



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

Jim Friedman, Chairman
Everard Ashworth, Vice Chairman
Bruce E. Smith, Secretary
Robert J. Bravo, Commissioner
Gregory Carson, Commissioner

Oscar Peña, General Manager
Chris Chan, Legal Counsel
Jessica Rauch, Clerk of the Board

PORT COMMISSION AGENDA REGULAR MEETING March 11, 2015 AT 11:00 A.M. 1603 ANCHORS WAY DRIVE, VENTURA, CA

*The Board will convene in **Open Session** at the Port District Office located at 1603 Anchors Way Drive for its Regular Meeting at **11:00A.M.***

*A **Closed Session** of the Board will be held at approximately **12:00P.M.** 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 the Regular Meeting.*

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 (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 (Public Notices). 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 February 25, 2015 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.

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.

STAFF COMMUNICATIONS (5 minutes)

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

INFORMATION ITEMS: (30 minutes)

1) Board of Port Commissioners Protocols and Policies Manual

Recommended Action: Informational

That the Board of Port Commissioners review, discuss and give staff direction on policies and procedures for the Board of Port Commissioners.

ACTION ITEMS: (15 minutes)

2) Adopt Revised Expense Reimbursement Policy for Port Commissioners and Rescind Resolution No. 3249

Recommended Action: Resolution No. 3266

That the Board of Port Commissioners adopt Resolution No. 3266, revising the Ventura Port District Expense Reimbursement Policy for Members of the Board of Port Commissioners, and rescinding Resolution No. 3249.

ADJOURN TO CLOSED SESSION AT APPROXIMATELY 12:00PM

RECONVENE PUBLIC SESSION

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.

ADJOURNMENT

*This agenda was posted on Friday, March 6, 2015 at 5:00 p.m.
at the Port District Office and on the Internet - www.venturaharbor.com (Public Notices).*

*♦
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, MARCH 11, 2015

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

a) Property:	Parcel 20
Negotiating Parties:	Oscar Peña, Chris Chan
Under Negotiation:	Lease Terms

MARCH 11, 2015

BOARD OF PORT COMMISSIONERS

APPROVAL OF MINUTES



Minutes of Special Workshop Meeting of the Ventura Port District Board of Port Commissioners Held February 25, 2015

The Regular Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 7:06PM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

Everard G. Ashworth, Vice Chair
Robert J. Bravo
Gregory L. Carson
Jim J. Friedman, Chair
Bruce E. Smith, Secretary

Commissioners Absent:

None

Port District Staff:

Oscar Pena, General Manager
Scott Miller, Harbor Master
Richard Parsons, Consultant
Gloria Adkins, Fiscal Manager
Frank Locklear, Marina Manager
Pat Hummer, Harbor Patrol
John Higgins, Harbor Patrol
Jessica Rauch, Clerk of the Board

Legal Counsel:

Tim Gosney

AGENDA

CALL TO ORDER: By Chair, Jim Friedman at 7:06PM.

PLEDGE OF ALLEGIANCE: By Commissioner Bravo.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTON: Commissioner Carson moved, seconded by Commissioner Bravo and carried by a vote of 5-0 to adopt the February 25, 2015 agenda.

APPROVAL OF MINUTES

The Minutes of February 11, 2015 were considered as follows:

ACTION: Commissioner Smith moved, seconded by Commissioner Carson and carried by a vote of 5-0 to approve the minutes of February 11, 2015, with the following revision:

- Under Item 6, second paragraph, fourth line, add the word “insurance” after liability.

PUBLIC COMMUNICATIONS: None.

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

LEGAL COUNSEL REPORT: Mr. Gosney informed the Commission that the fiber cabling contract has been reviewed and everything should be signed. Also, the re-roofing bid documents have been completed and Counsel is still working on the Public Records Act Policy.

BOARD COMMUNICATIONS: Commissioner Smith talked about his attendance at the Travel Convention in Long Beach last weekend.

DEPARTMENTAL STAFF REPORTS: Richard Parsons updated the Commission on the progress of the Dredge. Dredging began February 12th and they are making great progress. The job should be finished next week.

GENERAL MANAGER REPORT: Mr. Peña has been working with the Property Manager on the Harbor Village month to month tenants. Also, the District has been enforcing tenants and employees parking in public spots and have been ticketing.

CONSENT ITEMS:

1) Approval of Financial Statements, Payroll and Regular Checks for the month of December 2014

Recommended Action: Resolution No. 3264.

That the Board of Port Commissioners adopt Resolution No. 3264 approving the Financial Statements, Payroll and Regular Checks for expenses in December 2014.

ACTION: Commissioner Bravo moved, seconded by Commissioner Carson and carried by a vote of 5-0 to adopt Resolution No. 3264 approving the Financial Statements, Payroll and Regular Checks for expenses in December 2014.

2) Approval of The 805 New Lease and Expansion

Recommended Action: Motion

That the Board of Port Commissioners approve by motion:

- a) A new Restaurant Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Andres S Fernandez, LLC dba “The 805” for the premises located at 1575 Spinnaker Drive #101 & #102 consisting of a total of 2,390 square feet for a five

year term subject to (i) the termination of the Lease between Ventura Port District and Andres S Fernandez, LLC dba "The 805" as set forth in (b) below; (ii) the termination of the Lease between Ventura Port District and Sin Chol Kim dba Maru Sushi and Grill as set forth in (c) below; (iii) the successful close of escrow on the sale of Maru Sushi and Grill to Andres S Fernandez, LLC, and (iv) legal counsel's review and approval of the final lease documents;

- b) A Lease Termination Agreement between Ventura Port District dba Ventura Harbor Village with Andres S Fernandez, LLC dba "The 805" for the premises located at 1575 Spinnaker Drive #101, which shall terminate concurrently with the approval of the Restaurant Lease Agreement set forth in (a) above; and
- c) A Lease Termination Agreement between Ventura Port District dba Ventura Harbor Village with Sin Chol Kim dba Maru Sushi and Grill for the premises located at 1575 Spinnaker Drive #102/#103, which shall terminate concurrently with the approval of the Restaurant Lease Agreement set forth in (a) above.

ACTION: Commissioner Carson moved, seconded by Commissioner Bravo and carried by a vote of 5-0 to approve (a) a new Restaurant Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Andres S Fernandez, LLC dba "The 805" for the premises located at 1575 Spinnaker Drive #101 & #102 consisting of a total of 2,390 square feet for a five year term subject to (i) the termination of the Lease between Ventura Port District and Andres S Fernandez, LLC dba "The 805" as set forth in (b) below; (ii) the termination of the Lease between Ventura Port District and Sin Chol Kim dba Maru Sushi and Grill as set forth in (c) below; (iii) the successful close of escrow on the sale of Maru Sushi and Grill to Andres S Fernandez, LLC, and (iv) legal counsel's review and approval of the final lease documents; (b) a Lease Termination Agreement between Ventura Port District dba Ventura Harbor Village with Andres S Fernandez, LLC dba "The 805" for the premises located at 1575 Spinnaker Drive #101, which shall terminate concurrently with the approval of the Restaurant Lease Agreement set forth in (a) above; and (c) a Lease Termination Agreement between Ventura Port District dba Ventura Harbor Village with Sin Chol Kim dba Maru Sushi and Grill for the premises located at 1575 Spinnaker Drive #102/#103, which shall terminate concurrently with the approval of the Restaurant Lease Agreement set forth in (a) above.

Public Comment: Andres Fernandez is very excited for this opportunity and has been talking about this idea for years. The 805 will have Americano-Cubano cuisine with live entertainment and special events.

3) Approval of Out of Town Travel Requests

Recommended Action: Motion

That the Board of Port Commissioners approve by motion the Out of Town Travel Request for Consultant and Project Manager, Richard Parsons and Commissioner, Greg Carson.

ACTION: Commissioner Bravo moved, seconded by Commissioner Smith and carried by a vote of 5-0 to approve the out of town travel requests for

Consultant and Project Manager, Richard Parsons and Commissioner, Greg Carson.

INFORMATIONAL ITEMS:

4) Compensation and Benefits Comparison

Recommended Action: Informational.

That the Board of Port Commissioners receive and discuss the compensation and benefits comparison and provide staff with appropriate direction.

ACTION: Scott Miller presented information to the Commission on compensation and benefit comparisons between the Ventura Port District, Channel Islands Harbor, Santa Barbara Harbor and Santa Cruz Harbor. Comments and questions from the Commission included wanting more information on the Cost of Living, Merit or Step Program, and giving an additional personal holiday. In the end, Chair Friedman told staff that he and Vice Chair Ashworth would meet with the General Manager to discuss how to proceed with this item.

Public Comment: John Higgins commented on behalf of the employees that no one is complacent about the job they have and everyone appreciates the job they have. Not one \$150 increase goes unrecognized; it is absolutely appreciated. All employees are aware and respect the District's fiscal challenges and are all working extra hard to help achieve the extra revenues that will get us in a better fiscal position.

ACTION ITEMS:

6) Oceans West Development Modernization Plan

Recommendation Action: Motion.

That the Board of Port Commissioners formally acknowledge by motion that the work approved in the Interim Modernization Plan (IMP) submitted by Oceans West Development, aka Ventura West Marina II, has been fully completed as required by the Lease.

ACTION: Commissioner Carson moved, seconded by Commissioner Bravo and carried by a vote of 5-0 to formally acknowledge by motion that the work approved in the Interim Modernization Plan (IMP) submitted by Oceans West Development, aka Ventura West Marina II, has been fully completed as required by the Lease.

7) Approval of Mid-Year Budget Adjustments for Fiscal Year 2014 – 2015

Recommended Action: Resolution No. 3265.

That the Board of Port Commissioners adopt Resolution No. 3265 authorizing the Mid-Year Budget Adjustments for Fiscal Year 2014 - 2015.

ACTION: Commissioner Smith moved, seconded by Commissioner Ashworth and carried by a vote of 5-0 to adopt Resolution No. 3265 authorizing the Mid-Year Budget Adjustments for Fiscal Year 2014 – 2015.

Staff will continue to evaluate options for the Harbor Village Re-Roofing project and bring any information to the Board that may enable the District to avoid the significant expenditure contemplated.

5) Approval of the 2015 Non-Represented Employee Salary Adjustments

Recommendation Action: Resolution No. 3263

That the Board of Port Commissioners discuss and take appropriate action to approve Resolution No. 3263, which provides for a 3% adjustment to the bottom of the Non-Represented Employee Salary Range, effective January 1, 2015.

ACTION: Commission Carson moved, seconded by Commissioner Bravo and carried by a vote of 5-0 to adopt Resolution No. 3263, which provides for a 3% adjustment to the bottom of the Non-Represented Employee Salary Range, effective January 1, 2015, with the following amendment to the resolution:

- Attachment 1, Second Page, third paragraph, add to last sentence, "...and such salary increase on merit shall be subject to Board approval through the budget process."

REQUEST FOR FUTURE AGENDA ITEMS: None.

ADJOURNMENT: The meeting was adjourned at 9:28PM.

Secretary

MARCH 11, 2015

BOARD OF PORT COMMISSIONERS

INFORMATIONAL ITEM NO. 1

**BOARD OF PORT COMMISSIONERS PROTOCOLS AND
POLICIES MANUAL**

TO: Board of Port Commissioners
FROM: Oscar Peña, General Manager
SUBJECT: Board of Port Commissioners Protocols and Policies Manual

RECOMMENDATION:

That the Board of Port Commissioners review, discuss and give staff direction on policies and procedures for the Board of Port Commissioners.

SUMMARY:

The purpose of this item is to set forth protocols and policies that govern the Port Commission and the Commission meetings. The attached draft manual is for review and to start a discussion on ensuring uniformity of procedure, access to the public, fairness to the public and interested parties and compliance with legal requirements in all designated matters heard by the Board of Port Commissioners.

ATTACHMENT:

Attachment 1 – Draft Board of Port Commissioners Protocol Handbook

BOARD OF PORT COMMISSIONERS PROTOCOLS AND POLICIES MANUAL



VENTURA PORT DISTRICT

Adopted _____2015

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1.0 INTRODUCTION

1.1 Purpose and Intent

The adoption of written guidelines regarding the conduct of public officials provides a sound foundation on which to build public trust and confidence. The proper operation of the District requires that decisions and policies be made within the proper channels of governmental structure, that public office not be for personal gain, and that the Commissioners remain objective and responsive to the needs of the public and business owners they serve. The purpose of this manual is to set forth protocols and policies that govern the Port Commission and Commission meetings. The intent of this manual is to ensure uniformity of procedure, access to the public, fairness to the public and interested parties, and compliance with legal requirements in all designated matters heard by the Board of Port Commissioners.

1.2 District Description

The Ventura Port District was established on April 8, 1952 by an election and majority vote of the citizens of Ventura. On April 15, 1952, the Board of Supervisors of Ventura County, ordered formation of the District pursuant to the Harbors and Navigation Code of the State of California.

The District was organized for the purpose of acquiring, constructing and operating a commercial and recreational boat harbor within the City of Ventura. The District's legal boundaries encompass all of the City of Ventura as well as some small areas outside the City limits.

The Ventura Port District is the owner and operator of the Ventura Harbor. The Ventura Harbor is a 274 acre multiple use recreational and commercial fishing small craft harbor. Other than the 2.74 acre site owned by the Department of Interior, National Park Service, the District is the sole landowner within the Harbor. The District's current property holdings include approximately 152 acres of land and 122 acres of water area. The Harbor was initially developed in the early 1960's and still had approximately 23 acres of land area available for development.

The official address and principal place of business of the District is:

VENTURA PORT DISTRICT
1603 Anchors Way Drive
Ventura, CA 93001
(805) 642-8538; Fax (805) 658-2249

1.3 Ventura Port District 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.

1.4 Ventura Port District Goals

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

- 1) Maintain and enhance a safe and navigable harbor by:
 - A. Securing funding 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.
- 2) Support and promote commercial and recreational boating and fishing.
- 3) Increase economic development, vitality, and diversity of the District through effective leasing and marketing strategies.
- 4) Promote sustainable use of our natural environment through business practices and programs designed in concert with our tenants, educators, agencies, and interest groups.
- 5) Build respectful, productive, and mutually beneficial business relationships with our tenants, public agencies, elected officials and the community.
- 6) Provide exceptional public service and transparency at all levels within the organization through effective leadership, training, mentoring, and oversight. This promotes accountability, increased public trust, and a more efficient, effective and public focused organization.

2.0 GOVERNING BODY

2.1 Board of Port Commissioners

The Board of Port Commissioners consists of five members appointed by the mayor and City Council of Ventura, who shall govern the Ventura Port District. The Ventura City Council has the authority to remove commissioners from office during their term for cause by a vote of not less than five members of the Council. (H&N Code Section 6241.1)

Commissioners shall not be appointed to the Board of Port Commissioners unless he or she is, at the time of appointment, a taxpayer within the district and has resided within the district for at least one year. (H&N Code Section 6244)

Commissioners have a term of office of four years from the time of his or her appointment. (H&N Code Section 6245)

2.2 Board Principles

The Board of Port Commissioners recognizes its actions affect the District's ability to fulfill its mission. List below are practices deemed essential for the Board to positively affect the District's ability to operate efficiently and effectively. The members of the Board of Port Commissioners affirm their commitment to act in accordance with the following practices identified as being compatible with the efficient and effective operation of the District:

1. Staff true to the District's Mission.
2. Maintain a high level of integrity and follow through with all commitments, especially with other government agencies.
3. Work only as a Board, with no rogue, tangential, or hidden agendas.
4. Always strive for consensus, but remember unanimity is not required.
5. Once the Board has made a decision, acknowledge it.
6. Understand the Board's role is to set policy and ensure staff understands this, while facilitating staff's ability to implement strict policy.
7. Abide by the separation of responsibilities between the Board, General Manager and Staff.
8. Clearly understand the expectations and the responsibilities of the Board Chair and Vice Chair.
9. Correctly identify the issues.
10. Realistically select important issues worth of the Board's energies and efforts.
11. Make sure all major policy decisions are well thought out from a legal perspective, all options have been explored, with each advantage and disadvantage, for the rate payers, explored and weighed.
12. Accept the responsibility to bring to the Board any issues related to the District's mission.
13. Communicate all facts accurately and fully.
14. Encourage open discussion by all Board members on all subjects.
15. Ensure everyone has a change to give and explain his or her point of view.
16. Aggressively listen to each other in a genuine effort to understand opposing views.
17. Attend and actively participate in all meetings, keeping absences to a minimum.
18. Come to meetings prepared, having reviewed the materials provided by staff.
19. Ask the General Manager for background information as needed prior to Board meetings.
20. Never hesitate to ask questions at a Board meeting or request additional information, if required.

2.3 Responsibilities and Conduct of Commissioners

2.3.1 Oath of Office

Within ten days of a Commissioners appointment and before performing duties of his or her office, each Commissioner shall take and subscribe to an Oath of Office before the Clerk of the Board, that he or she will support the Constitution of the United States and the Constitution of the State of California, and will faithfully discharge the duties of his or her office according to the best of their ability. (H&N Code Section 6243)

2.3.2 Conflict of Interest

Pursuant to Sections 87200 *et. seq.*, Government Code, newly appointed Commissioners are required to file a "Statement of Economic Interests" within ten days of assuming office; this Statement is filed with both the County's and City's Clerk of the Board Office. After the initial statement is filed, each Commissioner is required to file an annual statement usually after January 1 of each year and no later than April 1 of each year.

A Commissioner is required to conform to the Conflict of Interest provisions of the Political Reform Act, Section 87100 et. seq., California Government Code, which regulate financial conflicts of interest. The law imposes the responsibility to avoid financial conflicts of interest upon the Commissioner. Pursuant to state law, each Commissioner must seek training in the obligations of the law to avoid conflicts of interest and to conform to all other applicable laws including those concerning ethics and conflict of interest.

A Commissioner is required to file a "Leaving Office Statement" within 30 days after leaving office.

2.3.3 Ethics Training

Each Commissioner shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service no later than one year from the first day of service. Thereafter, each Commissioner shall receive the training at least once every two years, without regard to the number of local agencies with which he or she serves.

2.3.4 Staff/Commissioner Interaction

Staff Members may act as advisors to the Port Commissioner and can provide research and administrative services.

Commission members should not and cannot direct staff to work on projects without the approval of the Chair and General Manager. To operate the District in an effective and professional manner, the Commission and General Manager need to be aware of the projects on which each staff member is working.

The Commission has no authority to supervise or direct the work of staff. Correspondence and requests directed to the staff on behalf of Commissioners should be routed through the Chair and General Manager.

2.4 Role of Chair

The Chair of the Board is to be elected by the Board of Port Commissioners for a term of two years. (HNC Section 6241.1) The Chair shall have the authority to preserve order at all Commission meetings, to remove any person from any meeting for disorderly conduct, to enforce the rules of the Commission and to determine the order of business.

The Chair shall have the authority to prevent the misuse of motions, or the abuse of any privilege, or obstruction of the business of the Commission by ruling any such matter out of order. In so ruling, the Chair shall be courteous and fair and should presume that the moving party is acting in good faith.

2.5 Role of Vice-Chair

In the absence of the Chair or his inability to act, preside at all meetings.

2.6 Role of Secretary

The Secretary ensures the Commission adheres to all adopted policies and must attest and sign all approved minutes, resolutions, etc.

3.0 PORT COMMISSION MEETINGS

3.1 Regular Meetings

Regular Meetings of the Board of Port Commissioners shall be held the second Wednesday of every month at 11:00AM and the fourth Wednesday of every month at 7:00PM; excluding August in the Ventura Port District Office located at 1603 Anchors Way Drive, Ventura, California.

