetings	22,552	35,000	33,000	33,000	31,500	
Professional Services - Auditing & Accounting	13,483	15,000	15,000	20,000	35,000	VPD audit & acctg assistance \$20k & tenant audits \$15k
Professional Services - Legal	228,847	240,000	195,000	245,000	200,000	FY15-16 reduction due to reimbursement of fees from others
Professional Services - Shellfish Legal	-	-	-	-	20,000	
Professional Services - All others	145,671	223,500	121,000	121,000	135,500	Parcel 5/8 RFP real estate and preliminary title expenses; Village broker commissions; Parking Study
Trolley services to stop in Harbor	24,000	25,000	24,000	24,000	24,000	
Bad Debt/Uncollectable accounts	24,375	36,000	25,000	25,000	25,000	
Bank Fees & Other Misc.	10,226	15,000	15,000	15,000	15,000	
Total Admin. & General Other Expenses	806,687	972,000	801,600	848,500	877,000	
Increase / -Decrease over prev year	0%		-1%		9%	
Total Admin & General Exp	1,681,097	1,869,500	1,701,550	1,785,000	1,846,500	
Increase / -Decrease over prev year	-1%		1%		9%	

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
Harbor Village Marina Personnel Expenses						
Regular Salaries	213,401	225,000	220,000	232,500	239,500	Locklear promoted to Marina Manager
Part-time Pay	9,992	20,000	7,000	12,500	8,000	
Overtime Pay	4,736	4,500	5,300	6,000	5,500	
Holiday Pay	5,565	6,000	6,900	8,500	7,000	
Payroll Taxes	3,862	5,500	4,000	5,500	4,500	
Workers Comp Insurance	37,700	37,500	18,000	18,000	24,500	
Group Medical Insurance	44,019	46,000	46,000	47,500	48,000	
Employee Optional Benefits	28,800	29,000	28,500	29,000	29,000	
Retirement Contributions	54,377	56,500	61,000	61,500	67,500	
Total Marina Expenses Personnel	402,452	430,000	396,700	421,000	433,500	
Increase / -Decrease over prev year	-4%		-1%		9%	
Harbor Village Marina Other Expenses						
Uniforms	3,379	5,000	5,000	5,000	5,000	
Fuel expense	262	1,000	1,000	1,000	1,000	
General Insurance	34,446	35,000	35,000	35,000	36,000	JPIA & Alliant Insurances
Operating Supplies	3,119	9,000	5,000	9,000	5,000	
Janitorial Supplies	8,216	7,500	8,000	7,500	13,500	Reallocated the distribution between departments
Other Equipment Repairs	-	1,500	1,000	1,500	1,500	
Building Maintenance	-	4,000	4,000	4,000	4,000	
Grounds Maintenance	5,778	19,500	10,000	8,000	8,000	
Dock Maint. & Repairs	15,266	30,000	30,000	30,000	28,000	
Fish Pier Repairs	20,800	21,000	12,000	12,000	10,000	
Conferences & Training	558	1,500	500	3,500	2,500	Marina Recreation Assoc annual conference & misc training
Utilities-Electrical	65,011	65,000	70,000	70,000	70,000	
Utilities-Gas	5,127	8,000	6,500	8,000	6,000	
Utilities-Water	40,963	49,000	45,000	55,000	45,000	
Trash Disposal	12,960	14,500	14,500	14,500	14,500	
Professional/Outside Services	46,288	45,000	47,500	47,500	45,000	
Misc. Expense	-	500	500	500	500	
Total Marina Other Expenses	262,173	317,000	295,500	312,000	295,500	
Increase / -Decrease over prev year	14%		13%		0%	
Total Marina Expenses	664,625	747,000	692,200	733,000	729,000	
Increase / -Decrease over prev year	3%		4%		5%	

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
Harbor Village Common Area Maintenance (CAM) Personnel Expenses						
Regular Salaries	310,381	295,000	313,000	308,000	271,500	Payroll restructuring
Part-time Pay	-	-	-	-	-	
Overtime Pay	6,095	5,000	5,000	5,500	5,000	
Holiday Pay	4,192	4,000	7,000	5,000	7,000	
Payroll Taxes	4,642	6,000	5,000	6,500	4,500	
Workers Comp Insurance	37,700	37,500	22,000	22,000	25,000	
Group Medical Insurance	51,138	53,000	54,000	56,000	56,000	
Employee Optional Benefits	33,231	34,000	33,500	34,000	34,000	
Retirement Contributions	57,748	59,000	63,500	64,000	62,500	Payroll restructuring
Total C.A.M. Personnel Expenses	505,127	493,500	503,000	501,000	465,500	
Increase / -Decrease over prev year	11%		0%		-7%	
Harbor Village Common Area Maintenance (CAM) Other Expenses						
Uniforms	5,471	4,500	5,500	5,500	6,000	
Oil & Fuel Expense	8,333	6,500	8,500	8,500	9,000	
General Insurance	107,670	108,000	100,000	100,000	102,000	JPIA & Alliant Insurances
Operating Supplies	796	2,500	2,500	2,500	2,500	
Janitorial Supplies	20,541	26,000	25,000	28,000	29,000	
Building Maintenance	8,371	45,000	25,000	55,000	25,000	ADA Improvements will reduce maintenance needs
Grounds Maintenance	11,732	10,000	9,500	9,500	10,000	
Equipment & Repairs	4,196	5,000	8,000	4,500	4,500	
Utilities-Electrical	35,028	40,000	40,500	45,000	42,500	
Utilities-Water	74,086	72,000	60,000	75,000	65,000	
Trash Collection	9,979	16,000	10,000	17,000	15,000	
Professional/Outside Services	51,654	55,000	54,000	54,000	56,000	
Total C.A.M. Other Expenses	337,857	390,500	348,500	404,500	366,500	
Increase / -Decrease over prev year	23%		3%		5%	
Total CAM Expenses	842,984	884,000	851,500	905,500	832,000	
Increase / -Decrease over prev year	16%		1%		-2%	

