



## **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  
Timothy Gosney, Legal Counsel  
Jessica Rauch, Clerk of the Board

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### **PORT COMMISSION AGENDA REGULAR MEETING March 25, 2015 AT 7:00 P.M. 1603 ANCHORS WAY DRIVE, VENTURA, CA**

*A Closed Session of the Board will be held at **5:30 p.m.** at the Four Points by Sheraton Hotel – Captains Room adjacent to Alexander's Restaurant, 1050 Schooner Drive, Ventura, CA, to discuss the items on the Attachment to Agenda-Closed Session Conference with Legal Counsel.*

*The Board will reconvene in Open Session at the Port District Office located at 1603 Anchors Way Drive for its Regular Meeting at **7:00 P.M.** or as soon thereafter as the Closed Session is concluded.*

#### **ADMINISTRATIVE AGENDA:**

**CALL TO ORDER:** *By Chair, Jim Friedman.*

**PLEDGE OF ALLEGIANCE:** *By Chair, Jim Friedman.*

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

#### **ADOPTION OF AGENDA (5 minutes)**

*Consider and approve, by majority vote, minor revisions to agenda items and/or attachments and any item added to, or removed/continued from the Port Commission's agenda. Administrative Reports relating to this agenda and materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the Port District's office located at 1603 Anchors Way Drive, Ventura, CA during business hours as well as on the District's website - [www.venturaharbor.com](http://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 March 11, 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.*

#### **CLOSED SESSION REPORT (5 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.*

#### **LEGAL COUNSEL REPORT (5 minutes)**

**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.*

**DEPARTMENTAL STAFF REPORTS (10 minutes)**

*Ventura Port District Staff will give the Commission reports on their Department.*

**GENERAL MANAGER REPORT (5 minutes)**

*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 AGENDA: (3 minutes)**

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

**1) Approval of Financial Statements and Checks for the month of January 2015**

Recommended Action: Resolution No. 3267

That the Board of Port Commissioners adopt Resolution No. 3267 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in January 2015.

**2) Approval of Out of Town Travel Requests**

Recommended Action: Motion

That the Board of Port Commissioners approve by motion the Out of Town Travel Requests for Harbor Patrolman, John Higgins and Marketing Manager, Jennifer Talt-Lundin.

**STANDARD AGENDA: (60 minutes)**

**1) Approval of Modifications to the Human Resources Manual: Paid Sick Leave  
(10 minutes)**

Recommended Action: Resolution No. 3268.

That the Board of Port Commissioners adopt Resolution No. 3268, modifying the Human Resources Manual to comply with provisions of the "Healthy Workplaces, Healthy Families Act of 2014".

**2) Approval of Commercial and Recreational Slip Fee Increases (10 minutes)**

Recommended Action: Resolution No. 3269.

That the Board of Port Commissioners adopt Resolution No. 3269, approving the commercial and recreational slip fee increases.

**3) Harbormaster and Business Operations Manager Positions (15 minutes)**

Recommended Action: Motion.

That the Board of Port Commissioners approve by motion the recommended changes to the District's organization regarding the position of Harbormaster and Business Operations Manager.

**4) Adopt Revised Salary Resolution No. 3270 and Rescind Resolution No. 3263  
(10 minutes)**

Recommended Action: Resolution No. 3270.

That the Board of Port Commissioners adopt Resolution No. 3270, which amends the salary range of the Harbormaster position and adds the salary range for the new position of Business Operations Manager and rescind Resolution No. 3263.

**5) Approval Board of Port Commissioners Protocols Manual (15 minutes)**

Recommended Action: Resolution No. 3271.

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

**REQUEST FOR FUTURE AGENDA ITEMS**

**DEDICATION OF MEETING TO SANDFORD WADDELL**

**ADJOURNMENT**

*This agenda was posted on Friday, March 20, 2015 at 5:00 p.m.  
at the Port District Office and on the Internet - [www.venturaharbor.com](http://www.venturaharbor.com) (Public Notices).*