3.1.1 Other Locations

The Commission may, at times, elect to meet at other locations within the City and upon such election shall give public notice of the change of location.

3.1.2 Cancelled Meetings

When the day for any regular meeting falls on a legal holiday, the regularly scheduled meeting for that day shall be deemed cancelled unless otherwise provided by the Commission. Any meeting of the Port Commission may be cancelled in advance by a majority vote of the Commission.

3.2 Special Meetings & Emergency Meetings

Special and Emergency meetings of the Port Commission may be called and held from time to time pursuant to the procedures set forth in the Ralph M. Brown Act.

3.3 Closed Sessions

The Port Commission may hold closed sessions during any regular or special meeting, or any time otherwise authorized by law to consider or hear any matter which is authorized by State law to be heard or considered in closed session.

The general subject matter for consideration shall be expressed in an open meeting before such session is held.

Commissioners may not reveal the nature of discussion or the decision from a closed session unless required by law.

3.4 Quorum and Voting

Three members of the Port Commission shall constitute a quorum.

Any Commissioner present at a meeting when a question comes up for a vote, should vote for or against the item unless he/she is disqualified from voting and abstains because of a conflict of interest. If the vote is a voice vote, the Chair shall declare the result. The Commission may also vote by roll call vote.

3.5 Commissioner Absences

When a Commissioner plans on being absent from a meeting, notification shall be provided to the Clerk of the Board.

3.6 Attendance by the Public

All meetings of the Commission, except Closed Sessions, shall be open and public in accordance with the terms, provisions and exceptions consistent with the Ralph M. Brown Act. A public comment period is available to all members of the public to discuss their issues of concern with the Commission.

3.7 Agendas

The Board of Port Commissioners requires the Clerk of the Board to prepare, publish and distribute agendas for all meetings. Meeting agendas shall be posted at least 72 hours in advance and topics shall be limited to those on the agenda. Agendas are available on the Ventura Port District Website at <http://venturaharbor.com/category/public-notices/>.

3.8 Minutes and Recordings

Minutes and recordings of Commission meetings will be kept and maintained as follows:

- a. Action Minutes will be kept of all Commission meetings that are open to the public. Minutes are prepared after each commission meeting by the Clerk of the Board. These minutes are not actual transcripts of the meetings, but describe only the motion-maker and the contents of the motion, who seconded the motion, the vote, and any conditions of approval. The minutes will also reflect the names of public speakers. If a Commissioner desires for a comment to be included in the minutes, it is his or her responsibility to indicate that the statement is "for the record" before making the comments.
- b. Port Commission meetings are digitally recorded and maintained by the Ventura Port District Clerk of the Board. Members of the public may hear audio CD's upon request to the Clerk of the Board. Copies of CD's may be purchased at the Ventura Port District Office.

4.0 Order of Business

The business of the Commission at its meetings will generally be conducted in accordance with the following order of business unless otherwise specified. A closed session may be held at any time during a meeting consistent with applicable law:

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL
ADOPTION OF AGENDA
APPROVAL OF MINUTES
PUBLIC COMMUNICATIONS
CLOSED SESSION REPORT
LEGAL COUNSEL REPORT
BOARD COMMUNICATIONS
DEPARTMENTAL STAFF REPORTS
GENERAL MANAGER REPORT
CONSENT ITEMS
INFORMATIONAL ITEMS
ACTION ITEMS

REQUEST FOR FUTURE AGENDA ITEMS ADJOURNMENT

Call to Order – The Chair opens the public hearing and calls the meeting to order at the appropriate scheduled time.

Pledge of Allegiance – The Chair or designee will lead the meeting in the Pledge of Allegiance.

Roll Call – The Clerk of the Board will take roll.

Adoption of the Agenda - 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. This motion is approved by voice vote.

Approval of the Minutes – The Commission will discuss, make possible amendments and approve the past meetings minutes.

Public Communications – This period is set aside to allow public testimony on items not on the agenda. Each person may address the Commission for up to three minutes or at the discretion of the Chair. Each person is required to fill out and return to the Clerk of the Board a speaker slip, which allows the Chair to recognize who would like to speak. No person may speak without first being recognized by the Chair.

Closed Session Report – Any reportable actions taken by the Commission during Closed Session will be announced at this time by Legal Counsel.

Legal Counsel Report – Legal Counsel will report on progress on District assignments and any legislation matters.

Board Communications – This section provides the Commission to briefly comment on Port District issues, such as seminars, meetings, projects and literature that would be of interest to the public and/or Commission, as a whole.

Departmental Staff Reports – Ventura Port District Staff will give the Commission reports on their Department.

General Manager Report - The General Manager of the Ventura Port District will report on items of general interest to the Port Commission and members of the public.

Consent Items - 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.

Informational Items – Staff will give a report that a Commissioner may have wanted more information on. No action is to be taken.

Action Items – In accordance with the Ralph M. Brown Act, the Commission may not take action on any item that did not appear on the posted agenda 72 hours prior to the meeting. Staff will give the Commission a report, the Commission will ask questions, the Chair will call for public comment, then Commission deliberation, and then action is taken. A voice vote or roll call vote will be taken, unless the item is continued.

Request for Future Agenda Items – Commissioners can request specific items be placed on a future agenda.

Adjournment – The current meeting is adjourned to the next scheduled meeting.

DRAFT

ACKNOWLEDGEMENTS

This handbook was based on similar handbooks from other municipalities. We thank the City of Ventura, County of Santa Barbara, Princeton, New Jersey Government, and Newhall County Water District. Also used as references were the Harbors and Navigation Code, Rosenberg's Rules of Order and the Brown Act.

5.0 PORT COMMISSION POLICIES BY RESOLUTION

DRAFT

5.1 Record Retention Policy



RESOLUTION NO. 2708

RESOLUTION OF THE BOARD OF PORT COMMISSIONERS
OF VENTURA PORT DISTRICT RELATING TO THE
RETENTION AND DESTRUCTION OF DISTRICT RECORDS

WHEREAS, under Government Code Section 6250 *et seq.* written documents relating to the District's business prepared, used or retained by the District are public records; and


WHEREAS, despite the fact that the District may have public records, under Government Code Section 60200 *et seq.* special districts are provided with legislative guidance regarding retention and destruction of certain records; and

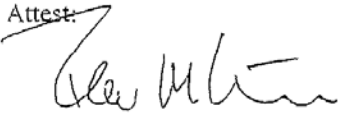
WHEREAS, the statutes provide specific retention periods for certain records but do not contain retention periods for all records; and

WHEREAS, in instances where the law does not expressly require retention, the Board may exercise its own discretion in setting the policy for retention and destruction.

NOW, THEREFORE, pursuant to the authority granted, the Board of Port Commissioners of Ventura Port District hereby adopts Appendix A attached to this Resolution as the District's policy for the retention and destruction of District records.

Passed and Adopted this 16th day of August, 1995


Chairman

Attest:

Secretary
(Seal)

APPENDIX A

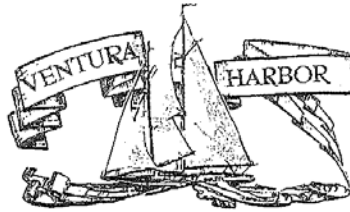
Following is a list of records and retention periods. Please note that this list is comprised primarily of records commonly found in the general business community and is not intended as an exhaustive listing of all District records. The periods begin at the end of the fiscal year during which the record was created, not from the date of the record. The retention period for items supporting tax returns begins on the filing date of the return or its due date (with extensions), whichever is later. If litigation is threatened or pending, the District's attorneys should be consulted before specific records are destroyed.

"P" means permanently; ; "AD" means after disposal of the underlying asset; "AE" means after expiration; "AFP" means after final payment; and "AT" means after termination.

Accident reports (settled)	7	Equipment repair records	3
Assessment records	7	Fidelity bonds	5 AT
Bank deposit slips	3	Financial reports (e.g., balance	
Bank reconciliations	3	sheets, cash receipts and	
Bank statements	7	disbursements, profit and	
Bids:		loss statements, statements of	
Accepted	4	changes in fixed assets, etc.)	
Unaccepted	2	Audited	P
Bills of lading	5	Annual	P
Bonds:		Interim	3
Records of issuance	P	Fixed assets records	7 AD
Repayment records	10 AFP	Garnishments	3 AT
Budgets	3	Insurance policies	P
Capital asset records	7 AD	Inventory records	7 AD
Check register	10	Invoices	7
Construction records:		Labor records	
Specifications, change orders,		Applications (employment)	7 AT
correspondence, etc.	7	Contracts	7 AT
As-built plans	P	Daily time reports	5
Contracts:		Disability claims	7 AT
Employee	7 AT	Earnings records	7
Vendor	7 AT	Employee service records	7 AT
For acquisition, operation		Fidelity bonds	5 AT
or maintenance	P	Insurance records	7 AT
Correspondence:		Medical history	7 AT
Accounting	7	Paychecks	7
Construction	7	Personnel files (including job	
Credit and collection	7	description, performance	
General	3	evaluations, changes of	
Personnel	7 AT	employment, etc.)	7 AT
Cost accounting records	5	Salary and wage changes	7 AT
Deposit slip copies	3	Salary receipts	7 AT
Depreciation schedules	7 AD	Time cards, tickets and	
District formation records	P	clock records	5
(including formation of		Unemployment claims	7 AT
improvement or assessment		Withholding certificates	7 AT
districts within District)		Workers compensation reports	10
Equipment leases	7 AE	Leases	7 AT

Ledgers and journals:	
Accounts payable ledger	7
Accounts receivable ledger	7
Cash receipts journal	10
Deposit permit register	10
Expenditure ledger	10
General journal	10
General ledger	P
Journal entries - year-end	P
Payroll journal	10
Purchase journal	10
Revenue ledger	10
Taxes receivable ledger	10
Licenses	1 AT
Litigation files (resolved)	5
Judgments, orders, settlement agreements	P
Long-term debt records:	10 AFP
Maintenance records:	
Building	7
Machinery	7
Minute books, resolutions and ordinances	P
Mortgages	7 AT
Notes (cancelled)	7
Options	7 AT
Pension records	P
Petty cash records	3
Plant acquisition records	7 AD
Real estate development records:	
Design, engineering, construction records	7
As-built drawings evidencing District approval	P
Property records:	
Appraisals	P
Damage reports	7
Deeds, easements, licenses	P
Depreciation	7 AD
Plans and specifications	P
Purchases	P
Reconveyances	P
Sales	P
Taxes	10
Purchase orders	3
Purchase invoices	7
Receiving reports	3
Remittance statements	3
Surety bonds	3 AT
Tax records	10
Tax rolls	12
Travel records (employees)	3
Union contracts	P
Warrants	10 AFP

5.2 Lease Negotiation and Administration Policy



RESOLUTION NO. 2595

RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF VENTURA PORT DISTRICT ESTABLISHING A POLICY REGARDING LEASE NEGOTIATIONS AND FINANCIAL DISCLOSURE

WHEREAS, from time to time, Ventura Port District (the "District") enters into leases and grants other entitlements with respect to real property within Ventura Harbor; and

WHEREAS, the Board of Port Commissioners (the "Board") of the District desires to ensure fairness in the process of considering lease applicants, and negotiating and renegotiating leases, and to avoid any appearances of impropriety; and

WHEREAS, it is in the best interests of the District to clarify the procedure for negotiating such leases and entitlements, and to ensure that District lessees provide adequate assurances of their financial strength and capacity, and to provide for adequate disclosure of potential conflict of interest; and

WHEREAS, the Board of Port Commissioners of Ventura Port District desires to establish a policy regarding lease negotiations, and related financial disclosures;

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of Ventura Port District as follows:

1. The Board finds and determines that it is in the best interests of the District to establish a policy regarding the procedure for negotiating leases and other entitlements with respect to real property within Ventura Harbor, so as to ensure fairness in the process of considering lease applicants, to ensure that District lessees provide adequate assurances of their financial strength, and to avoid any actual or perceived financial conflicts in the leasing process.

2. The General Manager shall advise the Board of Port Commissioners regarding the availability for leasing or licensing or real property within Ventura Harbor, or the renewal of existing leases and licenses of real property within the Harbor.



3. The Board of Port Commissioners shall instruct the General Manager to receive proposals for leasing, licensing, or developing such a property. In the case of renegotiation of existing leases, consideration shall be given to the possible extension of such leases.

4. The Chairman of the Board of Port Commissioners may appoint a committee of less than a quorum of the Board to review proposals regarding such real property. The General Manager and appropriate staff shall be included on the committee.

5. The General Manager shall gather information regarding proposed transactions and proposed parties ("Party" or "Parties"), including:

- a. All transaction, financing and escrow documents;
- b. Evidence of the Parties' business history;
- c. Current financial statement(s) for the Parties;
- d. Last three year's income tax returns for the Parties;
- e. Business plan and financial projections;
- f. A statement of any litigation affecting the Parties;
- g. Identification of each operator or independent contractor the Parties intend to use in their business operations on the Premises;
- h. Copies of any management or operation agreements between the Parties and their independent contractors;
- i. Such other information and materials that evidences that the Parties have experience, reputation, business background and financial capacity to reasonably ensure the continued prompt performance of the obligations of the Parties after such transactions were to become effective; and
- j. Such other documents as may be required by the Board of Port Commissioners to determine the commercial reasonableness of the proposed transaction.

6. In addition to the information required above, Parties shall be required to disclose any loans to or from, any business dealings or other financial transactions with, and any past or prospective gifts having a value in excess of One Hundred dollars (\$100.00) to or from a member of the Board of Port Commissioners, the General Manager or the Harbormaster.

7. Upon any request by existing lessees or holders of entitlements to District property for action by the Ventura Port District, the requesting Party shall be required to disclose any loans to or from, any business dealings or any other financial transactions with, and any past or prospective gifts having a value in excess of One Hundred dollars (\$100.00) to or from a member of the Board of Port Commissioners, the General Manager or the Harbormaster.

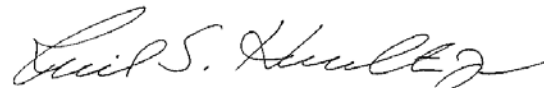
8. Should any lease applicant, existing lessee or holder of any entitlement to property of the District disclose any such loans, business dealings, other financial transactions or gifts with a member of the Board of Port Commissioners, the Commissioner so identified shall be excluded from participation in any decision of the Port affecting such applicant, lessee or licensee, unless otherwise required by law.


9. The disclosure and disqualification provisions of Paragraphs 7 and 8 shall not apply when such business dealings or financial transactions are not distinguishable from the lease applicant's, lessee's or entitlement holder's business dealings or financial transactions with the public generally.

10. The committee appointed by the Chairman shall review the information provided by the General Manager, meet and confer and, if so determined to be in the best interests of the District, enter into negotiations with the parties regarding the terms and conditions of the proposed transaction. The committee shall prepare a report which includes its recommendations regarding the proposed transaction and submit the report to the Board of Port Commissioners.

11. The Board of Port Commissioners shall review the committee's report and recommendations and shall make the final determinations regarding modification, approval or rejection of the proposed transaction.

PASSED and ADOPTED this 24th day of November, 1992


Chairman

Attest: 
Secretary
(Seal)

5.3 Slip Rate Policy



RESOLUTION NO. 3038

RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF THE VENTURA PORT DISTRICT ESTABLISHING PROCEDURES FOR REVIEWING THE SLIP RATES AND CHARGES PROPOSED BY VENTURA HARBOR SLIP OPERATORS

WHEREAS, certain harbor leases contain language reserving to the District, acting by and through the General Manager, the right to review and determine whether prices charged for goods and services are fair and reasonable; and

WHEREAS, the Board of Port Commissioners has determined that Resolution No. 2194 which previously established procedures for approving or disapproving proposed prices, rates or charges should be rescinded and a new policy implemented.

NOW, THEREFORE, BE IT RESOLVED, Resolution No. 2194 is hereby rescinded; and

FURTHER RESOLVED that the General Manager shall adhere to the following procedures prior to final approval or disapproval of proposed slip rates and charges proposed to be imposed by Ventura Harbor Slip Operators that pay percentage rent to the District:

1. Upon receipt by the Ventura Port District of any changes regarding the slip rates and charges proposed by a Slip Operator, the General Manager shall post a Notice of a Public Hearing regarding said rate increase a minimum of 20-days prior to the hearing, at the affected leasehold facilities. The Public Notice will include the new proposed rates and charges, and reflect the date, time and location of the Public Hearing.
2. After completion of an investigation of the proposed slip rates and charges proposed to be imposed by a Slip Operator, the General Manager shall be present a report of his findings as to the fairness and reasonableness of said slip rates and charges, prior to final approval or disapproval by the Board of Port Commissioners.

Passed and Adopted this 27th day of July, 2005

Edward J. McCombs
Chairman

Attest:

Robert J. Brea
Secretary
(Seal)



5.4 Capital Assets and Inventory Control Administration Policy

VENTURA PORT DISTRICT ADMINISTRATIVE POLICY

Policy Title: *Capital Asset and Inventory Control Policy*

The purpose of this policy is to provide the District with a system to safeguard and account for capital assets, assigning responsibility for custody of said assets, and inventory of data for proper management of District assets, including maintenance, insurance and replacement.

Capital Asset Policy

A record of capital assets shall be based on the following criteria:

1. The asset is of a tangible nature;
2. Life expectancy is longer than one year;
3. Asset with a minimum value as follows:

a. Buildings and building improvements	\$10,000
b. Vehicles, machinery and equipment	\$ 5,000
c. Works of art and historical treasures	\$ 5,000
d. Infrastructure	\$10,000

The District will maintain a list of all assets that meet the capitalization policy. Assets will be separated by the following classifications:

Land and land improvements
Building and building improvements
Vehicles
Vessels
Machinery
Equipment

Additions and deletions to capital asset inventory records shall be made as they occur.

Inventory Control

An inventory, of all assets shall be conducted on an annual basis. Applicable purchases for inclusion in the inventory shall be the following:

- A. Equipment and tools that individually have an original total cost of more than \$300.00;
- B. Building acquisitions regardless of price; and,
- C. Assets that are subject to theft. These include computerized equipment such as laptops, printers, etc.

When any item defined above is received, a tag with a unique identification number shall be affixed to said item, and the number recorded in the permanent inventory records.

Inventory information shall be provided to, and maintained by the Facilities Manager. Inventory records shall include at least the following:

- Asset number;
- Description;
- Manufacturer's number;
- Storage location;
- Original cost;
- Acquisition date;
- Life expectancy; and
- Classification Code (e.g., office equipment, vehicle, etc.).

Permanent inventory records shall be maintained in either a paper file or electronic (computer data base) format. Said records shall be updated whenever a change in the status of a particular asset occurs (e.g., original purchase, sale, destruction, loss, theft, etc.).

After the conclusion of the annual inventory, the General Manager (or other responsible managing employee) shall certify its completeness and report the results to the Board of Port Commissioners at a regular monthly meeting.

Adopted: February 22, 2006

5.5 Reserve Policy



RESOLUTION NO. 3225

RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF VENTURA PORT DISTRICT ADOPTING A RESERVE POLICY

WHEREAS, the Ventura Port District ("District") manages and operates a commercial and recreational boat harbor in the City of San Buenaventura, for the benefit of the city residents and the public generally; and

WHEREAS, the District maintains funds in unrestricted and restricted accounts for such purposes as capital improvements, debt service and emergency and disaster response; and

WHEREAS, the prudent management of the District requires that reserve funds be established and maintained to fund scheduled and unscheduled expenses, and to identify the amount of funds specifically dedicated for each purpose and to provide periodic review of the reserve funding levels to ensure such levels are and will be adequate to meet the projected needs of the District; and

WHEREAS, the Board of Port Commissioners has previously determined that it is in the best interest of the District to establish dedicated and restricted reserve funds for various purposes and to implement a formal policy regarding the level of funding and use of such reserve fund; and

WHEREAS, the Board of Port Commissioners adopted Resolution No.3190 on June 27, 2012, establishing the Ventura Port District Reserve Policy; and

WHEREAS, the Board of Port Commissioners has determined that it is in the best interest of the District to revise the District's Reserve Policy in the following manner: (i) all unexpended Unrestricted Reserve funds in excess of the minimum reserve amount will be transferred to the Capital Improvement Reserve Fund; and (ii) to allow for the balance of the Capital Improvement Reserve Fund to appreciate if necessary.