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
Harbor Village Marketing Personnel Expenses						
Regular Salaries	125,876	125,000	123,000	126,500	127,000	
Part-time Pay	28,200	31,000	29,000	29,000	29,000	
Overtime Pay	1,599	2,000	3,000	2,000	4,000	
Holiday Pay	39	500	250	500	500	
Payroll Taxes	3,961	4,000	4,000	4,500	4,000	
Workers Comp Insurance	1,800	2,000	1,000	1,000	1,500	
Medical & Life Insurance	9,583	10,000	9,500	10,000	10,000	
Employee Optional Benefits	12,192	13,000	12,000	13,000	12,500	
Retirement Contributions	23,243	35,000	25,000	25,500	27,500	
Total Marketing Personnel Expenses	206,493	222,500	206,750	212,000	216,000	
Increase / -Decrease over prev year	2%		0%		4%	
Harbor Marketing Other Expenses						
Advertising & Marketing	131,070	131,000	134,500	134,500	137,000	Increase data collection and metric analysis
Ad Production/Graphic Design	20,700	20,000	22,000	22,000	20,000	
Street Event Banners	641	1,000	1,500	1,500	10,500	Add \$9,000 for street banners along Spinnaker Dr.
Village Maps/Promotional Materials	17,667	20,000	16,500	16,500	15,000	
Certified Rack	2,447	2,500	2,500	2,500	2,500	
Tourism Outreach, FAM Tours & Meetings	3,552	9,000	9,000	9,000	9,500	
Entertainment & Music	21,181	23,000	23,000	23,000	20,000	
Brand Build/Promotions/Campaigns/Events	56,684	60,000	63,500	63,500	60,000	Reduction of non-producing events
Equipment Rental-Copier Lease	5,068	6,000	5,000	5,000	-	Moved to Admin budget
Content/Web/Paid Social Media	13,762	18,500	13,600	13,600	10,000	FY15-16 included Website reconstruction & launch
Miscellaneous	75	500	400	400	500	
Total Marketing Other Expenses	272,847	291,500	291,500	291,500	285,000	
Increase / -Decrease over prev year	0%		7%		-2%	
Total Marketing Expenses	479,340	514,000	498,250	503,500	501,000	
Increase / -Decrease over prev year	1%		4%		1%	
Total Operating Exp. Before Dredging	4,591,148	5,094,500	4,758,500	5,018,000	5,010,000	
Increase / -Decrease over prev year	-2%		4%		5.3%	

	<u>Actual 2014-15</u>	<u>Budget 2014-15</u>	<u>Est/Act 2015-16</u>	<u>Budget 2015-16</u>	<u>Budget 2016-17</u>	<u>Comments</u>
<u>Harbor Dredging and Related Expenses</u>						
Inner Harbor Maintenance Dredging	-	-	90,000	75,000	-	FY15-16 Keys Stub Channel dredging-Onetime
Reimbursement from City of Ventura	-	-	(52,000)	(30,000)	-	FY15-16 Keys Stub Channel dredging-Onetime
Dredging & Project Management Prof. Serv.	106,656	110,000	110,000	110,000	110,000	Consultants breakdown of services provided - Dredging 50% Project Management 30% General Support 20%
Washington Lobbyist Prof Services	60,339	60,000	60,000	60,000	60,000	
Dredging. Regulatory Require.	53,726	80,000	95,000	80,000	55,000	Reduced when no inner harbor dredging
Dredging Conferences	6,357	9,000	9,000	9,000	10,000	
Dredging Misc. Expenses	628	1,000	1,000	1,000	1,000	
Total Harbor Dredging Expenses	227,706	260,000	313,000	305,000	236,000	
TOTAL OPERATING EXPENDITURES	4,818,854	5,354,500	5,071,500	5,323,000	5,246,000	
Increase / -Decrease over prev year	-2%		5%		3%	
Operating Cash Flows In (Out)	2,371,812	1,725,500	2,319,500	2,041,000	2,398,000	The operating expenses for the Harbor Patrol Dept have been separated out to properly reflect the Property Tax revenue used to cover these expenses