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

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

**WEDNESDAY, MARCH 25, 2015**

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

- |                      |   |
|----------------------|---|
| a) Property:         | <b>1575 Spinnaker Drive, #211</b>                           |
| Negotiating Parties: | Oscar Peña, Timothy Gosney                                  |
| Under Negotiation:   | Just 4 Dreamers New Lease                                   |
| <br>                 |   |
| b) Property:         | <b>Parcel 20</b>  |
| Negotiating Parties: | Oscar Peña, Timothy Gosney                                  |
| Under Negotiation:   | New Lease Terms   |
| <br>                 |   |
| c) Property:         | <b>1551 Spinnaker Drive, 3A1, 3A2</b>                       |
| Negotiating Parties: | Oscar Peña, Timothy Gosney                                  |
| Under Negotiation:   | Ventura Harbor Marine Fuel Facility Inc.<br>New Lease Terms |

**2. Per Government Code Section 54957:**

- a) Legal Counsel Evaluation



**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**APPROVAL OF MINUTES**



## **Minutes of Special Workshop Meeting of the Ventura Port District Board of Port Commissioners Held March 11, 2015**

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The Regular Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 11:02AM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

### **Commissioners Present:**

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

### **Commissioners Absent:**

Gregory L. Carson

### **Port District Staff:**

Oscar Peña, General Manager  
Scott Miller, Harbor Master  
Gloria Adkins, Fiscal Manager  
Joe Gonzalez, Facilities Manager  
Jessica Rauch, Clerk of the Board

### **Legal Counsel:**

Chris Chan

## **AGENDA**

**CALL TO ORDER:** By Chair, Jim Friedman at 11:02AM.

**PLEDGE OF ALLEGIANCE:** By Commissioner Smith.

**ROLL CALL:** Commissioner Carson was absent.

### **ADOPTION OF AGENDA**

**ACTION:** Commissioner Bravo moved, seconded by Commissioner Smith and carried by a vote of 4-0 (Carson absent) to adopt the March 11, 2015 agenda.

### **APPROVAL OF MINUTES**

The Minutes of February 25, 2015 were considered as follows:

**ACTION:** Commissioner Bravo moved, seconded by Commissioner Smith and carried by a vote of 4-0 to (Carson absent) approve the minutes of February 25, 2015.

**PUBLIC COMMUNICATIONS:** Sam Sadove updated the Commission on his plan for improvements to the Yacht Yard (parcel 20).

**BOARD COMMUNICATIONS:** Commissioner Ashworth reported that he took a tour of the dredging operations with Richard Parsons and Brian Brennan. He also accepted a volunteer role working with the City's sister City of Loreto. Commissioner Ashworth attended the new National Parks exhibit and was able to visit Harbor Village and speak with some tenants.

**STAFF COMMUNICATIONS:** Mr. Peña reported that he did receive Mr. Sadove's flash drive, but has not had an opportunity to review the Mitigated Negative Declaration.

**INFORMATION ITEMS:**

**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:** The Commission reviewed and discussed the draft Port Commission Protocols manual. Revisions and additions were made and the manual will come back to the Board for approval at the next meeting.

**ACTION ITEMS:**

**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.

**ACTION:** Commissioner Bravo moved, seconded by Commissioner Ashworth and carried by a vote of 4-0 (Carson absent) to 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.

**ADJOURNED TO CLOSED SESSION AT 12:24PM**

**RECONVENED PUBLIC SESSION AT 1:16PM**

**CLOSED SESSION REPORT:** Mr. Chan 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.

**ADJOURNMENT:** The meeting was adjourned at 1:20PM.

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Secretary

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**DEPARTMENTAL STAFF REPORTS**

**DREDGING**

**FACILITIES**

**HARBORMASTER**

**MARKETING**

**PROPERTY MANAGEMENT**

## RWP DREDGING MANAGEMENT

Richard W. Parsons  
2271 Los Encinos Road  
Ojai, California 93023  
Phone/Fax (805) 649-9759

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March 25, 2015

Board of Port Commissioners  
Ventura Port District  
1603 Anchors Way Drive  
Ventura, CA 93001

### **Subject: February-March 2015 Dredging Activities and Special Projects Report**

The Dredging Program Manager's activities for January-February 2015 period are reviewed below:

#### **2015 Corps of Engineers Dredging**

Manson Construction Company completed the Corps of Engineers' FY15 maintenance dredging of the Ventura Harbor federal channel area on March 6, 2015. Manson successfully removed 780,045 cu. yds of material during the dredging operation, 259,989 cu.yds from the main entrance channel and 520,056 from the sand trap. Total cost of the operation will be about \$6,031,000. Of that sum, about \$3 million were FY14 "Work Plan" funds allocated to Ventura Harbor by the Administration and the balance was included as part of the Corps' civil works appropriations in the FY15 Continuing Resolution passed by the Congress. The post dredge survey indicates that about 252,650 cu. yds of material remains within the federal dredging limits. All and all, the results achieved represent an excellent performance by both the Corps of Engineers and Manson Construction Company and are a vast improvement over the results of previous years.