NOW THEREFORE, THE BOARD OF PORT COMMISSIONERS OF VENTURA PORT DISTRICT IS HEREBY RESOLVED, that the District's Reserve Policy adopted by Resolution No. 3190 on June 27, 2012 be deleted in its entirety and replaced as follows:

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Resolution No. 3225



VENTURA PORT DISTRICT RESERVE POLICY

1) The District will maintain sufficient revenues to meet its operating expenses, debt service, depreciation expenses, and prescribed reserves.

2) The District will hold cash and/or investments in reserve as authorized by the District's Investment Policy, and in accordance with state and federal laws.

3) The District reserves should be examined and adjusted each year based on the operating surplus or deficit at the conclusion of each fiscal year, according to reserve fund prioritization.

4) The District will maintain a reserve of cash and/or investments for both unrestricted and restricted purposes as follows:

- **Unrestricted Reserve:** Unrestricted reserve funds are to be used to ensure the continued orderly operation of Ventura Harbor. Such funds are primarily to be used for operations and maintenance within the Harbor and are intended to provide a mechanism for the District to immediately undertake unanticipated operation and maintenance activities and to manage cash-flow fluctuations, including emergency repairs. A minimum reserve equal to 40% of the operating budget will be maintained to ensure service continuity. Any unrestricted reserve funds in excess of such minimum reserve amount that is not expended as of the last day of the then-current fiscal year will be moved to the Capital Improvement Reserve Fund.

The District Accounting Manager should invest unrestricted reserve funds in liquid money market accounts such as LAIF, so that the funds are immediately available for District use.

- **Restricted Reserves:** Restricted reserve funds are to be set in the following amounts and used for the specific purposes for which the restricted reserve funds are created. At the present time, the District maintains the following restricted reserve funds:

- **Capital Improvement Reserve Fund:** The Capital Improvement Reserve Fund is intended to establish available cash assets to fund capital expenditures to support the future capital needs of the District in accordance with the District's Capital Improvement Plan. The level of funding in this reserve fund for the next fiscal year should be established based on the projected need to pay for planned and unplanned capital improvements for such fiscal year. In establishing the level of funding based on the projected need to pay for planned and

- 2 -

Resolution No. 3225

unplanned capital improvements for any given fiscal year, the District may, but shall not be obligated to, take into account unexpended reserve funds from year-to-year and accumulations thereon including, but not limited to, any unrestricted reserve funds transferred to the Capital Improvement Reserve Fund. The minimum balance maintained should be at least equal to the asset depreciation for the preceding fiscal year.

- **Dredging Reserve Fund:** The funds in the Dredging Reserve Fund are required to be maintained at a minimum level of \$3,000,000 in order to comply with a judgment entered against the District in 1979. Funds in the Dredging Reserve Fund are to be used solely and only to pay the cost of dredging and related activities to maintain appropriate water depths in the channels into and within the Harbor, and specifically in the Stub Channel providing water access to Ventura Keys.
- **Fisheries Complex Reserve Fund:** Funds deposited in the Fisheries Complex Reserve Fund are intended to provide funding to upgrade and improve the District's commercial fishing pier. The District has a policy of requiring tenants involved in commercial fishing operations to contribute toward the cost of improving the commercial fishing pier when they renew their leases. All payments received from such commercial fishing tenants are deposited in the Fisheries Complex Reserve Fund and will be used to pay the cost of improving and upgrading the pier when it becomes necessary to do so.

The Accounting Manager of the District shall invest funds held in these restricted reserve funds in secure accounts such as LAIF and invested in accordance with the District's investment policy.

5) At least annually the Board should review all reserve accounts and make a determination regarding the continuing need for and purposes of the reserve funds, the appropriate levels of accumulation and the conditions precedent to utilization of the reserve funds.

6) When additional reserve funds are to be established, they should be established by Board resolution, which should include:

- (a) A statement of the purpose for which the reserve is created;
- (b) To the extent possible, specification of minimum and maximum parameters for the accumulation of the monies in the reserve fund; and

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Resolution No. 3225



RESOLUTION NO. 3253

RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF
THE VENTURA PORT DISTRICT
ESTABLISHING ITS INVESTMENT POLICY

1.0 POLICY

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS; the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 53635 and 53601 et seq.; and

WHEREAS; the General Manager of the Ventura Port District ("District") must annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Port Commissioners ("Board") at a public meeting,

NOW THEREFORE, it shall be the policy of the District to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the District's daily cash flow demands and conforming to all statutes governing the investment of District funds.

2.0 SCOPE

This investment policy applies to all financial assets of the District. These funds are accounted for in the annual district audit.

3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3)



and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing District funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code Section 53600, et seq. Overall accountability and authority for implementation of this policy shall remain with the Board of Port Commissioners and overseen by the General Manager. Management responsibility for the investment program is hereby delegated to the General Manager who, where and when appropriate, shall establish written procedures for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and such procedures that are established by the General Manager. The General Manager shall be responsible for all transactions undertaken and shall establish controls to regulate the activities of subordinate officials. Under the provisions of California Government Code Section 53600.3, the General Manager is a trustee and a fiduciary subject to the prudent investor standard.

6.0 ETHICS AND CONFLICTS OF INTEREST

The General Manager and officers and employees involved in the investment process shall refrain from personal business activity that could conflict or appear to conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The General Manager will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the General Manager shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the General Manager shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the District's account with that firm has reviewed the District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the District that are appropriate under the terms and conditions of the Investment Policy.

The District is a local agency authorized to invest surplus monies in the Local Agency Investment Fund (LAIF). LAIF is a special trust fund in the custody of the State Treasurer and the Local Investment Advisory Board created under Government Code Section 16429.2 advises the State Treasurer on the investment and reinvestment of LAIF deposits. Each local agency with LAIF deposits has a separate account within LAIF, but the total deposits in LAIF are managed as a pooled investment account. The securities eligible for LAIF investments are statutorily specified in Government Code Section 16430 and are more conservative than those investments permitted under Government Code Section 53601, which governs the management of invested surplus monies by local agencies. Accordingly, the General Manager need not be concerned with the qualifications of those financial institutions and broker/dealers with whom LAIF transacts business.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The District is empowered by California Government Code Section 53601 et seq. to invest in the following:

- a. Bonds issued by the District.
- b. United States Treasury Bills, Notes and Bonds.
- c. Registered state warrants or treasury notes or bonds issued by the State of California.
- d. Registered treasury notes or bonds of any of the 49 United States in addition to California, including bonds payable solely out of revenues from revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.
- e. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- f. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- g. Bankers' acceptances, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchase of bankers' acceptances may not exceed one hundred eighty (180) days' maturity or forty percent (40%) of the District's money that may be invested pursuant to this policy. However, no more than thirty percent (30%) of the District's money can be invested in the bankers' acceptances of any single commercial bank.
- h. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall either be:

(1) organized and operating within the United States as a general corporation, shall have total assets in excess of Five Hundred Million Dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization; or

(2) organized within the United States as a special purpose corporation, trust, or limited liability company, have program-wide credit enhancements including, but not limited to, over-collateralization, letters of credit, or surety bond, and has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Eligible commercial paper shall have a maximum maturity of two hundred seventy (270) days or less. The District shall invest no more than twenty-five percent (25%) of its money in eligible commercial paper. The District shall purchase no more than ten percent (10%) of the outstanding commercial paper of any single corporate issue.

- i. Negotiable certificates of deposit issued by a nationally or state chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federal or state licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed thirty percent (30%) of the District's money which may be invested pursuant to this policy. The Board of Port Commissioners and the General Manager are prohibited from investing District funds, or funds in the District's custody, in negotiable certificates of deposit issued by a state or federal credit union if a member of the Board of Port Commissioners, or any person with investment decision making authority within the District also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- j. Repurchase/Reverse Repurchase Agreements of any securities authorized by Section 53601. The market value of securities that underlay a repurchase agreement shall be valued at one hundred two percent (102%) or greater of the funds borrowed against those securities, and are subject to the special limits and conditions of California Government Code 53601(j).
- k. Medium term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five (5) years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by a nationally recognized rating service. Purchases of medium term notes shall not include other instruments authorized by this policy and may not exceed thirty percent (30%) of the District's money which may be invested pursuant to this policy.
- l. Shares of beneficial interest issued by diversified management companies (mutual funds) investing in the securities and obligations authorized by this policy, and shares in money market mutual funds, subject to the restrictions of Government

Code Section 53601(l). The purchase price of investments under this subdivision shall not exceed twenty percent (20%) of the District's investments under this policy. However, no more than ten percent (10%) of the District's money may be invested in any one mutual fund.

- m. Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- n. Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- o. Any mortgage pass-through security, collateralized mortgage obligation, mortgage backed or other pay-through bond, equipment lease backed certificate, consumer receivable pass-through certificate, or consumer receivable backed bond of a maximum of five (5) years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and the securities shall be rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed twenty percent (20%) of the District's money that may be invested pursuant to this policy.
- p. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized under Government Code Section 53601. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible, the joint powers authority issuing the shares must have retained an investment advisor that is registered or exempt from registration with the Securities and Exchange Commission, have not less than five

years of experience in investing in the securities and obligations authorized under Government Code Section 53601, and have assets under management in excess of five hundred million dollars (\$500,000,000.00).

- q. Proposition 1A receivables sold pursuant to California Government Code Section 53999. A "Proposition 1A receivable" constitutes the right to payment of moneys due or to become due to a local agency, pursuant to clause (iii) of subparagraph (B) of paragraph (1) of subdivision (a) of Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the Revenue and Taxation Code.
- r. Any other investment security authorized under the provisions of California Government Code Sections 5922 and 53601.

A summary of the limitations and special conditions that apply to each of the above listed investment securities is attached and included by reference in this Investment Policy.

The District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

9.0 COLLATERALIZATION

All certificates of deposits must be collateralized by United States Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code Section 53601(j)(2).

10.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the District shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the District by book entry, physical delivery or by third party custodial agreement.

11.0 DIVERSIFICATION

The District will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be reviewed and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:


- a. Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.

- b. Maturities selected shall provide for stability of income and liquidity.
- c. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

12.0 REPORTING


The General Manager shall submit an investment report to the Board of Port Commissioners at least quarterly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for District by third party contracted managers. The report will also include the source of the portfolio valuation. For all funds that are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the District will meet its expenditure obligations for the next six (6) months, as required by Government Code Section 53646(b)(2) and (3), respectively. The General Manager shall maintain a complete and timely record of all investment transactions.

The Investment Policy shall be adopted by resolution of the District. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Port Commissioners. This Investment Policy replaces that which was set forth in Resolution No. 3169 on July 27, 2011.



Gregory Carson, Chairman

ATTEST:




Everard Ashworth, Secretary
(Seal)

I, Everard Ashworth, Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution No. 3253 was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 22nd day of October 2014, by the following vote:

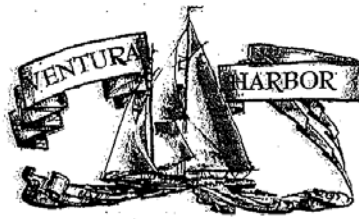
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 22nd day of October 2014.

said District this 22nd day of October 2014.

(Seal)


Secretary

5.7 Master Lease/Option Negotiation Administration Policy



RESOLUTION NO. 2988

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS
OF THE VENTURA PORT DISTRICT APPROVING AND ADOPTING A
MASTER LEASE/OPTION NEGOTIATION ADMINISTRATION POLICY**

WHEREAS, Ventura Port District ("District") and is a major provider of marine-oriented public services within the City of San Buenaventura, making commercial, tourist and recreational opportunities available to the public; and

WHEREAS, these commercial, tourist and recreational opportunities are, for the most part, provided by long-term ground lease tenants of the District; and

WHEREAS, the District regularly engages in negotiations with its ground lease tenants for changes and modifications to the existing leases and, from time to time, engages in discussions with prospective ground lease tenants relating to undeveloped portions of Ventura Harbor; and

WHEREAS, the Board of Port Commissioners has determined that it is in the best interests of the District, its current ground lease tenants, and prospective ground lease tenants, for the District to adopt a policy outlining the procedures for obtaining, amending and administering ground leases within Ventura Harbor and summarizing the basic ground lease terms the District considers essential to any new or updated long-term ground lease arrangement.

NOW THEREFORE BE IT RESOLVED, that the Board of Port Commissioners of the Ventura Port District hereby approves and adopts the Master Lease/Option Negotiation and Administration Policy in the form attached hereto and incorporated herein by reference; and

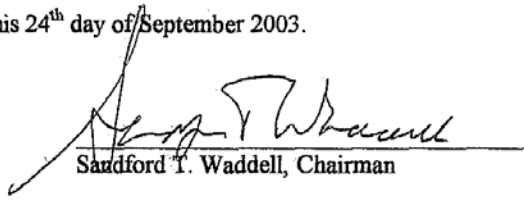
BE IT FURTHER RESOLVED, that the General Manager and other members of the District staff are hereby authorized to provide copies of this Policy to both existing and prospective ground lease tenants to assist those parties in the conduct of their master lease/option negotiations and lease administration affairs; and

BE IT FURTHER RESOLVED, that the General Manager and other members of the District staff are to be guided by this Policy in their conduct of their relations with both existing and prospective ground lease tenants; and

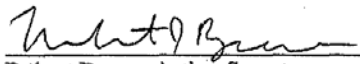


BE IT FURTHER RESOLVED, that the General Manager and staff at the District are hereby authorized and directed to take such other and further actions as may be necessary and appropriate to carry out and implement the purposes of this Resolution.

PASSED AND ADOPTED this 24th day of September 2003.


Sanford T. Waddell, Chairman

ATTEST:


Robert Bravo, Acting Secretary

STATE OF CALIFORNIA)
COUNTY OF VENTURA (ss.
CITY OF SAN BUENAVENTURA)

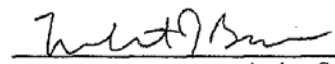
I, Robert Bravo, Acting Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 24th day of September, 2003, by the following vote:

AYES: Commissioners McCombs, Bravo and Chairman Waddell

NOES: None

ABSENT: Commissioners Clark and Ortiz

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 24th day of September 2003.


Acting Secretary

(Seal)

MASTER LEASE/OPTION NEGOTIATION AND ADMINISTRATION POLICY

Introduction

The Board of Port Commissioners ("Board") governs the Ventura Port District ("District"). The Board delegates responsibility for the administration of District operations to the General Manager. This delegation includes responsibility for the negotiation and administration of the District's real estate and leasing affairs. This policy only applies to Master Leases in Ventura Harbor and is not applicable to the short-term office, retail and restaurant leases in Ventura Harbor Village administered by District personnel.

The General Manager is responsible for administering the District's affairs in accordance with policies, rules and regulations established by the Board. The Board has adopted this policy to provide guidance to the General Manager and to establish a framework for better communications with our master tenants to avoid misunderstanding about District Policy.

This document establishes the general policies and practices for the optioning and leasing of real properties owned and administered by the District. The policies and practices established herein may be reviewed and modified by the Board at any time in its discretion. This document is divided into four parts as follows:

- I. Lease negotiation procedures.
- II. Leasing authority.
- III. Lease terms.
- IV. Lease administration.

Though described as a "leasing" policy, the procedures and concepts stated herein apply to the option to lease process as well, which the District will require in connection with a lease of currently undeveloped property or redeveloped property in Ventura Harbor.

I. Lease Negotiation Procedures

The lease negotiation process should begin with preliminary discussions between the General Manager, or his representative, and the prospective tenant in an effort to identify issues and objectives in the proposed lease transaction. The General Manager should then bring the results of these discussions to the Board for consideration and possible determination of the District's position in and strategy for the lease negotiation. The Board, in its discretion, may delegate this responsibility to an ad hoc committee of the Board or the General Manager, but the Board shall retain ultimate authority for approval of any changes to an existing lease or a new lease.

The General Manager and District counsel shall then prepare a draft "term sheet" identifying the business deal points including proposed rent, permitted uses and improvements. The term sheet

should be reviewed by the committee or the Board, as the case may be, prior to presentation to the tenant. The business deal points are to be agreed upon by the District and tenant negotiators and reported to the Board before counsel will be authorized to prepare any lease document. The Board will not, however, formally approve business terms prior to approving the final lease document.

Once authorized, District counsel shall prepare the initial draft of the lease document based upon the term sheet and applicable ground leasing policies and practices in Ventura Harbor.

Once the terms of the lease have been successfully negotiated between the General Manager and the tenant and the draft master lease has been prepared, the lease shall be submitted to the Department of Boating and Waterways, and possibly to the Attorney General and the State Lands Commission if required by the Harbors and Navigation Code. After approval by the required agencies, notices inviting competitive bids and giving notice of the District's intention to authorize the entering into the lease by the adoption of an ordinance shall be given. The Board shall formally consider the lease, but only after the tenant has signed multiple copies of the lease and related lease transaction documents and delivered them to the District pending approval by the Board and the State agencies.

II. Leasing Authority

The authority for negotiating and approving master lease terms is divided between the Board, a committee of the Board, if established in the discretion of the Board, and the General Manager. District counsel shall advise the Board, any committee and the General Manager throughout the lease negotiation process.

The Board, as the governing body of the District, has the ultimate authority with respect to all leases. The Board shall approve all leases, lease extensions or lease amendments. Only the Board may act to bind the District, including commitments to negotiate. The General Manager, a Board committee and counsel shall always make it clear to a prospective tenant during negotiations that any commitments made during the negotiation process are subject to approval by the Board prior to such terms being enforceable.

Prior to commencement of detailed negotiations concerning a new lease, a lease extension, or an amendment to an existing lease, the General Manager will present objectives and lease negotiation issues to the Board. The Board will initially decide whether to pursue lease negotiations and, further, whether to appoint a committee to assist the General Manager in those negotiations. If the Board determines that negotiations should proceed, the Board may also give general policy direction to the negotiators, which might include the General Manager, the committee and counsel.

Finally, in the event there is any disagreement or dispute between the General Manager and the committee about issues arising in preparation for or during the lease negotiation, the Board shall determine how the negotiations shall proceed.

If the Board decides to appoint a committee to assist the General Manager in lease negotiations, the committee member(s) shall meet with and advise the General Manager regarding proposals and general negotiating strategy. The committee members should be the Board contact for the tenant and should participate in negotiations as appropriate as determined by the Board, the committee and the General Manager. Direct contact between master tenants and Board members who are not committee members authorized to participate directly in negotiations, is discouraged.

Also, if appointed, the committee should review all written proposals before presentation to the tenant and should report to the Board on negotiations in closed session along with the General Manager.

As the person charged with responsibility for the administration of all District's activities, the General Manager should be the chief negotiator in all lease negotiations, assisted by a committee, if appointed, and by counsel as required. The General Manager should discuss the negotiating position and strategy with the committee and, if no committee is appointed, directly with the Board.

As the chief negotiator, the General Manager should be responsible for preparing all proposals and term sheets in consultation with District counsel and the committee. The General Manager should also be the primary person responsible for reporting to the Board on the progress of lease negotiations.