	Actual 2014-15	Budget 2014-15	Est/Act 2015-16	Budget 2015-16	Budget 2016-17	Comments
NON-OPERATING and OTHER EXPENDITURES						
Harbor Patrol exp. not funded by prop. taxes	142,124	218,000	161,000	168,000	167,500	
Cost of Issuance/Premium for rate resetting	-	-	135,600	135,600	-	FY15-16 COP's rate reset - one time expense
COP's Interest Payment	450,213	455,000	435,000	435,000	300,000	Rate reset 2/1/2016
COP's Refunded DBW Loans Int	-	-	-	-	140,000	DBW loans refunded 4/1/2016
DBAW Loan #1 Interest Payment \$4m	158,977	160,000	160,000	160,000	-	DBW loans refunded 4/1/2016
DBAW Loan #2 Interest Payment \$1.5m	54,250	55,000	55,000	55,000	-	DBW loans refunded 4/1/2016
Principle Payments on ALL bonds	616,306	620,000	640,000	640,000	825,000	
TOTAL NON-OPER. EXPENDITURES	1,421,870	1,508,000	1,586,600	1,593,600	1,432,500	
Annual Cash Flows In (Out) from normal operations before any improvements	949,942	217,500	732,900	447,400	965,500	
Building Tenant Improvement's	163,911	230,000	285,000	285,000	257,000	See attached Tenant Improvement Schedule
Accessibility Improvements	117,768	265,000	800,000	800,000	1,660,000	See attached Capital Improvement and ADA Accessibility Improvement Plan
Capital Improvement Projects	202,220	1,581,000	1,230,000	1,230,000	1,205,000	See attached Capital Improvement and ADA Accessibility Improvement Plan
Annual Cash Flows In (Out) after improvements	466,043	(1,858,500)	(1,582,100)	(1,867,600)	(2,156,500)	To be funded from unrestricted reserves
Unrestricted Reserve Balance	7,704,000	5,700,000	6,104,000	6,134,000	4,607,500	
Add VIM Appreciation Rent (onetime only)			630,000	630,000	-	
Add SRP Lease holding Fee (onetime only)			-	-	1,200,000	
Adjusted Unrestricted Reserve Balance	7,704,000	5,700,000	6,734,000	6,764,000	5,807,500	

	<u>Actual 2014-15</u>	<u>Budget 2014-15</u>	<u>Est/Act 2015-16</u>	<u>Budget 2015-16</u>	<u>Budget 2016-17</u>	<u>Comments</u>
Harbor Patrol Department Expenses funded from Property						
Property Taxes & Assessments Revenue	1,042,763	1,010,000	1,070,000	1,070,000	1,090,000	
	5%		3%		2%	
<u>Harbor Patrol Personnel Expenses</u>						
Regular Salaries	534,089	535,000	536,000	548,000	553,500	Higgins promoted to Harbormaster
Part-time Pay	22,882	36,000	38,500	36,000	36,000	
Overtime Pay	30,049	35,000	80,000	66,000	35,000	
Holiday Pay	17,656	20,500	24,000	24,000	24,000	
Payroll Taxes & Unemployment	10,761	15,000	15,000	15,000	14,500	
Workers Comp Insurance	192,000	192,000	108,000	108,000	140,000	
Medical & Life Insurance	54,578	59,000	50,500	50,500	61,500	
Employee Optional Benefits	47,089	50,000	45,000	45,000	45,000	
Retirement Contributions	91,264	95,000	122,500	117,000	122,500	FY15-16 Includes Part-time EE PERS Contrib Catch-up
Total Harbor Patrol Personnel Exp	1,000,368	1,037,500	1,019,500	1,009,500	1,032,000	
Increase / -Decrease over prev year	6%		2%		1%	
<u>Harbor Patrol Other Expenses</u>						
Uniforms	25,021	31,000	18,000	18,000	13,000	
Oil & Fuel Expense	26,201	34,000	31,000	34,000	34,000	
Operating Supplies & Expense	10,510	21,000	36,000	36,000	35,000	
Boat Maintenance	85,363	60,000	65,000	65,000	60,000	
Auto Equip & Maint.	6,463	5,000	8,500	8,500	8,500	
Conferences & Training	6,235	3,500	4,000	4,000	5,000	
Summer Lifeguard Services	24,726	32,000	45,000	59,000	65,000	As per contract
Professional Services	-	4,000	4,000	4,000	5,000	
Total Harbor Patrol Other Expenses	184,519	190,500	211,500	228,500	225,500	
Increase / -Decrease over prev year			15%	24%	7%	
Total Harbor Patrol Expenses	1,184,887	1,228,000	1,231,000	1,238,000	1,257,500	
Increase / -Decrease over prev year	7%		4%		2%	
Expenditures remaining after Property Tax Revenues were applied	(142,124)	(218,000)	(161,000)	(168,000)	(167,500)	Remaining expenditures are funded from Operating Revenues

	<u>Actual 2014-15</u>	<u>Budget 2014-15</u>	<u>Est/Act 2015-16</u>	<u>Budget 2015-16</u>	<u>Budget 2016-17</u>	<u>Comments</u>
Expenditures funded by Grants and Special Funding						
<u>Grants and Special Funding</u>						
DBAW Grants-abandon vessel&vessel turn-ir	10,563	13,500	5,500	5,500	14,000	
DBAW Grants-Boating Equipment	-	49,500	-	59,500	55,000	Boat engines, electronics, life jackets
DBAW Grant-Training Expense Reimb	-	6,000	10,000	10,000	10,000	
DBAW Grants-Launch Ramp	21,881	167,000	-	-	-	Project complete
TOTAL GRANTS & SPECIAL FUNDING	32,444	236,000	15,500	75,000	79,000	
<u>Projects, Equipment and Training Expenses</u>						
Vessel Salvage-Abandoned and Turn-in	10,563	13,500	5,500	5,500	14,000	
Boat Equipment	-	49,500	-	59,500	55,000	Boat engines, electronics, life jackets
Harbor Patrol Training	-	6,000	10,000	10,000	10,000	
Renovate Launch Ramp	21,881	167,000	-	-	-	Project complete
TOTAL PROJECTS & EQUIPMENT	32,444	236,000	15,500	75,000	79,000	