#### **2016 Federal Dredging Appropriations**

The President's proposed FY2016 budget provides \$4.83 million for the FY16 maintenance dredging of Ventura Harbor. Assuming that the Congress accepts the President's proposed funding levels for the FY2016 Energy and Water Development Appropriations, which includes Ventura Harbor, and continues its recent practice of providing funding for Corps "work plan" allocations, the Port District will have the possibility of securing increased funding after the FY2016 budget is adopted. During our recent visit to Washington, D.C., Commissioner Carson and I advised both the Office of Management and Budget (OMB) and Congressional staffers that the work plan allocations were having a very positive effect and should be continued.

#### **2017 Federal Dredging Appropriations**

We are in the process of preparing letters to OMB and the Corps of Engineers requesting that \$7.8 million be included in the FY17 Energy and Water Development Appropriations Bill for the maintenance dredging of the Ventura Harbor federal channel area.

**Launch Ramp Rehabilitation**

We met with Division of Boating and Waterways (DBW) Acting Director, Christopher Conlin on March 3, 2015 to review with him the parking lot circulation problems caused by the new configuration of the new launch ramp. While it was clear after visiting the launch ramp with Mr. Conlin that he understood the problem, he gave no indication as to what will be his ultimate decision. I expect, however, that we should have an answer within 30 days.

By letter dated March 13, 2015, DBW advised the District that a grant reimbursement of \$1,584,262.04 has been approved. This will bring the total reimbursement to date to \$1,822,604.27. We expect to receive about another \$200,000 in reimbursements.

**Ventura Harbor Village Reroofing Project**

I am continuing to work with the District's Facilities Manager and Rasmussen & Associates to finalize the plans and specifications for the Harbor Village Reroofing Project. We expect to be able to solicit competitive bids in April.

Respectfully submitted,

*Richard Parsons*

Dredging and Special Projects Consultant

**VENTURA PORT DISTRICT**  
**DEPARTMENTAL STAFF REPORT**

Meeting Date: March 25, 2015

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TO: Board of Port Commissioners  
FROM: Joe A. Gonzalez, Facilities Manager  
SUBJECT: Facilities Report

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**LANDSCAPE:**

- Planted 20 Aenioms plants, 20 Robellini palms in planters located at 1575 & 1583 buildings.
- Fertilized all plants, grass throughout the Harbor's property.
- Maintained the required fire marshal fire line on Parcel 18.
- Inspected/tested all sprinklers at Harbor Cove beach, Surfers Knoll beach, and launch Ramp landscaping areas.

**MAINTENANCE:**

- Performed monthly inspection on all Fire extinguishers, and added the required signage notice above the fire extinguishers.
- Approx. 14 exterior light bulbs were repaired this month at the Ventura Harbor Village.
- Retrofit Ventura Port District's upstairs kitchen area lights to new LED lighting fixtures.
- Repaired 1691 Building's parking lights, found major ground short in the electrical system; in-house technicians performed the job.
- Repaired 1567 Electrical room entry gate.
- Minor repairs were done on the electrical key card system on the men's restroom door mechanism located at 1449 building.
- Several minor sidewalk crackles were filled in to prevent slip and fall hazards, adjacent to the 1449 building Fishermen Memorial area.
- Several restroom partition door handles were added throughout the Ventura Harbor Village restrooms to improve accessibility.
- Southern California Edison performed a cost-free energy assessment for the District including the Ventura Harbor Village complex. Recommendations will be made to improve the energy efficiency for our tenants and buildings. Energy-efficient equipment was installed in several offices and retail stores throughout the Village complex by Edison.

**MARINA:**

- Fish pier's Crane # 1 was serviced.
- New Stern cleat was installed on Slip 24 on F dock.
- New check valve was installed on the sewer line that services I-dock's pump station (Adjacent to Island Packer's building).
- Monthly service was performed on the fire hose cabinets and fire extinguishers.