The role of District counsel during negotiations is to initially advise the General Manager and the committee on the preparation of the term sheet. Counsel should prepare and review all lease language, and maintain all drafts and revisions on a computer system so that the progress of negotiations can be reconstructed in the future if necessary.

Finally, counsel should participate in negotiations as appropriate and as determined by the General Manager and the committee. Also, unless the lease documents expressly otherwise provide, the District should seek to recover from the tenant the costs and fees incurred by District counsel in the negotiation and lease drafting process, including legal fees.

III. Lease Terms

Unless the circumstances of the particular lease negotiation dictate otherwise, the following concepts should be incorporated in all new master leases and, if appropriate, in all renegotiated or restated ground leases. This listing of lease issue concepts is not intended to be all-inclusive and may be modified or supplemented by the Board in its discretion at any time.

- A. Lease Term.** The term of master leases should be tied to the useful life of existing improvements, or improvements to be constructed, but the maximum term cannot exceed 50 years per Harbors and Navigation Code Sections 6271 and 6304.1. Accordingly, the Board discourages tenants from seeking and will not agree to lease language which might grant the tenant an option to extend a lease beyond the 50-year term. If a lease is to be extended or a new lease negotiated, the District reserves the

right to update, renegotiate and restate all lease terms and to require appropriate consideration for any extension of a lease term or the granting of a new lease.

B. Rent.

1. Minimum annual rent providing a fair return to the District and the tenant shall be subject to adjustment every five years or sooner. Such adjustment should be to an amount equal to not less than 75% of the average total rent (minimum annual and percentage rent) for the previous five-year period.
2. Percentage rent, based on all uses within Ventura Harbor, including slip rental rates, shall likewise be subject to adjustment to market every five years or sooner. If the parties are unable to agree upon appropriate adjusted percentage rental rates, the dispute should be submitted to binding baseball-style arbitration.
3. Appreciation/participation rent should be payable to the District on a financing or refinancing where the loan proceeds exceed the tenant's capital investment in the project and are not to be invested in new capital improvements in the project. Likewise, appreciation/participation rent should be paid when the master lease is sold or assigned as a whole or in increments over time which result in a change of control of the tenant. In that event, the District should share in a percentage of the gross sale proceeds to the extent those proceeds exceed the lessee's investment in the project including acquisition and capital improvement costs.
4. Late payments of rent should be subject to a late charge equal to 10% of the amount due, plus interest from the date due at the rate of 10% per annum or the maximum rate allowed by law, whichever rate is less.

C. Permitted Uses. All leases shall specify the uses that will be permitted on the premises. Unless otherwise agreed by the District, no use shall be granted on an exclusive basis to any tenant. Additional uses should only be allowed in the sole discretion of the District.

D. Security Deposit. The District shall require a security deposit from all new master lease tenants and, if the circumstances of the transaction warrant, a personal guarantee. In the event of a renegotiation with an existing tenant, the requirement of a security deposit and a personal guarantee can be dispensed with in the discretion of the Board, provided that tenant has a superior history of performance under its lease and has demonstrated the financial commitment necessary to make the leasehold operation a success, as determined by the Board in its sole discretion. The amount of security deposits should be subject to adjustment at the same time interval applicable to the adjustment of minimum annual rent.

- E. Security for Completion of Construction.** The District shall require that all tenants post security to cover the estimated cost of constructing improvements on the premises, the planning and design of which has been approved by the District, and District's overhead and out-of-pocket expenses should District be required to assume control of the project. The amount of such security will normally be 125% of construction cost. Such security should be in the form of a bond, a letter of credit, or other forms of security reasonably satisfactory to the District.
- F. Additional Security for Lease Performance.** As a matter of policy and to ensure tenant's performance under any master lease, the District requires that the tenant execute a quitclaim deed and an absolute and irrevocable assignment of rents in favor of the District to be held by the District in accordance with the terms of such documents. Such documents cannot be recorded and implemented by the District unless and until there has been a failure of the tenant to comply with the lease and action by the District to terminate the rights of the tenant thereunder. The District understands the assignment of rents will be subordinated to any leasehold financing needed by tenant.
- G. Lessor's Breach.** Should it be determined that the District has breached the lease, then the remedies available to the lessee shall be limited to an action at law for compensatory monetary damages, but not consequential damages. No equitable relief or termination of the lease shall be permitted.
- H. Maintenance and Repair.** Lessee shall be solely responsible for the upkeep and maintenance of the premises, including revetted slopes within the premises. The maintenance obligation shall be one of maintaining the premises and improvements in a "first class" condition. With respect to existing improvements not previously required to be maintained in "first class" condition, however, the maintenance obligation shall be to keep the premises and improvements in good condition and repair, on par with, if not better than, similar marine environment operations in the counties of San Luis Obispo, Santa Barbara, Ventura, Los Angeles and San Diego. All newly-constructed or renovated improvements shall be subject to the "first class" standard for maintenance. District shall have the right, but not the obligation, to cure maintenance defaults by the tenant and expenditures incurred by District in that process shall become additional rent due and payable to District.
- I. Interim Modernization.** For any lease in excess of 30 years, and depending upon the age and condition of improvements on the premises, the District may require that between the 30th and 35th years of the lease term, the tenant shall undertake a modernization program to upgrade improvements (including infrastructure) to ensure that such improvements will remain attractive and structurally sound for the balance of the lease term and beyond. The District will consider a reasonable refinancing program to assist the tenant in funding the cost of the required modernization. The details of the modernization program should be based on engineering studies and inspections paid for by the tenant and approved by the District.

- J. Surrender.** District will reserve right/option to compel tenant to remove all improvements at lease expiration/termination and to provide appropriate security to ensure costs of removal are funded.
- K. Water Depth.** All tenants with a water area within the premises shall be responsible for maintaining adequate water depth within that water area to support the water-oriented operations conducted under the lease. Likewise, the District shall take all commercially-reasonable and prudent actions to maintain the common fairways within the Harbor at a reasonable depth, taking into account the District's financial limitations, governmental processing and permit requirements as well as the potential impact on all business operations within the Harbor.
- L. Leasehold Encumbrancing.** The District recognizes that the cost of developing leaseholds and constructing improvements will require leasehold financing. The District will not permit pledging of fee title as security for such financing; but, subject to reasonable limitations, the District will consider approval of the pledging of tenant's leasehold estate in order to obtain funds necessary to construct District-approved improvements and to complete an interim modernization program. The total amount of such indebtedness, however, should not exceed 75% of the fair market value of tenant's leasehold interest as determined by a District approved appraisal and the projected net operating income derived from the leasehold should be at a coverage ratio determined by the Board, in its discretion, to be appropriate.
- M. Other Refinancing.** All encumbrances of a tenant's leasehold are subject to the prior approval of the District. The District discourages, but is willing to consider in its discretion, requests from tenants to refinance their leaseholds, but only after the tenant and the lender have negotiated and conditionally signed loan documents which are submitted to the District for approval. Refinancings not related to funding capital improvements to be constructed on the premises or refinancing existing debt structure are subject to approval by the District in its sole discretion and, further, subject to the appreciation rent policy of the District.
- N. Insurance.** Tenant shall obtain adequate insurance to cover all operations conducted on the premises. All insurance language shall be submitted to the District's insurance carrier for review, approval and comment before approval and execution of the lease by the District. Insurance coverage shall be subject to review and adjustment concurrently with the adjustment of minimum annual rent.
- O. Indemnity.** Tenants shall be required to indemnify the District against any and all claims arising out of tenants' performance under the ground lease and all activities conducted on or related to the premises by the tenant or its subtenants. The District will not agree to make such indemnity mutual.

- P. Assignments.** The District recognizes that, from time to time, master leases will be assigned, conveyed or sold. The District does, however, have a genuine and legitimate interest in ensuring that the assignee has not only the business expertise and financial stability to ensure that the leasehold operation is a success, but also that the business reputation of the proposed assignee fits into the recreational and commercial environment of Ventura Harbor. Accordingly, all proposed assignments of the leasehold must be submitted to District for its prior written approval. Both the tenant and the proposed assignee must provide such information and documents as the District may reasonably require, including a substantial security deposit and personal guaranties. Further, the lease should provide that the District will have the option to recapture the premises on essentially the same terms and conditions as proposed, subject to having adequate time to obtain financing.
- Q. Tenant Requests.** The District recognizes that during the term of a master lease occasions will arise where the District, as lessor, will be requested to review and approve actions by the tenant. Such matters would include, but not be limited to, the review of and approval of plans and designs for new improvements, encumbrances, subleases, assignments and perhaps other requests. In such instances, the lease shall provide that the District is to be paid a reasonable fee based on the anticipated amount of staff time that will be required to process the request, plus the District's out-of-pocket expenses paid to third parties (i.e., attorneys, accountants and other consultants) who are retained in order to assist the District in properly processing the request. Further, such tenant requests will not be processed if there is a rental deficiency then existing or other unresolved breaches.
- R. Operating Hours and Procedures.** The District is required by law to maintain reasonable control and oversight of the operating hours and procedures of its tenants. Such hours of operation and procedures are to be approved by the General Manager and any change must likewise be approved by the General Manager, subject to referral to the Board.

IV. Lease Administration

The District recognizes that during the lease term, many instances will arise where the lease may need to be modified and the District should regularly evaluate and reevaluate its administrative practices. To assist District staff in dealing with these instances, the Board suggests the following:

- A. Lease Audits.** In order to ensure that the District receives the return in the form of minimum and percentage rents negotiated by the parties under the ground lease, the Board recommends that all master leases be audited on no less than a five year rotating basis. All leases should contain provisions that require the tenant to pay the costs of the audit if a discrepancy to the detriment of the District is discovered which exceeds 2%. Further, any changes in record keeping or other financial practices recommended by the auditor shall be promptly implemented by the tenant.

- B. Lease Amendments.** The District should consider any reasonable requests for amendments to leases. However, any and all costs and expenses incurred in connection with a request for a lease amendment by a tenant shall be paid by the tenant. Likewise, a reasonable processing fee should also be assessed. Payment of these fees should be a condition precedent to the effectiveness of any lease amendment. No lease amendment may extend the lease term beyond 50 years.
- C. Financial Stability of Tenants.** Though the District recognizes that commercial leaseholds such as exist in Ventura Harbor are very valuable assets and could be pledged as security for loans, such financings are and should be discouraged unless the proceeds are to be used to improve the leasehold or to reimburse the tenant for capital expenditures previously made by the tenant. Any requests for refinancing should be scrupulously reviewed by the District and staff to ensure that the tenant maintains a significant economic stake in the leasehold to ensure the tenant's unqualified commitment to maximizing revenues for the benefit of both the District and the tenant. Withdrawals of equity by a tenant are discouraged.

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5.8 Expense Reimbursement Policy for Commissioners



RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF THE VENTURA PORT DISTRICT ADOPTING THE EXPENSE REIMBURSEMENT POLICY FOR COMMISSIONERS

RESOLUTION NO. 3249

WHEREAS, AB 1234 was enacted in order to respond to growing public concern over extensive misuse of public resources by special districts; and

WHEREAS, AB 1234 requires that, if a local agency decides to provide expense reimbursement to members of its legislative body, it must approve the expenditure in advance of being incurred or it must be approved by way of a written reimbursement policy and adopted by the Board; and

WHEREAS, the Board of Port Commissioners finds and determines it to be in the best interest of the District to adopt an Expense Reimbursement Policy outlining the reimbursement rules and procedures for specific expenses incurred by Commissioners while conducting District business.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the Ventura Port District hereby adopts the following Expense Reimbursement Policy for Commissioners:

The purpose of this Expense Reimbursement Policy for Commissioners ("Policy") is to set forth the procedure of the Ventura Port District ("District") concerning the reimbursement of actual and necessary expenses incurred by the Commissioners of the Board of Port Commissioners ("Board") in the performance of official duties for the benefit of the District. This Policy is intended to comply with the requirements of Government Code sections 53232 through 53232.4.

1. **General Principles:** Each Commissioner is encouraged to attend conferences, meetings, seminars, and other activities that provide an opportunity to be informed concerning matters of interest to the District. At the same time, Commissioners are encouraged to exercise prudence in all expenditures. Thus, reimbursement shall be made only for actual and necessary expenses that qualify under this Policy. Expenditures that are improper or otherwise not properly accounted for shall not be paid for or reimbursed by the District.

2. **Reimbursable Events and Authorized Expenditures:** Subject to the restrictions contained within this section, Commissioners shall be reimbursed for certain expenditures incurred while attending the following Reimbursable Events:



- a. Educational conferences, workshops, seminars and similar events that are sponsored by industry associations or nonprofit entities for the purpose of discussing matters of interest to the District;
- b. Regional, state and national meetings or conferences where activities affecting the District's interests are discussed or presented, such as California Marine Affairs Navigation Conference and other water educational workshops, seminars and symposiums, and tours of other harbors;
- c. Other governmental functions where a Commissioner might attend as an authorized representative of the District; and
- d. Meetings with lobbyists and legislators concerning issues of importance to the District.

A Reimbursable Event must be approved in advance by a majority vote of the Board at a public meeting. Once a Reimbursable Event is approved, the District shall pay for or reimburse the Commissioner incurring the expense, without further approval of the Board, for the following Authorized Expenditures:

- i. Registration Fees. Whenever possible, the District shall directly pay the registration fees associated with attendance at a Reimbursable Event. If the Commissioner makes payment at his or her own expense, the District shall reimburse the Commissioner for the actual cost of registration fees incurred.

- ii. Personal Vehicle Mileage. A Commissioner shall be reimbursed for costs associated with the use of a personal vehicle to travel to/from a Reimbursable Event at the then-current IRS Standard Mileage Rates; the current rate being \$0.56 per mile. No reimbursement shall be provided for travel to/from regular or special Board or committee meetings. A Commissioner shall be reimbursed once the Commissioner has indicated the actual miles traveled, the business purpose of the travel, and the date of travel on the approved Expense Report submitted in accordance with Section 5 of this Policy. Mileage calculations may be verified using tools such as Google or MapQuest, attached to the Expense Report. The District will not reimburse Commissioners for any other personal vehicle expenses.

- iii. Hotel Expenses. Whenever possible, the District shall directly pay for reasonable lodging expenses incurred by a Commissioner while attending a Reimbursable Event. If the Commissioner makes payments at his or her own expense, the District shall reimburse the Commissioner for reasonable lodging expenses incurred. Except when attending a conference, seminar or other meeting using the available group rate booked for the event, the District shall reimburse a Commissioner only for the actual amount of the hotel expenses incurred, excluding entertainment or related expenses.

- iv. Meals. A Commissioner shall be reimbursed for the actual cost of meals, including tips, which are incurred as part of and during a conference, workshop, seminar or other similar event. The cost of meals taken outside of such events shall be reimbursed up to a maximum of the following amounts for single meals:

Breakfast..... \$20.00
Lunch..... \$30.00
Dinner..... \$45.00

The cost of alcoholic beverages will not be reimbursed.

v. Incidental Allowance. The District shall reimburse a Commissioner for tips actually given to cabbies, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area, as well as toll charges and parking fees up to the actual amount expended. Whenever possible, a Commissioner should obtain receipts for incidental expenses such as tolls and parking fees and attach to an Expense Report pursuant to Section 5.

vi. Common Carrier Travel. When personal vehicle use for District business is impractical due to time and/or distance, a Commissioner may use regularly-scheduled commercial carriers for travel. A Commissioner traveling by plane, train, rental vehicle, bus, or taxi should travel by the least-expensive fare actually available for the date and time of the travel, taking into account scheduling needs and the most-direct route. Whenever possible, travel should be planned in advance to permit use of advance fares. The District shall directly pay for such travel arrangements, whenever possible, but shall reimburse the Commissioner for actual amounts incurred at his or her own expense.

3. Other Expenditures: Only certain expenses incurred while attending an event outside of an approved Reimbursable Event may be reimbursed (e.g., meetings with city liaison representatives to confer on District business). The event must first be approved by a majority vote of the Board, at a public meeting, prior to the Commissioner attending the event. Once approved, only the following expenses may be reimbursed without further Board approval:

i. Personal Vehicle Mileage. A Commissioner may be reimbursed for costs associated with the use of a personal vehicle to travel to/from a non-Reimbursable Event at the then-current IRS Standard Mileage Rates; the current rate being \$0.56 per mile. Reimbursement shall be approved only for meetings or other events that are attended for the purpose of conducting District business. A Commissioner must account for such personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on an Expense Report pursuant to Section 5. Mileage calculations may be verified using tools such as Google or MapQuest, which can be attached to the Expense Report. The District will not reimburse Commissioners for any other personal vehicle expenses.

ii. Meals. A Commissioner may be reimbursed for the reasonable cost of meals incurred, including tips, while attending events approved pursuant to this Section 3, up to a maximum of the following amounts for single meals:

Breakfast..... \$20.00
Lunch..... \$30.00
Dinner..... \$45.00

The cost of alcoholic beverages will not be reimbursed.

4. **Unauthorized Expenditures:** In accordance with California law, the District shall not reimburse expenses incurred by a the spouse, domestic partner, or other family member of a Commissioner, or for personal expenses such as charitable contributions, non-mileage vehicle expenses, the personal portion of any trip otherwise related to District business, or personal entertainment expenses that are not part of a professional or educational conference or seminar.

5. **Expense Report:** Expenses incurred by a Commissioner under this Policy shall be paid for or reimbursed only after the Commissioner seeking reimbursement completes and submits an Expense Report attached hereto as Exhibit "1." The Expense Report must be submitted within 10 days after the end of each month in which the Commissioner incurs the expense for which he or she seeks reimbursement. The Commissioner must attach to the Expense Report all relevant documentation and receipts authenticating the expense, such as the itemized bill issued by a hotel, credit card receipts, or boarding pass or other tickets. The General Manager shall review and approve each Expense Report submitted and may require additional proof of payment as necessary.

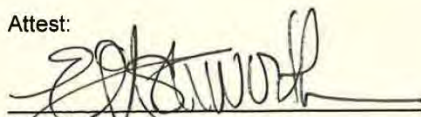
6. **Disclosure and Reporting:** To implement the reporting requirements of Government Code section 53232.3, the District shall prepare a list of the amount and purpose of each expense reimbursement paid by the District to each Commissioner. This information will be included with the agenda materials for each regular monthly Board meeting. At a regular Board meeting subsequent to an attended event, the Commissioner attending the event must also provide either an oral or written report of events for which he or she was reimbursed. If multiple officials attended the same event, a joint report may be made.

7. **Public Records:** All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act and pursuant to Government Code section 53232.3.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of the Ventura Port District held on August 13, 2014, Resolution No. 3249 was adopted by the following vote:

AYES: Commissioners Ashworth, Bravo, Friedman, Smith and Chairman Carson
NOES: None
Abstain: None
Absent: None

Attest:


Secretary
(Seal)

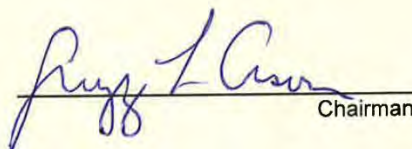

Chairman

EXHIBIT 1

EXPENSE REPORT

Commissioners seeking reimbursement must complete and submit this form to the District *within 10 days after the end of the month* in which the expense was incurred. Please provide a brief explanation of the District related purpose for the expenditure, and receipts or copies of receipts to document the expense.

Commissioner: _____

Reimbursable Expense for: _____
(Month) (Year)

Reimbursable Event(s) and Authorized Expenses
(See Section 2 of Reimbursement Policy.)

Date	Event	Expense(s)	Amount
Subtotal			

Other Expenditure(s)
(See Section 3 of Reimbursement Policy.)