**Preliminary Capital Improvements and ADA Accessibility Improvements Plan
Five Year Projection
FY2017-2021**

<u>Project Name</u>	<u>Project Location</u>	<u>Project Summary</u>	<u>Project Status</u>	<u>Fiscal Yr 16-17</u>	<u>Fiscal Yr 17-18</u>	<u>Fiscal Yr 18-19</u>	<u>Fiscal Yr 19-20</u>	<u>Fiscal Yr 20-21</u>
				Annual totals for reference				
				\$2,865,000	\$1,695,000	\$1,625,000	\$760,000	\$1,210,000
Capital Improvements								
1	1431 Chair Elevator Project	1431 Spinnaker Drive (National Park Service)	Replacing/Refurbishing chair elevator	Serviced every 4-6 months.			15,000	
2	Harbor Village Elevator Modernization	FY16-17 Location 1) 1583 Spinnaker Drive (Boatyard Café) FY17-18 Location 2) 1591 Spinnaker Drive (Le Petite)	Modernize elevators with electric controls and ADA upgrades, or replacement elevator	The \$98,000 budgeted in FY15-16 was spent on the modernization of the elevator in 1691 Spinnaker Drive. It broke down and became a priority for FY14-15, however due to a delay in the contract process; it got deferred to the FY15-16 budget. Therefore, 1583 and 1591 were deferred a year.	105,000	125,000		
3	Harbor Village Window Replacement	Location 1) 1449 Spinnaker Drive (Fisheries) (8) Location 2) 1575 Spinnaker Drive (Harbor Wind) (16) Location 3) 1591 Spinnaker Drive (Blackbeard's) (63) Location 4) 1583 Spinnaker Drive (The Greek) (44) Location 5) 1691 Spinnaker Drive (Island Packers) (8)	Replacement of 139 windows with double pane vinyl retrofit windows. Primarily east side of buildings and windows facing inner courtyards. All other windows have been refurbished.	Staff has worked with Rasmussen & Associated in FY15-16 on the plans and specifications for this project, which cost approximately \$15,000 of the \$90,000 that was budgeted in the current fiscal year.	130,000			
4	Harbor Village Re-roofing	FY16-17 Location 1) 1591 Spinnaker Drive (Blackbeard's) Location 2) 1691 Spinnaker Drive (Island Packers) (Flat Roof) FY17-18 Location 3) 1583 Spinnaker Drive (Boatyard Café) Location 4) 1575 Spinnaker Drive (Harbor Wind) FY18-19 Location 5) 1567 Spinnaker Drive (Margarita Villa, Hats, Pottery) Location 6) 1431 Spinnaker Drive (National Park Service)	This project will consist of roof, covering, flashing, gutters, and drainage refurbishment. Replacement of all flat roof coverings and tiles, as needed. Replacement of extensively deteriorating metal gutters and downspouts with copper gutters and downspouts with the roof work. Original roof is true Spanish tile.	This project was scheduled to begin in FY14-15, but was delayed due to the complexity of the project requiring additional engineering. All previously scheduled repairs have been pushed out one year to begin in FY15-16. In FY15-16, 1449 and 1559 were completed. However, 1431, which was originally supposed to be completed in FY15-16, has been deferred to FY18-19. Staff does not see an immediate need to replace or refurbish this roof. Also, 1691, which was budget for FY17-18 was deemed unsafe, an emergency was declared by the Board and the tile portion of this roof was renovated in FY15-16. However, the flat portion of 1691 still needs to be replaced and this will occur in FY16-17.	500,000	700,000	650,000	

**Preliminary Capital Improvements and ADA Accessibility Improvements Plan
Five Year Projection
FY2017-2021**

<u>Project Name</u>	<u>Project Location</u>	<u>Project Summary</u>	<u>Project Status</u>	<u>Fiscal Yr 16-17</u>	<u>Fiscal Yr 17-18</u>	<u>Fiscal Yr 18-19</u>	<u>Fiscal Yr 19-20</u>	<u>Fiscal Yr 20-21</u>
				Annual totals for reference				
				\$2,865,000	\$1,695,000	\$1,625,000	\$760,000	\$1,210,000
5	1691 HVAC Replacement	1691 Spinnaker Drive (Island Packers)	Three new HVAC systems that are maintained annually.				100,000	
6	Harbor Village Painting	Location 1) 1431 Spinnaker Drive (National Park Service) Location 2) 1449 Spinnaker Drive (Fisheries) Location 3) 1559 Spinnaker Drive (Brophy's) Location 4) 1567 Spinnaker Drive (Margarita Villa, Hats, Pottery) Location 5) 1575 Spinnaker Drive (Harbor Wind) Location 6) 1583 Spinnaker Drive (Boatyard Cafe) Location 7) 1591 Spinnaker Drive (Blackbeard's) Location 8) 1691 Spinnaker Drive (Island Packers)	Paint all exterior walls, facades, staircases and trim. Facades and trim will be maintained annually, due to building exposure to sun, wind and corrosive salt air.		500,000			
7	Dry Storage Refurbishment	Dry Boat Storage Lot on Anchors Way Drive	Refurbishment of chain link fencing around parcel, with two card-key controlled sliding entry gates. Refurbish in 5 year intervals.				20,000	
8	Pier Deck Surfacing	Fish Pier	The fish pier surface material has required a number of repairs to various areas due to weathering and aged design.		370,000			
9	Fish Pier Derrick Crane #2	Fish Pier	Fabrication and installation of second fish pier crane.					120,000
10	Port District Vehicles	Port District Headquarters/shop/yard	Replacement of Harbor Patrol and Maintenance vehicles.	160,000		40,000		40,000