**MARKETING:**

- Set up several banners throughout the harbor as requested by the Marketing Department.
- Assisted Marketing with weekend wedding, by blocking parking stalls, reserving parking, and putting up signage and banners. Permit fees help off-set these costs.
- Ventura Harbor Village Directory's were updated by removing tenant names that have moved out.

**CAPTIAL IMPROVMENTS UPDATE:**

- RE-ROOFING OF VILLAGE BUILDINGS 1431, 1449, AND 1559.  
Staff is working with Rasmussen & Associates Architects, on the following:
  1. Rasmussen will retain Craig Hood to prepare "electrical" drawings to provide for more details and requirements for temporary work required to keep the building services in operation during the reroof work.
  2. The Port District will review all roof top equipment and determine which tenant space it serves and the specific hours of operation that are required.
  3. Rasmussen will rewrite the specifications to indicate that Tremco is the only acceptable manufacturer. Verification of using only approved installers is also a part of the specifications.
  4. The specifications will include a provision for a mandatory pre-bid conference.
  5. Rasmussen will investigate the possibility of coating the parapets with another material so that the electrical equipment can remain in place.

**1583 ELEVATOR MODERNIZATION:**

- Estimate/Contract is currently being reviewed by legal counsel.

**FISH PIER JIB CRANE**

- The one ton fish pier derrick crane is presently being manufactured by Allied Products Inc. Cushion Contracting expects to take delivery of the crane in May and to have it installed by June.



**VENTURA PORT DISTRICT**  
**DEPARTMENTAL STAFF REPORT**

Meeting Date: March 25, 2015

TO: Board of Port Commissioners  
FROM: G. Scott Miller, Harbormaster  
SUBJECT: Harbormaster Report

**Launch Ramp Traffic Pattern:**

I continue to collaborate with Richard Parsons to present a plan to correct the traffic flow issue at the Launch Ramp. We met with DBW Commissioner Randy Short on February 2, 2015 and DBW Acting Director Colonel Christopher Colin on March 3, 2015 to explain the District's preferred solution to the situation.

**Outrigger Clubs on Parcel 8:**

I am working with the General Manager to advise the two Outrigger Clubs that the City will require them to obtain a Coastal Development Permit to continue to utilize storage containers on the beach as part of their operations. We will continue to attempt to help them with the permit providing they are able to relocate to another area.

**Harbor Master Recruitment:**

I have developed a plan for the Operations Department to revert back to a structure where the Harbormaster is a working manager, in uniform performing Management and Harbor Patrol functions from 6:00 a.m. to 4:00 p.m. Sunday through Wednesday. The Senior Harbor Patrol Officer will be a working supervisor from 6:00 a.m. to 4:00 p.m. Wednesday through Saturday. At this point, the recruitment will be conducted after April 24.

<b>Harbor Patrol Report Statistics February 2015</b>	
In Harbor	5
Out Harbor	14
<b>Total</b>	<b>19</b>
Boating	9
Non-Boat	10
Aground	1
Capsized	2
Haz to Nav	1
H2O Rescue	3
Mech Fail	4
Medical	5
Per in H2o	5
Search	
Pumpout	0
Tow	4
Agency Asst	11
Cites	18
Boating	0
Non-Boating	0
Parking	18

<b>Crime Reports Provided by the Ventura Police Department</b>				
2/4/2015	3:14 PM	1691 Spinnaker Dr	Suspicious Circumstances	SUSCI
2/5/2015	1:30 PM	1215 Anchors Way	Theft	PC664/484

**Attachments:**

Corps of Engineer/Manson Engineering Soundings will be posted on the white board at the Board Meeting

**VENTURA PORT DISTRICT**  
**DEPARTMENTAL STAFF REPORT**

Meeting Date: March 25, 2015

TO: Board of Port Commissioners  
FROM: Jennifer Talt Lundin, Marketing Manager  
SUBJECT: Marketing Report

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**Ventura Harbor Village Sales:**

- January 2015 Sales for Village tenants open 12 months: 4.91% increase from January 2014