Date	Event/District Purpose (provide brief explanation)	Expense(s)	Amount
Subtotal			

TOTAL _____

Approved By: _____ Date: _____
Oscar Peña, General Manager

Exhibit A



Ventura Port District

Procurement and Purchasing Policy

Effective October 22, 2014

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VENTURA PORT DISTRICT
PROCUREMENT AND PURCHASING POLICY

I. STATEMENT OF GENERAL POLICY

The goal of this Procurement and Purchasing Policy is to enable the Ventura Port District (the "District") to obtain contracts for the purchasing of materials or supplies not used in connection with or consumed on any work or project that falls within the definition of "public projects" or "maintenance work" subject to the California Uniform Public Construction Cost Accounting Act ("UPCCA") as defined in Public Contract Code Section 22002, and to procure services for the District at the best value and in a timely manner, while maintaining fairness to vendors, suppliers, service providers, and contractors, and abiding by applicable laws. The District's Board of Port Commissioners (the "Board") has adopted this Procurement and Purchasing Policy to establish the authority, limits, and procedures relating to the District's procurement and purchasing activities in connection with such contracts. All such procurement and purchasing activities for the District shall be administered in accordance with the provisions of this policy, and with the express intent to promote open and fair conduct in all aspects of the procurement and purchasing process. This policy also establishes staff purchasing authority levels for contracts for the doing of any work or project which does fall within the definition of "public projects" or "maintenance work" subject to the UPCCA as defined in Public Contract Code Section 22002.

The District intends to maintain a cost effective purchasing system conforming to good management practices. The Procurement and Purchasing Policy is intended to accomplish the following objectives:

- A. Provide all vendors, suppliers, service providers, and contractors with full, fair, prompt and courteous consideration;
- B. Keep competition open and fair; and
- C. Observe strict truthfulness and highest ethics in all transactions.

In order to be successful, the system must be supported by the cooperation of all District personnel. Prior planning and the timely submission of requisitions are essential to expedite the District's procurement and purchasing process and to ensure that this process is conducted in an orderly and lawful manner.

II. ETHICS IN PROCUREMENT AND PURCHASING

In dealing with the District's procurement and purchasing needs, District personnel shall be mindful of the following:

- A. That public office is a public trust and to give primary consideration to the District's interests as well as the interests of the public.
- B. Procurement and purchasing decisions shall be made without prejudice and to try to maximize the value of each dollar expended.
- C. District personnel must avoid unfair business practices or decisions and to give all qualified vendors, suppliers, service providers, and contractors an equal opportunity to participate in the procurement and purchasing process.
- D. We shall promote positive relationships with the District's vendors, suppliers, service providers, and contractors through courteous and impartial treatment in all phases of the purchasing cycle.
- E. We shall conduct ourselves with fairness and dignity, and demand honesty and truth in the purchasing process.
- F. We must even avoid the appearance of unethical or compromising practice in relationships, actions, and communications in the procurement and purchasing process.
- H. We must refrain from soliciting or accepting money, loans, credits, prejudicial discounts, gifts, favors, or services from past, present or future suppliers, vendors, service providers, or contractors that might influence, or appear to influence, purchasing decisions.
- I. All District personnel shall discharge their duties impartially so as to ensure competitive access to governmental procurement by responsible contractors.
- J. All District personnel shall conduct themselves in such a manner as to foster public confidence in the integrity of District procurement and purchasing.

III. THE PROCUREMENT AND PURCHASING PROCESS

A. Contract Administration

The District routinely utilizes the services of vendors, suppliers, service providers, and contractors for a variety of operational needs. These include, but are not limited to, the acquisition of equipment, supplies, materials, goods, maintenance services, and construction or renovation of District facilities. All contracts should include, but shall not be limited to, the following provisions:

- (1) The term or length of contract;
- (2) Description of work to be performed or services/products to be provided;

- (3) Schedule for performance;
- (4) Indemnity, insurance and bonding requirements;
- (5) Warranties and/or guarantees if applicable;
- (6) Payment schedule; and
- (7) Conditions for termination of contract.

Except as otherwise provided in this Procurement and Purchasing Policy, this Policy shall not apply to the performance of, contracting for, or the doing of any "public project" or "maintenance work" as such terms are defined in Public Contract Code Section 22002. Any such "public project" or "maintenance work" shall be subject to (i) Resolution No. 3213 adopted by the Board on February 27, 2013; (ii) the procedures, terms, and conditions set forth in the UPCCA pursuant to California Public Contract Code Section 22000 et seq.; (iii) the California Uniform Construction Cost Account Commission's (the "Commission") policies and procedures manual and cost accounting review procedures; (iv) Ordinance No. 48 adopted by the Board on March 27, 2013; (v) Resolution No. 3219 adopted by the Board on May 8, 2013; and (vi) any other resolutions, policies, and procedures that may be adopted or promulgated by the Board from time to time, and until such time as the Board has adopted a resolution electing to discontinue the District's participation under the UPCCA.

B. Purchasing of Supplies Used in Connection with or Consumed on any Work or Project not Subject to the UPCCA

(1) *Purchases less than or equal to \$1,000.00*

The General Manager and any Level 1, Level 2, Level 3, or Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any orders or contracts for the purchasing of supplies used in connection with or consumed on any District work or project not subject to the UPCCA with a contract price or purchase price less than or equal to \$1,000.00, without competitive bidding. Level 1 employees shall not be authorized to execute any such contract or to make any such purchase until such employee has obtained the prior approval of his/her immediate supervisor.

(2) *Purchases totaling \$1,000.01 - \$2,500.00*

The General Manager and any Level 2, Level 3, or Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any orders or contracts for the purchasing of supplies used in connection with or consumed on any District work or project not subject to the UPCCA with a contract price or purchase price greater than \$1,000.00 but less than or equal to \$2,500.00, without competitive bidding, so long as such contract or purchase has been included within a budget category in the District's then-current fiscal budget and at least one (1) quote is obtained from the vendor, supplier, service provider, or contractor concerning the price and terms and conditions of the proposed contract or purchase. If such

contract or purchase has not been previously included within a budget category in the District's then-current fiscal budget or at least one (1) quote has not been obtained, such contract or purchase shall require prior approval from the Board at a regular or special meeting of the Board. Level 2 employees shall not be authorized to execute any such contract or to make any such purchase until such employee's immediate supervisor has reviewed and approved the written quote and proposed contract/order.

(3) Purchases totaling \$2,500.01 - \$10,000.00

The General Manager and any Level 3 or Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any orders or contracts for the purchasing of supplies used in connection with or consumed on any District work or project not subject to the UPCCA with a contract price or purchase price greater than \$2,500.00 but less than or equal to \$10,000.00, without competitive bidding, so long as such contract or purchase has been included within a budget category in the District's then-current fiscal budget and at least one (1) quote is obtained from competing vendors, suppliers, service providers, or contractors concerning the price and terms and conditions of the proposed contract or purchase. If such contract or purchase has not been previously included within a budget category in the District's then-current fiscal budget or at least one (1) quote has not been obtained, such contract or purchase shall require prior approval from the Board at a regular or special meeting of the Board. Level 3 employees shall not be authorized to execute any such contract or to make any such purchase until the General Manager has reviewed and approved the written quotes and proposed contracts/orders.

(4) Purchases totaling \$10,000.01 - \$25,000.00

The General Manager and any Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any orders or contracts for the purchasing of supplies used in connection with or consumed on any District work or project not subject to the UPCCA with a contract price or purchase price greater than \$10,000.00 but less than or equal to \$25,000.00, without competitive bidding, so long as such contract or purchase has been included within a budget category in the District's then-current fiscal budget and at least two (2) quotes are obtained from competing vendors, suppliers, service providers, or contractors concerning the price and terms and conditions of the proposed contract or purchase. If such contract or purchase has not been previously included within a budget category in the District's then-current fiscal budget or at least two (2) quotes have not been obtained, such contract or purchase shall require prior approval from the Board at a regular or special meeting of the Board.

(5) Purchases Over \$25,000.00

Any order or contract for the purchasing of supplies used in connection with or consumed on any District work or project not subject to the UPCCA with a contract price or purchase price greater than \$25,000.00 is subject to the competitive bidding procedures set forth in Section III(C), below, unless an applicable exception under Section IV, below, applies.

C. Competitive Bidding Procedures for the Purchase of Supplies Used in Connection with or Consumed on any Work or Project not Subject to the UPCCA

As provided, among other things, in Public Contract Code section 20751, contracts for the purchasing of supplies (used in connection with or consumed on any District work or project not subject to the UPCCA) must be let by competitive bidding where the amount of the contract exceeds \$25,000.00.

When the purchasing of supplies used in connection with or consumed on any District work or project not subject to the UPCCA is contemplated, the General Manager will make a recommendation to the Board with a cost estimate and other supporting documentation appropriate for the size and scope of the proposed purchase.

Upon approval by the Board, the General Manager shall cause to be prepared the appropriate plans, specifications and other descriptive information for the publication of a notice inviting sealed bids for the proposed purchase. The notice shall be published in a newspaper of general circulation in accordance with the Public Contract Code.

The contract documents shall be prepared utilizing the District's standard forms, with such modifications as may be appropriate for the particular supplies or materials to be acquired and purchased. In the event of an emergency, applicable Public Contract Code provisions will be followed.

All bids shall be presented under sealed cover on forms furnished by the District. Sealed bids shall be opened at the time and place stated in the advertisement for bid with no less than two representatives of the District in attendance. When all bids have been evaluated, the General Manager shall make a recommendation to the Board regarding award of the contract to the lowest responsible bidder.

If the lowest bidder is disqualified for any reason, or if the bids exceed the cost estimates previously approved, the General Manager shall evaluate the options available and make a recommendation to the Board, which may include, but not be limited to, a recommendation of no award. The Board will make the final decision regarding the award of contract under this Section C. At the direction of the Board and after legal counsel review, the General Manager shall execute the contract.

D. Contracts for the Doing of Any Public Project or Maintenance Work that is Subject to the UPCCA

(1) *Contracts less than or equal to \$1,000.00*

The doing of any public project or maintenance work of the District that is subject to the UPCCA, or any contract for the doing of any such public project or maintenance work, with a total contract price (which includes all cost elements - personnel, materials, supplies,

subcontracts, equipment and overhead – associated with the proposed public project or maintenance work) less than or equal to \$1,000.00 can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order. If the doing of any such public project or maintenance work is to be performed by negotiated contract or by purchase order, the General Manager and any Level 1 employee, Level 2 employee, Level 3 employee, or Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any such negotiated contract or purchase order. Level 1 employees shall not be authorized to execute any such contract or purchase order until such employee has obtained the prior approval of his/her immediate supervisor. No notice inviting informal bid for any such public project or maintenance work need be provided.

(2) Contracts totaling \$1,000.01 - \$2,500.00

The doing of any public project or maintenance work of the District that is subject to the UPCCA, or any contract for the doing of any such public project or maintenance work, with a total contract price (which includes all cost elements - personnel, materials, supplies, subcontracts, equipment and overhead – associated with the proposed public project or maintenance work) greater than \$1,000.00 but less than or equal to \$2,500.00 can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order, so long as such public project or maintenance work has been included within a budget category in the District's then-current fiscal budget. If the doing of any such public project or maintenance work is to be performed by negotiated contract or by purchase order, the General Manager and any Level 2, Level 3 or Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any such negotiated contract or purchase order. If such public project or maintenance work has not been previously included within a budget category in the District's then-current fiscal budget, the doing of any such public project or maintenance work (whether by force account, negotiated contract, or purchase order), shall require prior approval from the Board at a regular or special meeting of the Board. Level 2 employees shall not be authorized to execute any such contract or purchase order until such employee's immediate supervisor has reviewed and approved the proposed contract or purchase order. No notice inviting informal bid for any such public project or maintenance work need be provided.

(3) Contracts totaling \$2,500.01 - \$5,000.00

The doing of any public project or maintenance work of the District that is subject to the UPCCA, or any contract for the doing of any such public project or maintenance work, with a total contract price (which includes all cost elements - personnel, materials, supplies, subcontracts, equipment and overhead – associated with the proposed public project or maintenance work) greater than \$2,500.00 but less than or equal to \$5,000.00 can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order, so long as such public project or maintenance work has been included within a budget category in the District's then-current fiscal budget. If the doing of any such public project or maintenance work is to be performed by negotiated contract or by purchase order, the General Manager and any Level 3 or Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any such negotiated contract or purchase order. If such

public project or maintenance work has not been previously included within a budget category in the District's then-current fiscal budget, the doing of any such public project or maintenance work (whether by force account, negotiated contract, or purchase order) shall require prior approval from the Board at a regular or special meeting of the Board. Level 3 employees shall not be authorized to execute any such contract or purchase order until the General Manager has reviewed and approved the proposed contract or purchase order. No notice inviting informal bid for any such public project or maintenance work need be provided.

(4) Contracts totaling \$5,000.01 - \$10,000.00

The doing of any public project or maintenance work of the District that is subject to the UPCCA, or any contract for the doing of any such public project or maintenance work, with a total contract price (which includes all cost elements - personnel, materials, supplies, subcontracts, equipment and overhead - associated with the proposed public project or maintenance work) greater than \$5,000.00 but less than or equal to \$10,000.00 can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order, so long as such public project or maintenance work has been included within a budget category in the District's then-current fiscal budget. If the doing of any such public project or maintenance work is to be performed by negotiated contract or by purchase order, the General Manager and any Level 4 employee of the District shall be authorized to approve and to execute on behalf of the District any such negotiated contract or purchase order. If such public project or maintenance work has not been previously included within a budget category in the District's then-current fiscal budget, the doing of any such public project or maintenance work (whether by force account, negotiated contract, or purchase order) shall require prior approval from the Board at a regular or special meeting of the Board. No notice inviting informal bid for any such public project or maintenance work need be provided.

(5) Contracts totaling \$10,000.01 - \$45,000.00

The doing of any public project or maintenance work of the District that is subject to the UPCCA, or any contract for the doing of any such public project or maintenance work, with a total contract price (which includes all cost elements - personnel, materials, supplies, subcontracts, equipment and overhead - associated with the proposed public project or maintenance work) greater than \$10,000.00 but less than or equal to 45,000.00 can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order, so long as such public project or maintenance work has been included within a budget category in the District's then-current fiscal budget. If the doing of any such public project or maintenance work is to be performed by negotiated contract or by purchase order, the General Manager shall be authorized to approve and to execute on behalf of the District any such negotiated contract or purchase order. If such public project or maintenance work has not been previously included within a budget category in the District's then-current fiscal budget, the doing of any such public project or maintenance work (whether by force account, negotiated contract, or purchase order) shall require prior approval from the Board at a regular or special meeting of the Board. No notice inviting informal bid for any such public project or maintenance work need be provided.

(6) Contracts totaling \$45,000.01 - \$175,000.00

Any contract for the doing of any public project or maintenance work of the District that is subject to the UPCCA with a total contract price (which includes all cost elements - personnel, materials, supplies, subcontracts, equipment and overhead – associated with the proposed public project or maintenance work) greater than \$45,000.00 but less than or equal to \$175,000.00, must go through the UPCCA's informal bid process as set forth in the District's Ordinance No. 48 adopted March 27, 2013, as may be amended from time to time, and as summarized in the UPCCA Summary Sheet attached hereto as **Exhibit "E"** and incorporated herein by reference. The General Manager shall be authorized to send out a notice inviting informal bid on the proposed public project or maintenance work without prior Board approval so long as such project or work has been included within a budget category in the District's then-current fiscal budget. The informal bid results will be brought before the Board to consider whether to reject any and all bids or to award a bid to the lowest responsible bidder in the manner required by the UPCCA as summarized on the attached UPCCA Summary Sheet. If no bids are received, the proposed public project or maintenance work may be performed by the District's employees by force account. If all bids received are greater than \$175,000, the Board can adopt by resolution by a four-fifths vote and award the contract at \$187,500.00 or less to the lowest responsible bidder if the Board determines the cost estimate of the District was reasonable. If the proposed public project or maintenance work has not been previously included within a budget category in the District's then-current fiscal budget, the General Manager may not send out a notice inviting informal bid on the proposed public project or maintenance work without first obtaining the Board's prior approval at a regular or special meeting of the Board.

(7) Contracts over \$175,000.00

Unless otherwise provided in Section III(D)(6), above, any contract for the doing of any public project or maintenance work of the District that is subject to the UPCCA with a total contract price (which includes all cost elements - personnel, materials, supplies, subcontracts, equipment and overhead – associated with the proposed public project or maintenance work) greater than \$175,000.00 is subject to the UPCCA's formal bidding procedures (including the notice inviting formal bids, adoption of plans, and the awarding of bid) as summarized on the attached UPCCA Summary Sheet. The General Manager shall be authorized to send out a notice inviting formal bid on the proposed public project or maintenance work without prior Board approval so long as such project or work has been included within a budget category in the District's then-current fiscal budget. The formal bid results will be brought before the Board to consider whether to reject any and all bids or to award a bid to the lowest responsible bidder in the manner required by the UPCCA as summarized on the attached UPCCA Summary Sheet. If no bids are received, the proposed public project or maintenance work may be performed by the District's employees by force account or by the informal bidding procedures detailed for public projects greater than \$45,000 but less than or equal to \$175,000. If the proposed public project or maintenance work has not been previously included within a budget category in the District's then-current fiscal budget, the General Manager may not send out a notice inviting formal bid on the proposed public project or maintenance work without first obtaining the Board's prior approval at a regular or special meeting of the Board.

E. Change Orders

The General Manager shall have the authority to approve and execute on behalf of the District any change order to a contract (i) awarded by District personnel (including the General Manager) or the Board pursuant to Section III, above; or (ii) awarded by the Board (or by any person who the Board has delegated authority to) for a public project or maintenance work under the UPCCA, as follows:

- (1) For change orders (including any change order to a contract awarded by the Board or by any person who the Board has delegated authority to for a public project or maintenance work under the UPCCA) less than or equal to \$10,000.00 that does not cause the total contract amount to exceed the amount budgeted for that particular contract in the District's then-current fiscal budget, the General Manager may authorize such change order without having to obtain prior approval of the Board.
- (2) For change orders (including any change order to a contract awarded by the Board or by any person who the Board has delegated authority to for a public project or maintenance work under the UPCCA) less than or equal to \$10,000.00 that causes the total contract amount to exceed the amount budgeted for that particular contract in the District's then-current fiscal budget, the General Manager shall be prohibited from authorizing such change order until such time as the General Manager has obtained the prior approval of the Board at a regular or special meeting of the Board.
- (3) For change orders (including any change order to a contract awarded by the Board or by any person who the Board has delegated authority to for a public project or maintenance work under the UPCCA) greater than \$10,000.00 (but within ten percent (10%) of the original contract amount) that does not cause the total contract amount to exceed the amount budgeted for that particular contract in the District's then-current fiscal budget, the General Manager may authorize such change order without having to obtain prior approval of the Board.
- (4) For change orders (including any change order to a contract awarded by the Board or by any person who the Board has delegated authority to for a public project or maintenance work under the UPCCA) greater than \$10,000.00 (but within ten percent (10%) of the original contract amount) that causes the total contract amount to exceed the amount budgeted for that particular contract in the District's then-current fiscal budget, the General Manager shall be prohibited from authorizing such change order until such time as the General Manager has obtained the prior approval of the Board at a regular or special meeting of the Board.

- (5) For change orders (including any change order to a contract awarded by the Board or by any person who the Board has delegated authority to for a public project or maintenance work under the UPCCA) greater than \$10,000.00 that are more than ten percent (10%) of the original contract amount, the General Manager shall be prohibited from authorizing such change order until such time as the General Manager has obtained the prior approval of the Board.