**Preliminary Capital Improvements and ADA Accessibility Improvements Plan
Five Year Projection
FY2017-2021**

<u>Project Name</u>	<u>Project Location</u>	<u>Project Summary</u>	<u>Project Status</u>	<u>Fiscal Yr 16-17</u>	<u>Fiscal Yr 17-18</u>	<u>Fiscal Yr 18-19</u>	<u>Fiscal Yr 19-20</u>	<u>Fiscal Yr 20-21</u>
				Annual totals for reference				
				\$2,865,000	\$1,695,000	\$1,625,000	\$760,000	\$1,210,000
11	Headquarters HVAC Replacement	Port District Headquarters/shop/yard	Replace HVAC condenser unit located at the District Headquarters as budgeted FY19-20. Maintain annually.				20,000	
12	Headquarters Emergency Generator	Port District Headquarters/shop/yard	Purchase and installation of new emergency generator to provide existing generator as backup for emergency communications network, fire, etc.				70,000	
13	Parking Lot Asphalt Project	Location 1) 1431 Spinnaker Drive (National Park Service) Location 2) 1449 Spinnaker Drive (Fisheries) Location 3) 1559 Spinnaker Drive (Brophy's) Location 4) 1567 Spinnaker Drive (Margarita Villa, Pottery, Hats) Location 5) 1575 Spinnaker Drive (Harbor Wind) Location 6) 1583 Spinnaker Drive (Boatyard Cafe) Location 7) 1591 Spinnaker Drive (Blackbeard's) Location 8) 1691 Spinnaker Drive (Island Packers) Location 9) Surfers Knoll Location 10) Harbor Cove Location 11) Dry Boat Storage on Anchors Way Location 12) 19A Overflow Parking Lot (Harbor & Schooner) Location 13) Public Boat Launch Ramp Location 14) VIM District Parking Area	Remove and replace sections of the asphalt at Harbor Village completed in FY15-16 - \$100,000. Will defer any major restoration and asphalt replacement including parking lot slurry coat, striping/curb painting to FY18-19. Total amount reduced by \$100,000 from the preliminary budget presented at the 5/8/16 workshop			650,000		
14	Harbor Village Entry Feature	Spinnaker Drive & Harbor Blvd.	Repair of Harbor Village entry feature	60,000				
15	Schooner Entry Signage	Schooner Drive & Harbor Blvd.	New signage for Schooner and Harbor Blvd entrance	100,000				
16	Harbor Village Entrance Revitalization	Spinnaker Drive & Harbor Blvd.	New signage and revamping of Spinnaker Harbor entrance					500,000

Preliminary Capital Improvements and ADA Accessibility Improvements Plan
 Five Year Projection
 FY2017-2021

<u>Project Name</u>	<u>Project Location</u>	<u>Project Summary</u>	<u>Project Status</u>	<u>Fiscal Yr 16-17</u>	<u>Fiscal Yr 17-18</u>	<u>Fiscal Yr 18-19</u>	<u>Fiscal Yr 19-20</u>	<u>Fiscal Yr 20-21</u>
				Annual totals for reference				
				\$2,865,000	\$1,695,000	\$1,625,000	\$760,000	\$1,210,000
17	Harbor Village Trash Enclosure	1559 Spinnaker Drive	Refurbishment of existing trash enclosures per city requirements					
18	New Launch Ramp Pay Station	Public Launch Ramp - Anchors Way Drive	Replacement of pay station				20,000	
19	Parking Lot Striping Reconfiguration	FY16-17 VIM, Ventura West Phase II, Harbor Cove, Harbor Village FY19-20 Parking Lot 19A	Restripe and reconfigure parking lots	Added to improvement plan	100,000			50,000
20	Paid Parking Equipment and Infrastructure	All Lots	Install paid parking equipment	Added to improvement plan			250,000	
TOTAL CAPITAL IMPROVEMENTS PLAN				1,205,000	1,695,000	1,625,000	260,000	660,000

Preliminary Capital Improvements and ADA Accessibility Improvements Plan
Five Year Projection
FY2017-2021

<u>Project Name</u>	<u>Project Location</u>	<u>Project Summary</u>	<u>Project Status</u>	<u>Fiscal Yr 16-17</u>	<u>Fiscal Yr 17-18</u>	<u>Fiscal Yr 18-19</u>	<u>Fiscal Yr 19-20</u>	<u>Fiscal Yr 20-21</u>
Annual totals for reference				\$2,865,000	\$1,695,000	\$1,625,000	\$760,000	\$1,210,000
ADA Accessibility Improvement Plan								
21	Carousel Courtyard Revitalization & Phase 3 ADA Accessibility	Harbor Village Courtyard around the Carousel building		1,500,000				
22	Additional Parking Lot ADA Improvements	Harbor Cove, Surfers Knoll, Launch Ramp, Headquarters		100,000				
23	ADA Restroom Improvements - Harbor Village	Restrooms -1575 (3), 1559 (3), 1591 (2), the Greek (2))		60,000				250,000
24	ADA Restrooms, Shower, and Laundry Facilities Improvements - Harbor Village	1691 Spinnaker Drive (Island Packers)						300,000
25	Harbor Village ADA Phase 4	Between the Greek and Le Petit	Concrete Work				500,000	
TOTAL ADA ACCESSIBILITY IMPROVEMENT PLAN				\$1,660,000	\$0	\$0	500,000	\$550,000
TOTAL CAPITAL IMPROVEMENT PLAN from previous page				\$1,205,000	\$1,695,000	\$1,625,000	\$260,000	\$660,000
TOTAL CAPITAL IMPROVEMENTS AND ADA ACCESSIBILITY IMPROVEMENTS				\$2,865,000	\$1,695,000	\$1,625,000	\$760,000	\$1,210,000