**Advertising**

- 54,409 circ. **VC Star** ¼ page Cottontail Day ad 3/22 (\$750)
- 45,124 circ. **VC Star** ¼ page Cottontail Day ad 3/25 (\$750)
- 45,124 circ. **VC Star** ½ page Cottontail Day / Spring ad 3/27 Time Out Section (\$767)
- 7,000 circ. **Coastal View News** (Carpinteria) ¼ page Cottontail Day ad 3/36 (\$338)
- 20,000 circ. **SB Family Life** ¼ page Cottontail Day ad- March Issue (\$325)
- 3 Ventura schools **The School Newsletter Company** Cottontail Day digital ad (\$200)
- 10,000 circ. **Happenings Magazine** Cottontail Day Ad March issue (\$281)
- 2015 Seaside Ventura Harbor Events rack cards (2,500)
- Designed Cottontail Day poster & Rack Cards including Spring Break Top Picks and Live Entertainment (1,600) for Cottontail Day promotion
- Designed new Harbor Village Map – new front cover contemporary look & promoting social media & the businesses opening in Village in Spring or Summer 2015. Printing 10,000 (\$1,600)
- 30,000 circ. **VC Reporter** coop ad for the Village ad 3/26 (\$325)

**Lease Promotion**

Created attractive signage/banners for leasing & what's coming/opening in Village:

- 2015 Harbor Events Banners & Leasing Retail Sign for former Cory Tile Art space
- Leasing Retail Sign Local Wild Seafood Co. empty window in 1559 Courtyard
- Local Wild Seafood Co. Opening Summer Banners in 1559 Courtyard Side
- Attractive Barrier Boards between construction in The 805 and walking corridor
- Worked with Maintenance & Property Manager on update to paint and polish floor for Blackbeard's rental space to appeal more to potential renters

**Web Site/ Social Content**

- In the last three weeks, 400 new followers across all platforms
- Significant feedback on Facebook posts highlighted :
  - Ventura Boat Rentals: 215 likes, 33 shares, 10 comments
  - Island Packers: 143 likes, 11 shares, 4 comments
  - Coastal Cone: 134 likes, 28 shares, 18 comments
- Engagement on Instagram: use #VenturaHarbor to be featured is getting results
- Taking new photography of tenants/Village for use on social media/web/Promoted St. Patrick Day items and products in Village stores via social media channels

**On Site Event Rentals / Event Promotions**

- Secured new Ventura Motorsports Gathering Car Show for October 18
- Working to secure new 805 Run & SUP event on October 4 (1,000 participants)
- Working to finalize six Blackbeard's event rental inquiries in February for 2015
- Cottontail Day festival (March 28) – Full-up vendors/New sponsor: Ventura RV Connection

**Public Relations/Networking/Outreach:**

- Hosting a Creative Strategies Meeting with the Village tenants on March 18.
- Attending City of Ventura's 150<sup>th</sup> Anniversary Committee meeting on March 25
- Attended the Channel Islands National Park Visitor Center new Ocean Exhibit opening reception
- Hosting the Central Coast Tourism Council Board Retreat in Ventura March 25 – 27 with visits to Ventura Harbor Village for lunch at The Greek at the Harbor, post activity options for Shop, Wine & Dine or On the Water Fun with kayaking, new Oceans Exhibit and Coastal Cone. French pastries by Jean Luc of Le Petit Café & Bakery provided by Ventura Harbor Village. Strategy session for 2015 – 2016 fiscal year calendar and projects.
- Crafted April Wavelengths Media Newsletter with Somerville Associates to distribute to 170 media outlets. Features: April is National Kite Month; Spring Break Live Entertainment; new BlueWater Boutique; Spring Fashion; Spring Fitness
- Press releases developed and distributed with Whisenhunt Communications for Harbor Dredging, SmartTalk new Lecture Series with Coastal Marine Bio Labs; New Harbor Village Leases & Openings – Business Vibrant at Ventura Harbor Village
- Somerville Associates crafted and distributed a “Just in Time for Spring” press release with a hotel April deal, and Spring new events, retail and happenings.
- Somerville Associates distributed the Channel Islands press release on the new Ocean Exhibit – assisted with alerting media and sending images
- Working with the Ventura Visitors & Convention Bureau to create itinerary for Lisa Gipson, travel writer for San Diego Family Magazine (online travel story) – Somerville Associates assisting
- Met with owner of Harbor Wind & Kite on goals for 2015, no additional monies for promotions/business advertisements in 2015. Marketing department is promoting April is National Kite Month using PR and social media with some print advertising. Creating short video of stunt kite flying and promoting complimentary lessons with the stunt kite purchase.
- Met with owner of Barefoot Boutique multiple times on new retail concept, name selection and vision for new store. Barefoot Boutique increased sales by over 225% (2014) and has a clientele.
- Offering to Village tenants: Coop in Presenting Magazine (hotel room publication); free restaurant promotion in new Surf N' Suds event hand out; promotional opportunity with the City's Corporate Games (closing ceremony at Harbor Cove Beach)
- Central Coast Tourism public relations committee- working with Robertson Solutions PR- Somerville Associates and Marketing Department updated Harbor information on press itineraries and outreached for journalist visits to the Central Coast region about inclusion in itineraries
- Marketing staff assisting Coastal Marine Bio Labs with staffing for new SmartTalk on March 26