F. Professional Service Agreements

Architectural, engineering, project management, inspection and other such professional services may be required and shall be awarded using the District's standard Professional Services Agreement. The Board shall be responsible for determining whether to approve all Professional Services Agreements over the amount of \$25,000.00. The General Manager is authorized to enter into a Professional Services Agreement in an amount of \$25,000.00 or less without prior Board approval provided the services have been included within a budget category in the District's then-current fiscal budget. Any Professional Services Agreement not included within a budget category in the District's then-current fiscal year budget requires the prior approval of the Board. The Accounting Manager is authorized to approve routine invoices for contracts and services that have already been authorized by the Board or the General Manager.

G. Prohibition against Serial or Cumulative Expenditures

The authority for making expenditures or executing contracts as provided in this policy is intended to enable the General Manager and District staff to understand the scope of this authority in procurement activities made on behalf of the District. The structuring of transactions in a serial or cumulative manner so as to avoid the requirement of approval by the Board is strictly prohibited and will not be tolerated. In addition, for public projects or maintenance work of the District that is subject to the UPCCA, the UPCCA prohibits a local agency to split or separate into smaller work orders or projects any such public project or maintenance work for purposes of avoiding the UPCCA's formal bidding requirements. Thus, the costs associated with the purchase of materials or supplies, when purchased or used as part of a public project or maintenance work subject to the UPCCA, become part of the project cost and must be considered when applying the bid limits set forth in Section III(D) above. For example, on a public project that will pay a contractor \$100,000.00 for construction services and a separate vendor \$100,000.00 for the purchase of materials or supplies to be used on the project, such project will have a total contract price of \$200,000.00 and the contracting services and the separate purchase of materials and supplies will each be subject to the UPCCA's formal bidding procedures. Likewise, as an example, if maintenance work subject to the UPCCA will have a total cost of \$100,000.00 (e.g., \$50,000.00 to be paid for maintenance services to one contractor and \$50,000.00 to be paid to a separate vendor for materials and supplies), the maintenance services contract and the purchasing contract will each be subject to the UPCCA's informal bidding procedures.

IV. EXCEPTIONS TO COMPETITIVE BIDDING

The following exceptions shall apply to the competitive bidding procedures for the purchase of supplies used in connection with or consumed on any work or project not subject to the UPCCA set forth in Section III(C) above:

A. Sole Source Procurement

There may be limited situations where the District requires particular contracts for the purchasing of supplies used in connection with or consumed on any project or work not subject to the UPCCA, for which there is no substantial equivalent and which are, in fact, available from only one vendor, supplier, service provider, or contractor, and therefore, in such situations, the use of competitive bidding may be impractical.

The Board has determined that it is in the District's best interests to authorize the General Manager to engage in sole source procurement under limited circumstances. The General Manager, on behalf of the District, may execute a contract for the purchasing of supplies used in connection with or consumed on any project or work not subject to the UPCCA, on a sole source basis, and without competitive bidding, on the following conditions:

- (1) The General Manager determines, after conducting a good faith review of available sources, that there is only one source for such supplies required by the District.
 - (a) Examples of sole source procurements include, but shall not be limited to, the following:
 - (i) ***Licensed or Patented Applications:*** The vendor, supplier, service provider, or contractor is the sole provider of a licensed, patented, or proprietary application, product, material, supply, or item required by the District that has unique design or performance features providing superior utility not obtainable from similar vendors, suppliers, service providers, or contractors.
 - (ii) ***Authorized Service Provider, Repair and Warranty Services:*** The District requires service or repair support for such supplies and the vendor, supplier, service provider, or contractor is either a factory authorized warranty service provider or such vendor, supplier, service provider, or contractor is required for warranty services pursuant to the terms and conditions of an existing District contract.
 - (iii) ***Unique Design:*** The District has a specialized need and the vendor, supplier, service provider, or contractor is the sole provider of such supplies that can meet the District's

specialized needs or to perform the intended functions. This includes products with special features essential for the completion of a task or project, or with physical or artistic design characteristics that satisfy aesthetic requirements.

- (iv) ***Trial and Evaluation Projects:*** A limited duration, limited scope, pilot, trial or evaluation of a product, range of products or services. A trial or evaluation project would typically be part of establishing a standard for a District department, or to pilot a particular product or services for a District need.

- (2) Such sole-source contract has been included in the District's then-current fiscal budget.
- (3) The General Manager provides a written report to the Board containing the following information:
 - (a) A brief description of the circumstances surrounding the sole source procurement;
 - (b) A statement and/or justification of the General Manager's good faith determination that a sole source opportunity has been presented to the District; and
 - (c) A brief description of the supplies to be purchased or contracted for, the cost of such purchase or contract, and the name of the sole-source vendor, supplier, service provider, or contractor.
- (4) The Board has approved the sole-source contract at the next scheduled regular or special meeting of the Board.

If such sole source contract has not been previously included within a budget category in the District's then-current fiscal budget or such contract exceeds the amount budgeted for that particular contract within a budget category in the District's then-current fiscal budget, such contract shall require prior Board approval.

B. Piggybacking

Piggyback contracting occurs when a public agency enters into a contract, without competitive bidding, with a particular supplier, vendor, service provider, or contractor who has already been awarded a contract for the purchase of the same or similar materials or supplies by another public agency or governmental entity pursuant to such agency's or entity's competitive bidding process. Piggybacking on other public agency or governmental entity contracts can reduce administrative and project costs and achieve greater efficiency and economies of scale.

The Board has determined that it is in the District's best interests to authorize the General Manager to participate in piggybacking opportunities whenever possible. The District may piggyback on other public agency or governmental entity contracts for the purchase of the same or similar materials or supplies and the General Manager is authorized to execute on behalf of the District a contract for the purchasing of such materials or supplies used in connection with or consumed on any project or work not subject to the UPCCA without separate competitive bidding by the District, on the following conditions:

- (1) The General Manager has determined that it is in the District's best interest to engage in a piggybacking opportunity for the purchase or contract of such materials or supplies with a particular vendor, supplier, service provider, or contractor if such opportunity will result in significantly reduced costs to the District (administrative costs, project costs, or otherwise), or will achieve greater efficiency or economies of scale for District projects.
- (2) Such vendor, supplier, service provider, or contractor has been previously awarded a contract with another local, state, or federal agency or governmental entity pursuant to such agency's or entity's competitive bidding process to provide materials or supplies that are same or similar or related to the District's proposed contract or purchase.
- (3) Such piggybacking contract has been included within a budget category in the District's then-current fiscal budget.
- (4) The General Manager provides a written report to the Board containing the following information:
 - (a) A brief description of the circumstances surrounding the piggybacking opportunity;
 - (b) A brief description of the benefits and cost savings the District will receive as a result of the piggybacking opportunity; and
 - (c) A brief description of the materials or supplies to be purchased or contracted for, the cost of such purchase or contract, and the name of the vendor, supplier, service provider, or contractor.
- (4) The Board has approved the piggybacking contract at the next scheduled regular or special meeting of the Board.

Notwithstanding anything contained in Section III to the contrary, the District's dredging projects located within the Ventura Harbor will be subject to Public Contract Code section 20751.2, which authorizes the District to award a contract for the performance of dredging work within the District's boundaries without competitive bidding, provided each of the following

apply: (a) the dredging contractor was selected through a federal competitive bidding process for a federal dredging project then underway in the County of Ventura; and (b) the Board makes written findings, based on substantial evidence in the record, that the contract awarded pursuant to such section 20751.2 is likely to cost less than a contract awarded pursuant to Public Contract Code section 20751.

C. Emergencies

Pursuant to Public Contracts Code section 20751.1, in case of an emergency, the Board may, by resolution passed by a four-fifths vote of all of its members, declare and determine that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property, and thereupon proceed to expend any sum or enter into a contract involving the expenditure of any sum needed in the emergency without observance of the provisions requiring contracts, bids, or notice for any purchasing of supplies used in connection with or consumed on any project or work not subject to the UPCCA. If notice for bid to let contracts will not be given, the Board shall also comply with Public Contracts Code section 22050. In the case of an emergency involving a public project or maintenance work under the UPCCA, the terms and conditions set forth in Public Contract Code Section 22035 shall control.

An “emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

D. Local Vendor Preference

In determining the lowest responsible bid pursuant to the District’s competitive bidding procedures set forth in Section III(C), above, or in determining the lowest responsible bid pursuant to the formal bidding procedures set forth in the UPCCA, the Board finds it desirable and in the best interests of the District to establish a local business preference program in order to reduce the competitive barriers faced by local businesses (the “Local Business Preference Program”).

This Local Business Preference Program shall be taken into account in determining the lowest responsible bid in awarding a contract subject to the District’s competitive bidding procedures set forth above, or in determining the lowest responsible bid pursuant to the formal bidding procedures set forth in the UPCCA.

(1) Local Business Preference Program.

In determining the lowest responsible bid, the General Manager shall include the following:

- (a) For (i) any District contract for the purchasing of materials or supplies used in connection with or consumed on any work or project not subject to the UPCCA reasonably estimated by the General Manager to have a contract amount greater than

\$25,000.00; or (ii) any public project or maintenance work subject to the UPCCA's formal bidding procedures, the District shall assign a five percent (5%) bid price reduction "preference" during the bid evaluation process (the "Local Business Preference") to any bid from any person or entity that is determined by the General Manager to be a Local Business (as defined in subsection (b) of this Section IV(D)(1)).

- (b) "Local Business" shall mean a person or entity that has for at least twelve (12) months immediately preceding submittal of its bid maintained its principal business office within the geographic boundaries of Ventura County, California.
- (c) Except as otherwise provided in this Section IV(D), the provisions set forth in this Section IV(D) shall not supersede the other provisions set forth in this Procurement and Purchasing Policy or the uniform public construction cost accounting procedures set forth in the UPCCA, whichever shall apply. If any inconsistency or conflict exists or arises between the terms of this Section IV(D) and the other provisions set forth in this Procurement and Purchasing Policy or the UPCCA, whichever shall apply, such other provisions shall control.
- (d) This Local Business Preference Program shall not be applied under the following circumstances:
 - (i) National contracts;
 - (ii) Revolving fund (petty cash) purchases;
 - (iii) Credit card purchases;
 - (iv) Any contracts funded by the federal government where there are conflicting requirements for minority or women-owned business participation.
 - (v) Where such preference is otherwise prohibited by law;
 - (vi) Emergency procurements;
 - (vii) Piggybacking or sole source procurements; or
 - (viii) Contracts or projects relating to dredging or dock rehabilitation and/or replacement.

(2) Procedures for the Local Business Preference Program

- (a) Once all bids are opened, the bids of those bidders who are Local Businesses shall be reduced by five percent (5%) for purposes of determining the lowest responsible bidder. If the bid of a Local Business, after applying the Local Business Preference, is then the lowest responsible bidder (the "Lowest Local Business Bidder"), that Lowest Local Business Bidder shall have the opportunity to reduce its bid to match the bid of the actual lowest responsible bidder, in writing, within one (1) business day, whereupon the General Manager shall make a recommendation to the Board to award said Lowest Local Business Bidder with the contract if the General Manager determines, in his or her sole discretion, that such bid is responsive to all of the terms and conditions stated in the District's previously published notice inviting bids.
- (b) If the Lowest Local Business Bidder does not elect to reduce its bid to match the bid of the actual lowest responsible bidder, then the next lowest Local Business bidder (the "Second Lowest Local Business Bidder") shall be given the opportunity to match the bid of the actual lowest responsible bidder in the time and manner set forth in subsection (a) of this Section IV(D)(2), above; provided, however, the bid of such Second Lowest Local Business Bidder must also be within five percent (5%) of the actual lowest responsible bid.
- (c) An award may be made to the lowest aggregate responsible bidder for all items on the invitation to bid, on a group or an individual basis, whichever is found to be in the best interest of the District.
- (d) All bids are subject to rejection by the Board in its absolute and sole discretion, and in those instances where evaluation dictates the rejection of the lowest bid as not meeting the requirements established in the invitation to bid, the vendor shall be notified of the reason for rejection.

V. VENDOR AND CONTRACTOR REGISTRATION DIRECTORY

The District invites vendors to express their interest in doing business with the District. Vendors and contractors to which this Procurement and Purchasing Policy apply may download registration forms from the District's website located at www.venturaharbor.com. To properly register with the District, all vendors and contractors interesting in doing business with the District shall be required to complete and fax the registration forms to the District at (805) 658-2249.

VI. BUDGETING FOR CAPITAL IMPROVEMENT PROJECTS

In developing the District's fiscal budget, District staff shall use the following guidelines in identifying, managing, administering, and budgeting for capital projects for the following fiscal year:

- A. Start early in the fiscal year to clearly define a project; involve a range of staff levels; take into consideration aesthetics, marketing, and maintenance issues in developing projects.
- B. Provide any reports, plans, drawings, specifications, design ideas, cost benefit studies and analysis, and other related materials that may be necessary or useful in assisting the Board in determining whether a particular capital improvement project should be approved in connection with the Board's approval of the District's proposed budget for a particular fiscal year;
- C. Work diligently with any ad hoc committees of the Board for purposes of making recommendations of potential capital improvement projects;
- D. After a particular project has been identified and budgeted, District staff should diligently engage in interviewing and selecting qualified design or engineering firms or consultants to assist the District in designing and preparing the plans and specifications of such project;
- E. District staff shall work with the design or engineering firm or consultant in establishing project targets and milestones in order to ensure that the project is proceeding according to schedule and to plan.

VII. PROCUREMENT FORMS

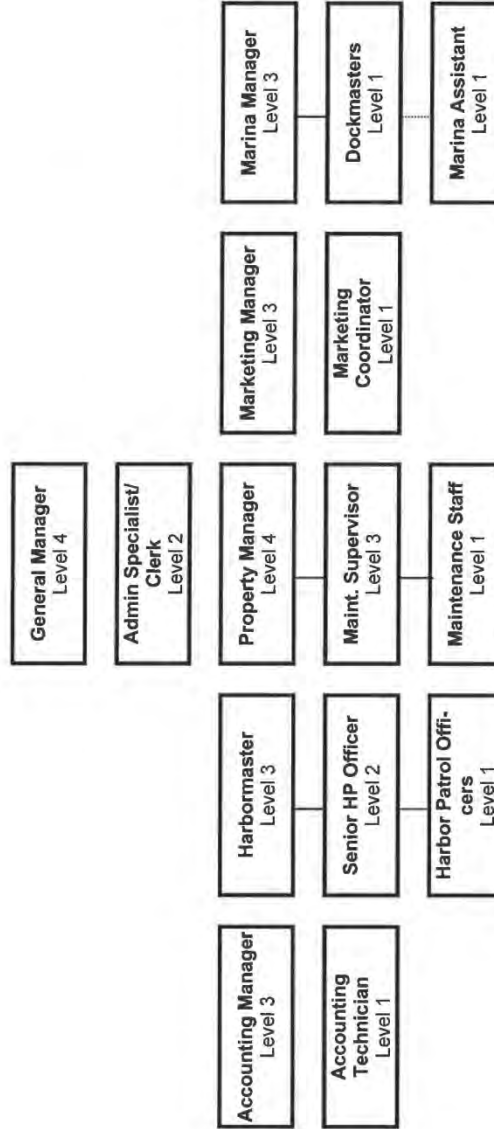
District staff shall use the following forms, where appropriate, in connection with the District's procurement and purchasing activities:

- 1. District Employee Procurement Status Chart (Exhibit "A")
- 2. Project/Goal Implementation Planning Form (Exhibit "B")
- 3. VPD – Request for Approval of New Project (Exhibit "C")
- 4. VPD – Request for Approval of a Contract Change (Exhibit "D")
- 5. UPCCA Summary Sheet (Exhibit "E")

Adopted and Effective Date: October 22, 2014

EXHIBIT "A"

Ventura Port District
Employee Procurement
Status Chart



Rev. 04/25/2012

EXHIBIT "B"

SAMPLE -- CHECK OFF CONTROL FORM PROJECT / GOAL IMPLEMENTATION PLANNING FORM

Project/Goal Name: _____

Due Date: _____ General Ledger Acct: _____

	NECESSARY TASKS, STEPS AND ACTIONS (First to Final)	Estimated Days	*Assigned to:	Target Date	Complete Date
1					
2					
3					
4					
5					
6					
7					
8					
* Each staff member develops his/her own project implementation plan to break the item down.					

Rev. Date 04-25-2012

Page ____ of ____

EXHIBIT "C"

VENTURA PORT DISTRICT – REQUEST FOR APPROVAL OF NEW PROJECT

Date: _____ Submitted by: _____ Title: _____

Date: _____ Reviewed by: _____ Title: _____

Description of work/services/products: _____

Estimated Start Date: _____ **Estimated End Date:** _____

Note: "FY Budget" refers to Current Year Board approved final budget for July 1 – June 30.

Type of Procurement:

☐ **Contracts for New Construction Work or Maintenance of Buildings and Improvements**

☐ Contracts less than or equal to \$1,000.00

- ☐ Level 1 employees shall not be authorized to execute any such contract until he/she has obtained the prior approval of his/her immediate supervisor.

☐ Contracts totaling \$1,000.01- \$2,500.00

- ☐ If contract is included in the District's FY Budget, work can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order.
- ☐ If contract has not been previously included in the District's FY Budget, such contract shall require prior approval from the Board at a regular or special meeting of the Board.
- ☐ Level 2 employees shall not be authorized to execute any such contract until his/her immediate supervisor has reviewed and approved the proposed contract or purchase order.

☐ Contracts totaling \$2,500.01 - \$5,000.00

- ☐ If contract is included in the District's FY Budget, work can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order.
- ☐ If contract has not been previously included in the District's FY Budget, such contract shall require prior approval from the Board at a regular or special meeting of the Board.