Footnote:

It is anticipated that Ventura Harbor Village Marina docks D, G, and H will be replaced in FY2018-19 for approximately \$4.4M and will be paid for with bond funding as reported on the Historical and Projected Revenue and Expense Cash Flow report (Attachment 6)

FY16-17 Building Tenant Improvements

Building	Square Footage	Improvements	Cost
1431 Spinnaker Dr #100a	4,192	Flooring/Interior paint	25,000
1559 Spinnaker Dr #102	875	Flooring/Interior paint	10,000
1559 Spinnaker Dr #104	1,344	Exterior wall improvements	2,500
1559 Spinnaker Dr #206	765	Flooring/Interior paint	5,000
1559 Spinnaker Dr #207	455	Flooring/Paint	4,000
1567 Spinnaker #104	680	Paint/Drywall/Grease trap/Equipment	30,000
1575 Spinnaker #206a,b	494	Flooring	2,500
1575 Spinnaker 205,205a	1,326	Flooring/Paint	6,000
1583 Spinnaker #214	425	Flooring/Walls/Electrical	3,000
1591 Spinnaker #115	1,537	Kitchen/Plumbing/Electrical	65,000
1591 Spinnaker #117	1,291	Flooring/Paint	20,000
All Projects		Architectural Engineering Project Management	84,000
TOTAL			\$ 257,000

VENTURA PORT DISTRICT
 HISTORICAL & PROJECTED REVENUE AND EXPENSE CASH FLOWS
 Minimum Unrestricted Reserves at **40%** of Operating Expenses
Includes Village Dock Replacement of \$4.4m with New Debt Service (20 years @ 4%)

	2014-15 Actual	2015-16 forecasted	2016-17 forecasted	2017-18 forecasted	2018-19 forecasted	2019-20 forecasted	2020-21 forecasted	2021-22 forecasted	2022-23 forecasted
Cash Flows In (Out) from normal operations before any Improvements	\$ 949,942	\$ 447,400	\$ 965,500	\$ 1,006,000	\$ 1,007,000	\$ 1,155,000	\$ 1,108,000	\$ 1,307,000	\$ 1,303,000
Significant Assumptions -									
Cash Flow In - Proceeds from Village Marina Renovation Loan					4,400,000				
Cash Flow Out - Capital Improvements-Village Marina Renovation Expense					(4,400,000)				
Cash Flow Out - New Debt Service-Village Marina Renovation Loan						(320,000)	(320,000)	(320,000)	(320,000)
Cash Flow Out - Tenant Improvements	(163,911)	(285,000)	(257,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Cash Flow Out - Accessibility Enhancements-Forecasted \$2.7 million	(117,768)	(800,000)	(1,660,000)	-	-	(500,000)	(550,000)	-	-
Cash Flow Out - Capital Improvements as per Five Year Plan Projection	(202,220)	(1,230,000)	(1,205,000)	(1,695,000)	(1,625,000)	(260,000)	(660,000)	(500,000)	(500,000)
Improvements that will need to be funded through Unrestricted Improvement Reserves	-	(1,867,600)	(2,156,500)	(739,000)	(668,000)	-	(472,000)	-	-
Cash Flow In after Improvements are completed	466,043					25,000		437,000	433,000
Forecasted Unrestricted Reserve Balances	Actual	forecasted							
Forecasted Reserves at beginning of each fiscal year	5,650,000	7,704,000	6,764,000	5,807,500	5,068,500	4,400,500	4,425,500	4,425,500	4,862,500
Improvements funded from Improvement Reserves	-	(1,870,000)	(2,156,500)	(739,000)	(668,000)	-	-	-	-
Cash Flow In after Improvements are completed	470,000	-	-	-	-	25,000	-	437,000	433,000
Cash Flow In from Grant fund reimbursements	1,584,000	300,000	-	-	-	-	-	-	-
Forecasted Unrestricted Reserves at end of year	7,704,000	6,134,000	4,607,500	5,068,500	4,400,500	4,425,500	4,425,500	4,862,500	5,295,500
Add VIM Appreciation rent (onetime only)	-	630,000	-	-	-	-	-	-	-
Add SRP Lease holding fee (onetime only)	-	-	1,200,000	-	-	-	-	-	-
Total All Unrestricted Reserves Forecasted at June 30 each year	7,704,000	6,764,000	5,807,500	5,068,500	4,400,500	4,425,500	4,425,500	4,862,500	5,295,500

As outlined below, with the proposed expenditures the 40% reserve balance is maintained and the unrestricted Improvement balance remains favorable.