- ☐ Level 3 employees shall not be authorized to execute any such contract until the General Manager has reviewed and approved the proposed contract or purchase order.
- ☐ Contracts totaling \$5,000.01 - \$10,000.00
 - ☐ If contract is included in the District's FY Budget, work can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order.
 - ☐ If contract has not been previously included in the District's FY Budget, the doing of any such public project or maintenance work (whether by force account, negotiated contract, or purchase order) shall require prior approval from the Board at a regular or special meeting of the Board.
 - ☐ Level 4 employees and the General Manager shall be authorized to execute any such proposed contract or purchase order.
- ☐ Contracts totaling \$10,000.01 - \$45,000.00
 - ☐ If contract is included in the District's FY Budget, work can be performed (i) by the District's employees by force account, (ii) by negotiated contract, or (iii) by purchase order.
 - ☐ If contract has not been previously included in the District's FY Budget, the doing of any such public project or maintenance work (whether by force account, negotiated contract, or purchase order) shall require prior approval from the Board at a regular or special meeting of the Board.
 - ☐ The General Manager shall be authorized to execute any such proposed contract or purchase order.
- ☐ **Purchase of Supplies, Goods, Materials, and Equipment not Subject to the UPCCA**
 - ☐ Purchases less than or equal to \$1,000.00
 - ☐ Level 1 employees shall not be authorized to execute any such contract or to make any such purchase until he/she has obtained the prior approval of his/her immediate supervisor.
 - ☐ Purchases totaling \$1,000.01 - \$2,500.00
 - ☐ No competitive bidding required if contract or purchase is included in the District's FY Budget and a written quote is obtained.
 - ☐ If contract or purchase has not been previously included in the District's FY Budget, or at least one (1) quote has not been obtained, such contract or purchase shall require prior approval from the Board at a regular or special meeting of the Board..
 - ☐ Level 2 employees shall not be authorized to execute any such contract or to make any such purchase until his/her immediate supervisor has reviewed and approved the written quote and proposed contract/order.
 - ☐ Purchases totaling \$2,500.01 - \$10,000.00

- ☐ No competitive bidding required if contract or purchase is included in the District's FY Budget and at least one (1) written quote is obtained.
- ☐ If contract or purchase has not been previously included in the District's FY Budget, or at least one (1) quote has not been obtained, such contract or purchase shall require prior approval from the Board at a regular or special meeting of the Board..
- ☐ Level 3 employees shall not be authorized to execute any such contract or to make any such purchase until the General Manager has reviewed and approved the written quote and proposed contracts/orders.
- ☐ Purchases totaling \$10,000.01 - \$25,000.00
 - ☐ No competitive bidding required if contract or purchase is included in the District's FY Budget and at least two (2) written quotes are obtained.
 - ☐ If contract or purchase has not been previously included in the District's FY Budget, or at least two (2) quotes have not been obtained, such contract or purchase shall require prior approval from the Board at a regular or special meeting of the Board.
 - ☐ Level 4 employees and the General Manager shall be authorized to execute any such written quotes and proposed contracts
- ☐ Purchases over \$25,000.00
 - ☐ Subject to competitive bidding procedures unless applicable exception applies.
- ☐ **Professional Services**
 - ☐ Professional Service Agreement in excess of \$25,000.00
 - ☐ Requires Board approval
 - ☐ Professional Service Agreement less than or equal to \$25,000.00
 - ☐ General Manager is authorized to enter into agreement without Board approval provided the services have been included in the District's FY Budget.
 - ☐ If not included in District's FY Budget, Board approval required.
- ☐ **Exceptions to Competitive Bidding Procedures**
 - ☐ Sole Source Procurement
 - ☐ Piggybacking Opportunity
 - ☐ Emergency Situation
 - ☐ Local Vendor Preference
- ☐ Bid tabulation sheet and all bids received are attached
- ☐ Attached for review – Invitation to bid and/or quotes
- ☐ Attached for approval – Contract from _____

History of the Project:

- ☐ Goals and Objectives Number/Description _____
- ☐ Sharing project costs with: _____
- ☐ Other: _____

Accounting/Finance:

- ☐ FY Budget project budget amount is: \$ _____
- ☐ General Ledger Account No. _____
- ☐ Funded by grant; Grant ID No. _____

Supporting Documentation Attached (check all that apply):

- ☐ Conditions for termination of contract
- ☐ Drawings, "As-Built"
- ☐ Drawings, "Proposed"
- ☐ Engineer's estimate for total project cost
- ☐ Equipment/furniture purchase or rental
- ☐ Insurance and bonding requirements
- ☐ Inspection/testing service cost estimate
- ☐ Jurisdictions/VPD Departments/Tenants/Visitors involved/ affected (describe)
- ☐ Labor Cost Estimate: In-house or Contractor
- ☐ Materials cost estimate: In-house OR Contractor
- ☐ Plans, specifications, drawings, or photographs
- ☐ Schedule for performance of contract
- ☐ Schedule for payment of contract (terms, required deposits, etc.)

☐ Approved ☐ Denied By: _____ Date: _____

Comments:

EXHIBIT "D"

VENTURA PORT DISTRICT – REQUEST FOR APPROVAL OF CONTRACT CHANGE

Date: _____ Submitted by: _____ Title: _____

Date: _____ Reviewed by: _____ Title: _____

Name of Project: _____

Name of Contractor/Vendor: _____

Note: "FY Budget" refers to Current Year Board approved final budget for July 1 – June 30.

Increase in Contract Amount:

- ☐ Change order less than or equal to \$10,000.00 that does not cause the total contract amount to exceed the amount budgeted for that particular contract in the District's FY Budget.
 - General Manager may authorize change order without prior approval of the Board or the Procurement and Purchasing Committee.
- ☐ Change order less than or equal to \$10,000.00 that causes the total contract amount to exceed the amount budgeted for that particular contract in the District's FY Budget
 - General Manager is prohibited from authorizing the change order until such time as the General Manager has obtained the prior approval of the Board at a regular or special meeting of the Board.
- ☐ Change order greater than \$10,000.00 (but within ten percent (10%) of the original contract amount) that does not cause the total contract amount to exceed the amount budgeted for that particular contract in the District's FY Budget.
 - General Manager may authorize change order without prior approval of the Board.
- ☐ Change order greater than \$10,000.00 (but within ten percent (10%) of the original contract amount) that causes the total contract amount to exceed the amount budgeted for that particular contract in the District's FY Budget.
 - General Manager is prohibited from authorizing the change order until such time as the General Manager has obtained the prior approval of the Board at a regular or special meeting of the Board.

- ☐ Change order greater than \$10,000.00 that is more than ten percent (10%) of the original contract amount.
 - General Manager is prohibited from authorizing such change order until such time as the General Manager has obtained prior Board approval.

Project Manager's Recommendation: ☐ (Check this box if the recommendation is attached)

General Manager's Response:

☐ Approved ☐ Denied By: _____ Date: _____

Comments:

EXHIBIT "E"

VENTURA PORT DISTRICT – UPCCA SUMMARY SHEET

Contracts for the Doing of "Public Projects"

- ☐ "Public Project" means any of the following:
 - Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased or operated facility.
 - Painting or repainting of any publicly owned, leased, or operated facility. A "facility" means any plant, building, structure, ground facility, utility system, real property, streets and highways, or other public work of improvement.
- ☐ Public Projects less than or equal to \$45,000
 - Can be performed by the District's employees by force account, negotiated contract, or purchase order.
 - No notice inviting informal bid required.
- ☐ Public Projects greater than \$45,000 but less than or equal to \$175,000
 - Must send out notice inviting informal bids
 - Contents of notice:
 - Describe project in general terms and how to obtain more detailed information about the project.
 - State the time and place for the submission of bids.
 - Project title and contract number (if any).
 - Cost Range.
 - Location of project site.
 - District's contact information.
 - Bid bond/performance bond/payment bond requirements.
 - Mailing of Notice:
 - Mail notice to all contractors for the category of work to be bid as shown on the qualified bidder's list developed by the District.
 - Additional contractors and/or construction trade journals may be notified at the District's discretion.
 - If no list of qualified contractors is maintained by the District for the particular category of work to be performed, the notice inviting informal bids shall be sent only to the construction trade journals specified by the California Uniform Construction Cost Accounting Commission's (the "Commission") current

Cost Accounting Policies and Procedures Manual (updated December 2012).

- If the product or service is proprietary in nature such that it can only be obtained from certain contractor(s), the notice inviting informal bids may be sent exclusively to such contractor(s).
- All mailing of notices to contractors and construction trade journals inviting informal bids must be completed not less than 10 calendar days before bids are due.
- Bids received in excess of \$175,000
 - If all bids received are greater than \$175,000, the Board can adopt by resolution by a four-fifths vote and award the contract at \$187,500 or less to the lowest responsible bidder if the Board determines the cost estimate of the District was reasonable.
 - Otherwise formal bidding procedures must be used for public projects of more than \$175,000.
- Awarding of Bid
 - The District can reject any **and all** bids presented if the District, prior to rejecting all bids and declaring that the project can be more economically performed by the District's employees, provides a written notice to an apparent low bidder that does the following:
 - Informs the lowest responsible bidder of the District's intent to reject the bid; and
 - Is mailed at least two business days prior to the hearing at which the District intends to reject the bid.
 - If the District rejects all bids received after the first invitation for informal bids, the District, after reevaluating its cost estimates of the project, has one of the two following options available to it:
 - The District can abandon the project or re-advertise for bids in the manner described by the UPCCA.
 - The District can have the project done by force account without further compliance with the UPCCA by passage of a resolution by a four-fifths vote of the Board declaring that the District's employees can perform the project more economically.
 - If a contract is awarded, it must be awarded to the lowest responsible bidder. If there are two bids that are the lowest responsible bids, then the District may accept the one it chooses.
 - If no bids are received, the project may be performed by employees of the District by force account.
- Public Projects greater than \$175,000
 - Must send out notice inviting formal bids
 - Contents of notice:
 - Describe project in distinct terms and how to obtain more detailed information about the project.

- State the time and place for the receiving and opening of sealed bids.
- Project title and contract number (if any).
- Cost Range.
- Location of project site.
- District's contact information.
- Bid bond/performance bond/payment bond requirements.
- Publication of notice:
 - The notice inviting formal bids must be published in a newspaper of general circulation, printed and published in Ventura County, at least 14 calendar days before the date of the opening of the bids.
- Mailing/Emailing/Faxing of Notice:
 - The notice inviting formal bids must also be sent electronically, if available, by email or fax, and mailed to the construction trade journals specified in the Commission's current Cost Accounting Policies and Procedures Manual (updated December 2012).
 - Note: The District is not required to mail a notice to any specified trade journal if that trade journal is charging for its services or is out of business. Instead, the District should find some other method of notifying potential contractors of published jobs providing information on how to be added to the District's informal bidding lists (e.g., through the District's website).
- Adoptions of Plans
 - The board must adopt plans, specifications, and working details for all public projects exceeding \$175,000.
- Awarding of Bid
 - The District can reject any **and all** bids presented if the District, prior to rejecting all bids and declaring that the project can be more economically performed by the District's employees, provides a written notice to an apparent low bidder that does the following:
 - Informs the lowest responsible bidder of the District's intent to reject the bid; and
 - Is mailed at least two business days prior to the hearing at which the District intends to reject the bid.
 - If the District rejects all bids received after the first invitation for formal bids, the District, after reevaluating its cost estimates of the project, has one of the two following options available to it:
 - The District can abandon the project or re-advertise for bids in the manner described by the UPCCA.
 - The District can have the project done by force account without further compliance with the UPCCA by passage of a resolution by a four-fifths vote of the Board declaring that the District's employees can perform the project more economically.

- If a contract is awarded, it must be awarded to the lowest responsible bidder. If there are two bids that are the lowest responsible bids, then the District may accept the one it chooses.
- If no bids are received, the project may be performed by employees of the District by force account or by the informal bidding procedures detailed for public projects greater than \$45,000 but less than or equal to \$175,000.

Contracts for the Doing of "Maintenance Work"

- ☐ "Maintenance Work" means any of the following:
 - Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 - Minor repainting.
 - Resurfacing of streets and highways at less than one inch.
 - Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
 - Work to be performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.
- ☐ Maintenance work less than or equal to \$45,000
 - Can be performed by the District's employees by force account, negotiated contract, or purchase order.
 - No notice inviting informal bid required.
- ☐ Maintenance Work greater than \$45,000 but less than or equal to \$175,000
 - Same requirements as for public projects greater than \$45,000 but less than or equal to \$175,000 – see above.
- ☐ Maintenance Work greater than \$175,000
 - Same requirements as for public projects greater than \$175,000 – see above.

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6.0 **CALIFORNIA UNIFORM CONSTRUCTION COST ACCOUNTING POLICIES & PROCEDURES**

DRAFT

6.1 Resolution No. 3213



RESOLUTION NO. 3213

A RESOLUTION BY THE BOARD OF PORT COMMISSIONERS OF VENTURA PORT DISTRICT ELECTING TO BECOME SUBJECT TO THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

WHEREAS, Public Contract Code Section 22000 et seq., the Uniform Public Construction Cost Accounting Act (the "Act"), establishes such a uniform cost accounting standard; and

WHEREAS, the California Uniform Construction Cost Accounting Commission (the "Commission") established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects; and

WHEREAS, pursuant to Public Contract Code Section 22003, a public agency which has, by resolution, elected to become subject to such uniform public construction cost accounting procedures, may utilize the bidding procedures set forth in the Act when contracting for "maintenance work," as defined in Public Contract Code Section 22002, or when contracting for any other work which does not fall within the definition of "public project," as defined in Section 22002; and

WHEREAS, when contracting for such "maintenance work" or when contracting for any other work which does not fall within the definition of such "public project" under the Act, the District shall continue to comply with the District's Procurement and Purchasing Policy, as adopted by Resolution No. 3183, on April 25, 2012, and as may be amended from time to time, or applicable law, whichever shall apply.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the Ventura Port District hereby elects under Public Contract Code Section 22030 to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the

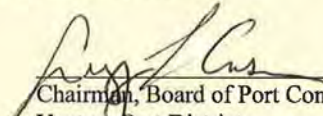


Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the General Manager notify the State Controller forthwith of this election; and

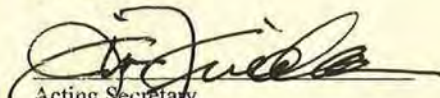
BE IT FURTHER RESOLVED that the District shall implement such uniform public construction cost accounting procedures effective on the date Ordinance No. 48 (providing informal bidding procedures under the Act) goes into effect.

BE IT FURTHER RESOLVED that the General Manager and the District staff are hereby authorized and directed to take such other and further action as may be necessary to carry out the purposes and intentions of this resolution.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of Ventura Port District held on February 27, 2013.


Chairman, Board of Port Commissioners
Ventura Port District

Attest:


Acting Secretary
(Seal)

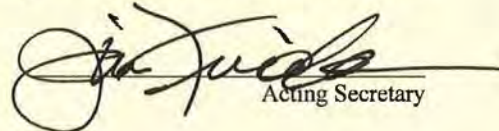
STATE OF CALIFORNIA)
COUNTY OF VENTURA) ss.
CITY OF SAN BUENAVENTURA)

I, JIM FRIEDMAN, Acting Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 27th day of February 2013, by the following vote:

AYES: Commissioners Bravo, Deitch, Friedman and Chairman Carson
NOES: None
ABSENT: Commissioner Ashworth

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 27th day of February 2013.

(Seal)


Acting Secretary

6.2 Resolution No. 3219



RESOLUTION NO. 3219

A RESOLUTION BY THE BOARD OF PORT COMMISSIONERS
OF VENTURA PORT DISTRICT
AMENDING RESOLUTION NO. 3213
TO AUTHORIZE USE OF UNIFORM PUBLIC CONSTRUCTION COST
ACCOUNTING ACT PROCEDURES FOR MAINTENANCE WORK

WHEREAS, on February 27, 2013, the Board of Port Commissioners (the "Board") passed, approved, and adopted at a Regular Meeting of the Board Resolution No. 3213, wherein the Board elected to become subject to the Uniform Public Construction Cost Accounting Act as set forth in Public Contract code Section 22000 et seq. (the "Act"); and

WHEREAS, pursuant to Public Contract Code Section 22003, a public agency which has, by resolution, elected to become subject to such uniform public construction cost accounting procedures, may utilize the bidding procedures set forth in the Act when contracting for "maintenance work," as defined in Public Contract Code Section 22002; and

WHEREAS, in adopting Resolution No. 3213, the Board did not elect to utilize the bidding procedures set forth in the Act when contracting for such "maintenance work" and instead elected to continue to comply with the bidding procedures set forth in the District's Procurement and Purchasing Policy, as adopted by Resolution No. 3183, on April 25, 2012; and

WHEREAS, the Board has determined that it is in the best interests of the District to utilize the bidding procedures set forth in the Act when contracting for such "maintenance work."

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the Ventura Port District hereby elects to amend Resolution No. 3213, which was previously passed, approved, and adopted by the Board on February 27, 2013, to authorize the District to utilize the bidding procedures set forth in the Act when contracting for "maintenance work," as defined in Public Contract Code Section 22002.

BE IT FURTHER RESOLVED that the Board of Port Commissioners directs the General Manager to notify the State Controller forthwith of this election and the amendment of Resolution No. 3213; and




BE IT FURTHER RESOLVED that the General Manager and the District staff are hereby authorized and directed to take such other and further action as may be necessary to carry out the purposes and intentions of this resolution.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of Ventura Port District held on May 8, 2013.


Chairman, Board of Port Commissioners
Ventura Port District

Attest:


Secretary
(Seal)

STATE OF CALIFORNIA)
COUNTY OF VENTURA) ss.
CITY OF SAN BUENAVENTURA)

I, Everard Ashworth, Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 8th day of May 2013, by the following vote:

AYES: Commissioners Ashworth, Bravo, Deitch, Friedman and Chairman Carson
NOES: None
ABSENT: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 8th day of May 2013.

(Seal)


Secretary

6.3 Ordinance 48



ORDINANCE NO. 48

AN ORDINANCE OF THE BOARD OF PORT COMMISSIONERS
OF VENTURA PORT DISTRICT
TO PROVIDE INFORMAL BIDDING PROCEDURES UNDER THE
UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT
(California Public Contract Code Section 22000 et seq.)

The Board of Port Commissioners of the Ventura Port District ordains as follows:

- Section 1 Informal Bid Procedures. Public projects, as defined by the Uniform Public Construction Cost Accounting Act (the "Act") pursuant to California Public Contract Code Section 22000 et seq., and in accordance with the limits listed in Public Contract Code Section 22032, may be let to contract by informal procedures as set forth in Public Contract Code Section 22032 et seq.
- Section 2 Contractors List. A list of contractors shall be developed and maintained in accordance with the provisions of Public Contract Code Section 22034 and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission ("Commission").
- Section 3 Notice Inviting Informal Bids. Where a public project is to be performed which is subject to the provisions of this Ordinance, a notice inviting informal bids shall be mailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section 2, above, or to all construction trade journals as specified by the Commission in accordance with Public Contract Code Section 22036. Additional contractors and/or construction trade journals may be notified at the discretion of the District, provided, however:
- (a) If there is no list of qualified contractors maintained by the District for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission.



- (b) If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

Section 4 Mailing of Notices. All mailing of notices to contractors and construction trade journals pursuant to Section 3, above, shall be completed not less than 10 calendar days before bids are due.

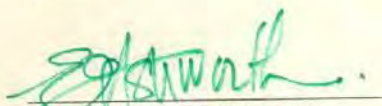
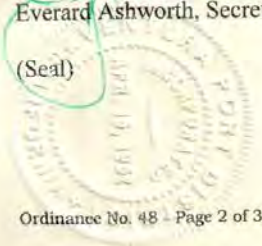
Section 5 Award of Contracts. The Board may delegate the authority to award informal contracts to the general manager or other appropriate persons pursuant to Public Contract Code section 22034(e). If all bids received by the District are in excess of \$175,000.00, the Board of Port Commissioners may, by adoption of a resolution by a four-fifths vote, award the contract, at \$187,500 or less, to the lowest responsible bidder, if it determines the cost estimate of the District was reasonable.

This Ordinance shall be published in the Ventura County Star, a newspaper of general circulation published in the County of Ventura, at least once before final passage, and shall take effect and be in force thirty (30) days from and after the date after final passage.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of Ventura Port District held on March 27, 2013.


Gregory Carson, Chairman

Attest:


Everard Ashworth, Secretary
(Seal)


Ordinance No. 48 - Page 2 of 3

MARCH 11, 2015

BOARD OF PORT COMMISSIONERS

ACTION ITEM NO. 2

**ADOPT REVISED EXPENSE REIMBURSEMENT POLICY FOR
PORT COMMISSIONERS AND
RESCIND RESOLUTION No. 3249**

VENTURA PORT DISTRICT

Board Communication

ACTION ITEM 2

Date: March 11, 2015

TO: Board of Port Commissioners
FROM: Oscar Pena, General Manager
SUBJECT: Adopt Revised Expense Reimbursement Policy for Port Commissioners and Rescind Resolution No. 3249

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3266, revising the Ventura Port District Expense Reimbursement Policy for Members of the Board of Port Commissioners, and rescinding Resolution No. 3249.

SUMMARY:

On August 13, 2014, the Board of Port Commissioners adopted Resolution No. 3249, Expense Reimbursement Policy for Commissioners. The purpose of this policy is to set forth the procedure of the Ventura Port District concerning the reimbursement of actual and necessary expenses incurred by the Board of Port Commissioners in the performance of official duties for the benefit of the District.