	2014-15 Actual	2015-16 forecasted	2016-17 forecasted	2017-18 forecasted	2018-19 forecasted	2019-20 forecasted	2020-21 forecasted	2021-22 forecasted	2022-23 forecasted
TOTAL Unrestricted Reserves Forecasted at June 30 each year	7,704,000	6,764,000	5,807,500	5,068,500	4,400,500	4,425,500	4,425,500	4,862,500	5,295,500
Reserve Policy Minimum Balance 40% of Expenses at June 30 each year	2,910,000	3,210,000	3,110,000	3,240,000	3,370,000	3,510,000	3,730,000	3,810,000	3,970,000
Unrestricted Capital Improvement Reserves at June 30 each year	4,794,000	3,554,000	2,697,500	1,828,500	1,030,500	915,500	695,500	1,052,500	1,325,500

VENTURA PORT DISTRICT
HISTORICAL & PROJECTED CASH FLOWS
Minimum Unrestricted Reserves at **40%** of Operating Expenses

	2014-15 audited	2015-16 forecasted	2016-17 forecasted	2017-18 forecasted	2018-19 forecasted	2019-20 forecasted	2020-21 forecasted	2021-22 forecasted	2022-23 forecasted
Operating Revenue	7,131,400	7,334,000	7,404,000	7,700,000	8,008,000	8,328,000	8,661,000	9,007,000	9,367,000
SRP minimum rents	60,000	60,000	240,000	300,000	300,000	450,000	600,000	620,000	632,000
% Increase / -Decrease	-1%	3%	1%	4%	4%	4%	4%	4%	4%
Non-Operating Revenue (Includes prop taxes)	1,042,800	1,070,000	1,090,000	1,112,000	1,134,000	1,157,000	1,180,000	1,204,000	1,228,000
% Increase / -Decrease	5%	3%	2%	2%	2%	2%	2%	2%	2%
Total Revenue	8,234,200	8,464,000	8,734,000	9,112,000	9,442,000	9,935,000	10,441,000	10,831,000	11,227,000
% Increase / -Decrease	0.0%	2.8%	3.2%	4.3%	3.6%	5.2%	5.1%	3.7%	3.7%
Operating Expenses (excludes depreciation)									
Operating Expenses	4,582,058	5,048,000	5,010,000	5,261,000	5,524,000	5,800,000	6,090,000	6,395,000	6,715,000
Harbor Patrol Expenses	1,184,900	1,238,000	1,257,500	1,320,000	1,386,000	1,455,000	1,528,000	1,604,000	1,684,000
Harbor dredging & related expense	227,700	305,000	236,000	260,000	260,000	260,000	450,000	260,000	260,000
Total Operating Expenses	5,994,658	6,591,000	6,503,500	6,841,000	7,170,000	7,515,000	8,068,000	8,259,000	8,659,000
% Increase / -Decrease	-6.0%	10.2%	-0.8%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Non-operating and Other Expenses									
Principle/Interest & deferred refunding	1,289,600	1,425,600	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000
Total Non-operating expenses	1,289,600	1,425,600	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000
% Increase / -Decrease	0.8%	10.5%	-11.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total all Expenses	7,284,258	8,016,600	7,768,500	8,106,000	8,435,000	8,780,000	9,333,000	9,524,000	9,924,000
% Increase / -Decrease	-3.4%	10.1%	-3.1%	4.3%	4.1%	4.1%	6.3%	2.0%	4.2%
Cash Flows In (Out) from normal operations before any Improvements	\$ 949,942	\$ 447,400	\$ 965,500	\$ 1,006,000	\$ 1,007,000	\$ 1,155,000	\$ 1,108,000	\$ 1,307,000	\$ 1,303,000

Note: Revenues generated from grants are not included in the Revenue category

ATTACHMENT 7

FISCAL YEAR 2016-2017
VENTURA GOALS AND OBJECTIVES

- Goal 1) *Maintain and enhance a safe and navigable harbor by:***
- a. *Securing funding 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 Port District services;***
 - d. *Preserving and enhancing infrastructure, equipment and facilities for a modernized, efficient and safe working harbor.***

Objectives:

- Secure funding in cooperation with the U.S. Congress, Office of Management and Budget, and Army Corps of Engineers for dredging of the Federal Channel.
- Monitor inner harbor channel depths, periodically conduct sediment sampling, and make contractual arrangements for dredging, as needed.
- Provide training opportunities and certifications for professional development.
- Apply for Division of Boating and Waterways Grant funding for safety training, equipment and vessel disposal.

Goal 2) *Support and promote commercial and recreational boating and fishing.*

Objectives:

- Review and approve Ventura Isle Marina Phase I Dock Replacement Plan for G, H, and I by Safe Harbor Marinas.
- Consider strategies for rehabilitation and/or replacement of Docks D, G, and H in the Ventura Harbor Village Marina.
- Implement \$300,000 Sea Grant in collaboration with Ventura Shellfish Enterprise (VSE) tasks to permit & manage off shore aquaculture to diversify commercial fishing opportunities.
- Monitor the installation of a 20 ton ice machine within the Del Mar lease premises to be utilized by all commercial fishermen.

Goal 3) Increase economic development, vitality, and diversity of the District through effective leasing and marketing strategies.

Objectives:

- Receive, evaluate and recommend proposals for development of visitor serving uses at Parcels 5 and 8.
- Diversify and strengthen tenant mix through proactive leasing efforts, utilization of market data and restaurant and retail tenant education initiatives.
- Collaborate with Master Tenants to evaluate new real estate development opportunities on their leasehold.
- Plan and construct accessibility improvements required by the American's with Disabilities Act.