The Board and Staff has determined that the policy be amended in certain particulars outlining the reimbursement rules and procedures for specific expenses incurred by Board Commissioners while conducting District business. As a result of such amendment, it is requested of the Board to rescind Resolution No. 3249, which was previously approved and adopt Resolution No. 3266 providing the revised policy.

Attachment "A" shows in red font ("redline") changes to Resolution No. 3249, adopted by the Board on August 13, 2014.

Attachment "B" is a "clean" (final) version of the policy incorporating the amendments shown in the redline version and rescinding Resolution No. 3249.

ATTACHMENTS:

Attachment 1 – Redline Changes to Resolution No. 3249, adopted August 13, 2014

Attachment 2 – Clean Version, Resolution No. 3266

ATTACHMENT 1

RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF THE VENTURA PORT DISTRICT ADOPTING THE EXPENSE REIMBURSEMENT POLICY FOR COMMISSIONERS

RESOLUTION NO. 3249

(Adopted August 13, 2014)

WHEREAS, AB 1234 was enacted in order to respond to growing public concern over extensive misuse of public resources by special districts; and

WHEREAS, AB 1234 requires that, if a local agency decides to provide expense reimbursement to members of its legislative body, it must approve the expenditure in advance of being incurred or it must be approved by way of a written reimbursement policy and adopted by the Board; and

WHEREAS, the Board of Port Commissioners finds and determines it to be in the best interest of the District to adopt an Expense Reimbursement Policy outlining the reimbursement rules and procedures for specific expenses incurred by Commissioners while conducting District business.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the Ventura Port District hereby adopts the following Expense Reimbursement Policy for Commissioners:

The purpose of this Expense Reimbursement Policy for Commissioners ("Policy") is to set forth the procedure of the Ventura Port District ("District") concerning the reimbursement of actual and necessary expenses incurred by the Commissioners of the Board of Port Commissioners ("Board") in the performance of official duties for the benefit of the District. This Policy is intended to comply with the requirements of Government Code sections 53232 through 53232.4.

1. **General Principles:** Each Commissioner is encouraged to attend conferences, meetings, seminars, and other activities that provide an opportunity to be informed concerning matters of interest to the District. At the same time, Commissioners are encouraged to exercise prudence in all expenditures. Thus, reimbursement shall be made only for actual and necessary expenses that qualify under this Policy. Expenditures that are improper or otherwise not properly accounted for shall not be paid for or reimbursed by the District.

2. **Reimbursable Events and Authorized Expenditures:** Subject to the restrictions contained within this section, Commissioners shall be reimbursed for certain expenditures incurred while attending the following Reimbursable Events:

- a. Educational conferences, workshops, seminars and similar events that are sponsored by industry associations or nonprofit entities for the purpose of discussing matters of interest to the District;
- b. Regional, state and national meetings or conferences where activities affecting the District's interests are discussed or presented, such as California Marine Affairs Navigation Conference and other water educational workshops, seminars and symposiums, and tours of other harbors;
- c. Other governmental functions where a Commissioner might attend as an authorized representative of the District; and
- d. Meetings with lobbyists and legislators concerning issues of importance to the District.

A Reimbursable Event must be approved in advance by a majority vote of the Board at a public meeting. Once a Reimbursable Event is approved, the District shall pay for or reimburse the Commissioner incurring the expense, without further approval of the Board, for the following Authorized Expenditures:

- i. Registration Fees. Whenever possible, the District shall directly pay the registration fees associated with attendance at a Reimbursable Event. If the Commissioner makes payment at his or her own expense, the District shall reimburse the Commissioner for the actual cost of registration fees incurred.

- ii. Personal Vehicle Mileage. A Commissioner shall be reimbursed for costs associated with the use of a personal vehicle to travel to/from a Reimbursable Event at the then-current IRS Standard Mileage Rates. ~~the current rate being \$0.56 per mile.~~ No reimbursement shall be provided for travel to/from regular or special Board or committee meetings or optional Ventura Port District Events. A Commissioner shall be reimbursed once the Commissioner has indicated the actual miles traveled, the business purpose of the travel, and the date of travel on the approved Expense Report submitted in accordance with Section 5 of this Policy. Mileage calculations may be verified using tools such as Google or MapQuest, attached to the Expense Report. If travel requires driving to an airport or train station, reimbursement will be allowed for those miles traveled. The District will not reimburse Commissioners for any other personal vehicle expenses.

- iii. Hotel Expenses. Whenever possible, the District shall directly pay for reasonable lodging expenses incurred by a Commissioner while attending a Reimbursable Event. If the Commissioner makes payments at his or her own expense, the District shall reimburse the Commissioner for reasonable lodging expenses incurred. Except when attending a conference, seminar or other meeting using the available group rate booked for the event, the District shall

reimburse a Commissioner only for the actual amount of the hotel expenses incurred, excluding entertainment or related expenses.

iv. Meals. A Commissioner shall be reimbursed for the actual cost of meals, including tips, which are incurred as part of and during a conference, workshop, seminar or other similar event. If the event or hotel provides any meals, free of charge, it is required you take advantage of this to lower the cost of the reimbursement. The cost of meals taken outside of such events shall be reimbursed up to a maximum of the following amounts:

Breakfast..... \$20.00

Lunch..... \$30.00

Dinner..... \$45.00

The cost of alcoholic beverages will not be reimbursed. An itemized receipt is required for all meals with the expense report.

v. Incidental Allowance. The District shall reimburse a Commissioner for tips actually given to cabbies, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area, as well as toll charges and parking fees up to the actual amount expended. Whenever possible, a Commissioner should obtain receipts for incidental expenses such as tolls and parking fees and attach to an Expense Report pursuant to Section 5.

vi. Common Carrier Travel. When personal vehicle use for District business is impractical due to time and/or distance, a Commissioner may use regularly-scheduled commercial carriers for travel. A Commissioner traveling by plane, train, rental vehicle, bus, or taxi should travel by the least-expensive fare actually available for the date and time of the travel, taking into account scheduling needs and the most-direct route. Whenever possible, travel should be planned in advance to permit use of advance fares. The District shall directly pay for such travel arrangements, whenever possible, but shall reimburse the Commissioner for actual amounts incurred at his or her own expense.

3. Other Expenditures: Only certain expenses incurred while attending an event outside of an approved Reimbursable Event may be reimbursed (e.g., meetings with Government city-liaison representatives Officials, Gouvernement Staff, or those individual doing business or wishing to do business with the Port District to confer on District business;). The event must first be approved by a majority vote of the Board, at a public meeting, prior to the Commissioner attending the event. Once approved, only the following expenses may be reimbursed without further Board approval:

i. Personal Vehicle Mileage. A Commissioner may be reimbursed for costs associated with the use of a personal vehicle to travel to/from a non-Reimbursable Event at the then-current IRS Standard Mileage Rates. ~~the current rate being \$0.56 per mile.~~ Reimbursement shall be approved only for meetings or other events that are attended for the purpose of conducting District business.

A Commissioner must account for such personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on an Expense Report pursuant to Section 5. Mileage calculations may be verified using tools such as Google or MapQuest, which can be attached to the Expense Report. If travel requires driving to an airport or train station, reimbursement will be allowed for those miles traveled. The District will not reimburse Commissioners for any other personal vehicle expenses.

ii. Meals. A Commissioner may be reimbursed for the reasonable cost of meals incurred, including tips, while attending events approved pursuant to this Section 3, up to a maximum of the following amounts for single meals:

Breakfast..... \$20.00
Lunch..... \$30.00
Dinner..... \$45.00

The cost of alcoholic beverages will not be reimbursed. An itemized receipt is required for all meals with the expense report.

4. Unauthorized Expenditures: In accordance with California law, the District shall not reimburse expenses incurred by a the spouse, domestic partner, or other family member of a Commissioner, or for personal expenses such as charitable contributions, non-mileage vehicle expenses, the personal portion of any trip otherwise related to District business, or personal entertainment expenses that are not part of a professional or educational conference or seminar.

5. Expense Report: Expenses incurred by a Commissioner under this Policy shall be paid for or reimbursed only after the Commissioner seeking reimbursement completes and submits an Expense Report attached hereto as Exhibit "1." The Expense Report must be submitted within 10 days after the end of each month in which the Commissioner incurs the expense for which he or she seeks reimbursement. The Commissioner must attach to the Expense Report all relevant documentation and receipts authenticating the expense, such as the itemized bill issued by a hotel, credit card receipts, or boarding pass or other tickets. The General Manager shall review and approve each Expense Report submitted and may require additional proof of payment as necessary.

6. Disclosure and Reporting: To implement the reporting requirements of Government Code section 53232.3, the District shall prepare a list of the amount and purpose of each expense reimbursement paid by the District to each Commissioner. This information will be included with the agenda materials for each regular monthly Board meeting. At a regular Board meeting subsequent to an attended event, the Commissioner attending the event must also provide either an oral or written report of events for which he or she was reimbursed. If multiple officials attended the same event, a joint report may be made.

7. **Public Records:** All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act and pursuant to Government Code section 53232.3.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of the Ventura Port District held on August 13, 2014, Resolution No. 3249 was adopted by the following vote:

AYES: Commissioners Ashworth, Bravo, Friedman, Smith and Chairman Carson

NOES: None

Abstain: None

Absent: None

Attest:

Chairman

Secretary

(Seal)

**EXHIBIT 1
EXPENSE REPORT**

Commissioners seeking reimbursement must complete and submit this form to the District *within 10 days after the end of the month* in which the expense was incurred. Please provide a brief explanation of the District related purpose for the expenditure, and receipts or copies of receipts to document the expense.

Commissioner: _____

Reimbursable Expense for: _____
(Month) (Year)

Reimbursable Event(s) and Authorized Expenses
(See Section 2 of Reimbursement Policy.)

Date	Event	Expense(s)	Amount
<i>Subtotal</i>			

Other Expenditure(s)
(See Section 3 of Reimbursement Policy.)

Date	Event/District Purpose (provide brief explanation)	Expense(s)	Amount
<i>Subtotal</i>			

Approved By: _____ **DATE:** _____
Oscar Peña, General Manager

TOTAL _____



**A RESOLUTION BY THE BOARD OF PORT COMMISSIONERS
OF VENTURA PORT DISTRICT ADOPTING THE VENTURA PORT DISTRICT
EXPENSE REIMBURSEMENT POLICY FOR COMMISSIONERS**

RESOLUTION NO. 3266

WHEREAS, AB 1234 was enacted in order to respond to growing public concern over extensive misuse of public resources by special districts; and

WHEREAS, AB 1234 requires that, if a local agency decides to provide expense reimbursement to members of its legislative body, it must approve the expenditure in advance of being incurred or it must be approved by way of a written reimbursement policy and adopted by the legislative body; and

WHEREAS, on August 13, 2014, the Board of Port Commissioners (the "Board") passed, approved, and adopted at a Regular Meeting of the Board Resolution No. 3249, wherein the Board adopted an expense reimbursement policy for Board commissioners (the "Policy"); and

WHEREAS, the Board has determined that it is in the best interests of the District to amend the Policy in certain particulars outlining the reimbursement rules and procedures for specific expenses incurred by Board Commissioners while conducting District business; and

WHEREAS, as a result of such amendment, the Board finds it is desirable and in the best interests of the District to rescind the existing Policy and to adopt a revised Expense Reimbursement Policy in the manner set forth herein; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the Ventura Port District hereby rescinds Resolution No. 3249, which was previously passed, approved, and adopted by the Board on August 13, 2014, and adopts in its place the following revised Expense Reimbursement Policy for Commissioners:

The purpose of this Expense Reimbursement Policy for Commissioners ("Policy") is to set forth the procedure of the Ventura Port District ("District") concerning the reimbursement of actual and necessary expenses incurred by the Commissioners of the Board of Port Commissioners ("Board") in the performance of official duties for the benefit of the District. This Policy is intended to comply with the requirements of Government Code sections 53232 through 53232.4.



1. **General Principles:** Each Commissioner is encouraged to attend conferences, meetings, seminars, and other activities that provide an opportunity to be informed concerning matters of interest to the District. At the same time, Commissioners are encouraged to exercise prudence in all expenditures. Thus, reimbursement shall be made only for actual and necessary expenses that qualify under this Policy. Expenditures that are improper or otherwise not properly accounted for shall not be paid for or reimbursed by the District.

2. **Reimbursable Events and Authorized Expenditures:** Subject to the restrictions contained within this section, Commissioners shall be reimbursed for certain expenditures incurred while attending the following Reimbursable Events:

- a. Educational conferences, workshops, seminars and similar events that are sponsored by industry associations or nonprofit entities for the purpose of discussing matters of interest to the District;
- b. Regional, state and national meetings or conferences where activities affecting the District's interests are discussed or presented, such as California Marine Affairs Navigation Conference and other water educational workshops, seminars and symposiums, and tours of other harbors;
- c. Other governmental functions where a Commissioner might attend as an authorized representative of the District; and
- d. Meetings with lobbyists and legislators concerning issues of importance to the District.

A Reimbursable Event must be approved in advance by a majority vote of the Board at a public meeting. Once a Reimbursable Event is approved, the District shall pay for or reimburse the Commissioner incurring the expense, without further approval of the Board, for the following Authorized Expenditures:

i. **Registration Fees.** Whenever possible, the District shall directly pay the registration fees associated with attendance at a Reimbursable Event. If the Commissioner makes payment at his or her own expense, the District shall reimburse the Commissioner for the actual cost of registration fees incurred.

ii. **Personal Vehicle Mileage.** A Commissioner shall be reimbursed for costs associated with the use of a personal vehicle to travel to/from a Reimbursable Event at the then-current IRS Standard Mileage Rates. No reimbursement shall be provided for travel to/from regular or special Board or committee meetings or optional Ventura Port District Events. A Commissioner shall be reimbursed once the Commissioner has indicated the actual miles traveled, the business purpose of the travel, and the date of travel on the approved Expense Report submitted in accordance with Section 5 of this Policy. Mileage calculations may be verified using tools such as Google or MapQuest, attached to the Expense Report. If travel requires driving to an airport or train station, reimbursement will be allowed for those miles traveled. The District will not reimburse Commissioners for any other personal vehicle expenses.

iii. Hotel Expenses. Whenever possible, the District shall directly pay for reasonable lodging expenses incurred by a Commissioner while attending a Reimbursable Event. If the Commissioner makes payments at his or her own expense, the District shall reimburse the Commissioner for reasonable lodging expenses incurred. Except when attending a conference, seminar or other meeting using the available group rate booked for the event, the District shall reimburse a Commissioner only for the actual amount of the hotel expenses incurred, excluding entertainment or related expenses.

iv. Meals. A Commissioner shall be reimbursed for the actual cost of meals, including tips, which are incurred as part of and during a conference, workshop, seminar or other similar event. If the event or hotel provides any meals, free of charge, it is required you take advantage of this to lower the cost of the reimbursement. The cost of meals taken outside of such events shall be reimbursed up to a maximum of the following amounts:

Breakfast.....	\$20.00
Lunch.....	\$30.00
Dinner.....	\$45.00

The cost of alcoholic beverages will not be reimbursed. An itemized receipt is required for all meals with the expense report.

v. Incidental Allowance. The District shall reimburse a Commissioner for tips actually given to cabbies, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area, as well as toll charges and parking fees up to the actual amount expended. Whenever possible, a Commissioner should obtain receipts for incidental expenses such as tolls and parking fees and attach to an Expense Report pursuant to Section 5.

vi. Common Carrier Travel. When personal vehicle use for District business is impractical due to time and/or distance, a Commissioner may use regularly-scheduled commercial carriers for travel. A Commissioner traveling by plane, train, rental vehicle, bus, or taxi should travel by the least-expensive fare actually available for the date and time of the travel, taking into account scheduling needs and the most-direct route. Whenever possible, travel should be planned in advance to permit use of advance fares. The District shall directly pay for such travel arrangements, whenever possible, but shall reimburse the Commissioner for actual amounts incurred at his or her own expense.

3. Other Expenditures: Only certain expenses incurred while attending an event outside of an approved Reimbursable Event may be reimbursed (e.g., meetings with Government Officials, Government Staff, or those individual doing business or wishing to do business with the Port District to confer on District business;). **The event must first be approved by a majority vote of the Board, at a public meeting, prior to the Commissioner attending the event.** Once approved, only the following expenses may be reimbursed without further Board approval:

i. Personal Vehicle Mileage. A Commissioner may be reimbursed for costs associated with the use of a personal vehicle to travel to/from a non-Reimbursable Event at the then-current IRS Standard Mileage Rates. Reimbursement shall be approved only for meetings or other events that are attended for the purpose of conducting District business. A Commissioner must account for such personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on an Expense Report pursuant to Section 5. Mileage calculations may be

verified using tools such as Google or MapQuest, which can be attached to the Expense Report. If travel requires driving to an airport or train station, reimbursement will be allowed for those miles traveled. The District will not reimburse Commissioners for any other personal vehicle expenses.

ii. **Meals.** A Commissioner may be reimbursed for the reasonable cost of meals incurred, including tips, while attending events approved pursuant to this Section 3, up to a maximum of the following amounts for single meals:

Breakfast..... \$20.00
Lunch..... \$30.00
Dinner..... \$45.00

The cost of alcoholic beverages will not be reimbursed. An itemized receipt is required for all meals with the expense report.

4. **Unauthorized Expenditures:** In accordance with California law, the District shall not reimburse expenses incurred by a the spouse, domestic partner, or other family member of a Commissioner, or for personal expenses such as charitable contributions, non-mileage vehicle expenses, the personal portion of any trip otherwise related to District business, or personal entertainment expenses that are not part of a professional or educational conference or seminar.

5. **Expense Report:** Expenses incurred by a Commissioner under this Policy shall be paid for or reimbursed only after the Commissioner seeking reimbursement completes and submits an Expense Report attached hereto as Exhibit "1." The Expense Report must be submitted within 10 days after the end of each month in which the Commissioner incurs the expense for which he or she seeks reimbursement. The Commissioner must attach to the Expense Report all relevant documentation and receipts authenticating the expense, such as the itemized bill issued by a hotel, credit card receipts, or boarding pass or other tickets. The General Manager shall review and approve each Expense Report submitted and may require additional proof of payment as necessary.

6. **Disclosure and Reporting:** To implement the reporting requirements of Government Code section 53232.3, the District shall prepare a list of the amount and purpose of each expense reimbursement paid by the District to each Commissioner. This information will be included with the agenda materials for each regular monthly Board meeting. At a regular Board meeting subsequent to an attended event, the Commissioner attending the event must also provide either an oral or written report of events for which he or she was reimbursed. If multiple officials attended the same event, a joint report may be made.

7. **Public Records:** All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act and pursuant to Government Code section 53232.3.

ATTACHMENT 2

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of the Ventura Port District held on March 11, 2015, Resolution No. 3266 was adopted by the following vote:

AYES:

NOES:

Abstain:

Absent:

Attest:

Chairman

Secretary

(Seal)

ATTACHMENT 2

EXHIBIT 1

EXPENSE REPORT

Commissioners seeking reimbursement must complete and submit this form to the District *within 10 days after the end of the month* in which the expense was incurred. Please provide a brief explanation of the District related purpose for the expenditure, and receipts or copies of receipts to document the expense.

Commissioner: _____

Reimbursable Expense for: _____
(Month) (Year)

Reimbursable Event(s) and Authorized Expenses

(See Section 2 of Reimbursement Policy.)

Date	Event	Expense(s)	Amount
<i>Subtotal</i>			

Other Expenditure(s)

(See Section 3 of Reimbursement Policy.)

Date	Event/District Purpose (provide brief explanation)	Expense(s)	Amount
<i>Subtotal</i>			

TOTAL _____

Approved By: _____ **Date:** _____
Oscar Peña, General Manager