Goal 4) Promote sustainable use of our natural environment through business practices and programs designed in concert with our tenants, educators, agencies, and interest groups.

Objectives:

- Encourage recreational uses in the Harbor and on the beaches (e.g beach volleyball, outrigger clubs, paddle boarding, kayaking, paddle boats, etc.).
- Promote visitation to the Channel Islands National Parks Visitor Center.
- Execute lease with Island Packers and support trips to the Channel Islands, ocean excursions and adventure tours from Ventura Harbor.
- Install drought tolerant landscaping and drip irrigation systems at Harbor Village.
- Implement a parking management plan for existing uses throughout the harbor, but with particular emphasis on the Harbor Village area.

Goal 5) Build respectful, productive, and mutually beneficial business relationships with our tenants, public agencies, elected officials and the community.

Objectives:

- Participate in monthly Chamber Joint Economic Development & Legislative/Government Affairs Committee, City of Ventura Economic Development Committee and Ventura Visitors and Convention Bureau meetings.
- Convene quarterly meetings with all tenants for input on event programming, advertising and marketing of the Ventura Harbor.
- Partnership with regional tourism and business groups including Central Coast Tourism, Visit California, and Ventura County Lodging Association (VCLA) to leverage resources and grow Harbor tourism.
- Fund Downtown Ventura Partners trolley service connecting Ventura Harbor to Downtown Ventura.

Goal 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.

Objectives:

- Provide the public with current and accurate information through public meetings, Ventura Harbor website, press releases, and Harbor View Newsletter.
- Provide timely release of District documents for Public Records Act requests.
- Meet with community service organizations to provide Harbor information.
- Schedule a joint meeting with the Board of Port Commissioners and City Council to provide updates.



May 9, 2016

Kevin Clerici, Executive Director
Downtown Ventura Partners
P.O. Box 1414
Ventura, CA 93002

Oscar Pena, General Manager
Ventura Port District
1603 Anchors Way Drive
Ventura, CA 93001

Dear Oscar and District Board of Directors:

Nearing completion of our third year, the Downtown-Harbor Trolley continues to be a clean, safe, free and friendly transportation option linking locals and visitors through the Harbor Village, coastal hotels, South Seaward area, Ventura County Fairgrounds and Amtrak platform, the Museum and historic Mission and greater Downtown. This couldn't happen without your leadership and financial support. Together, we have now served over 90,000 riders and growing every week.

The Downtown-Harbor Trolley has been a community asset, and an economic generator. One of the growing segments is visitors coming to Ventura for a car-free vacation because we link to Amtrak. Free public transit is an increasingly important factor when large groups and conventions are considering cities to book their tours or stays. In January, we again expanded to seven days a week, and saw an immediate boost, from varied groups, including attendees to The Trade Desk's annual retreat, the Gordon Research Group conferences and Craftcation. Not to mention the ongoing community benefits, including late-night service, which helps take impaired drivers off the road. And the Trolley continues to assist employees and seniors who work in the Harbor and Downtown.

This letter seeks to continue our partnership and request another year of sponsorship of \$24,000 as a dedicated stop. We will honor the existing ad rate of \$1,300 per month for the entire back panel. Our operating costs, like any business, continue to grow. However, we are not seeking an increase.

We feel we are at a critical crossroads, and expect to take ownership later this year of a brand new vehicle, which will spark much publicity and provide greater flexibility to attract new ridership. We have increased promotions and marketing in the works, which I will touch on further below.

Unfortunately, much of the last 10 months has been spent focusing on the wrong things. We had to terminate service to a Harbor tenant because his debt and lack of payment grew too large. In turn, DVP has had to subsidize those lost funds as we work to collect payment. Hopefully that is resolved soon. In addition, due to delays at the federal level, we continue to wait for awarded grant funds to purchase a propane-hybrid Trolley. Ironically, we recently were awarded the same federal grant to purchase a second Trolley, if we choose to accept it. Officials at the local county Transportation Commission ensure us the funds are coming, though they don't know when.



The Federal Transportation Administration decided late last year to overhaul its internal grant database and processing system, forcing all recipients to wait for their awarded funds.

We now anticipate taking ownership of the new vehicle in the Fall. We continue to believe operating costs will decrease with the new vehicle, allowing us to look at providing savings to our partners and investing in promotions. All current advertisers, including the District, will transfer to the vehicle.

Your staff already is communicating with us on ways we can strengthen our partnership in the meantime as we move ahead. Among these areas include increased, regular reporting; social media efforts; and special joint ridership promotions. DVP already is working on a refresh of our DVP website that will provide a much larger, more prominent display of the Trolley, with greater links to our partners.

Perhaps even more visible, talks have started on adding a new pick-up location at the Ventura Isle Marina parking lot as part of a new extended parking program with the Village. We see this as a great way to add value to your contribution. We also are in talks with Patagonia and Brooks Institute about adding a stop(s) near their campus, among other possible new (paying) locations.

Because of these reasons, we ask for your continued sponsorship. Everyone here at DVP is extremely grateful for your support, and we look forward to another productive year. As always, I am available to come address you and your board at any time and welcome your input and questions.

Sincerely,

Kevin Clerici
Executive Director
kevin@downtownventura.org
805.302.1660