**VENTURA PORT DISTRICT**  
**DEPARTMENTAL STAFF REPORT**

Meeting Date: March 25, 2015

TO: Board of Port Commissioners  
FROM: Robin Baer, Property Manager  
SUBJECT: Property Report

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- I. Tenant Improvements Underway
  - 1) 1559 Spinnaker Drive, #105 - Wild Local Seafood Co. - Possession of the premises has not been given to tenant due to planning delays with the architect. The tenant has hired a new architect and they are updating the plans to meet proper code requirements. We plan to submit to County Health next week for first approvals.
  - 2) 1575 Spinnaker Drive, #105 A/B - Coffee Dock & Post project is in progress. They have completed plumbing drains, framework and are now working on ducting system and mail boxes for tenants. Estimated re-opening in Spring 2015.
  - 3) 1575 Spinnaker Drive, #102 - 805 Bar & Grilled Cheese is expanding into former Maru Sushi & Grill space. 805 Bar & Grilled Cheese will be open during construction of additional space. Demolition has begun on the expanded space and estimated opening date is May 2015. New name for combined spaces will be "The 805".
- II. Lease Negotiations In Progress
  - 1) Milano's Restaurant - Working with tenant on a new lease and relocation of their bar area. This new location of the bar will allow for 'happy hour' activities and increase revenues. Hiring an architect to prepare basic drawings. We are creating a new remodel list with the Tenant.
  - 2) The Greek Restaurant - Working with General Manager on a new lease. We are discussing tenant improvement allowance and finalizing proposed lease terms.
  - 3) Casa De Regalos - working with tenant to negotiate a new lease. We are identifying remodel ideas and requiring future marketing strategies from tenant.
  - 4) The Parlor/Coastal Cone - working with tenant to negotiate a new lease. We are discussing new menu concepts for The Parlor and remodel requirements for both spaces.
  - 5) Ventura Boat Rentals/Just for Dreamers - working with the tenant to negotiate a new lease.
  - 6) Barefoot Boutique - working with tenant to negotiate a new lease. The business is doing well and sales are growing. The owner is also adding a second location in Building 1559, approximately 400 square feet. This concept will be for a different age group than Barefoot Boutique and will be called Blue Water Boutique. This will be a month-to-month lease. We will re-evaluate this tenancy after summer and determine extending a permanent lease for the second location.
- III. Occupancy level at Harbor Village

92% Occupied; total vacancy 8%

*Available Space for Lease:*

Offices --- 2,760 square feet

Retail --- 787 square feet

Restaurant--- 1,537 square feet

Office and retail leasing is still very slow.

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**CONSENT AGENDA ITEM NO. 1**

**APPROVAL OF FINANCIAL STATEMENTS AND CHECKS  
FOR THE MONTH OF JANUARY 2015**

**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**CONSENT AGENDA ITEM 1**  
Meeting Date: March 25, 2015

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TO: Board of Port Commissioners  
FROM: Gloria Adkins, Accounting Manager  
SUBJECT: Approval of Financial Statements and Checks

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**RECOMMENDATION:**

That the Board of Port Commissioners adopt Resolution No. 3267:

- a) Accepting the January 2015 financial statements; and
- b) Approving the payroll and regular checks for January 2015.

**DISCUSSION:**

Attached for the Board's review are the financial statements for January 2015. Supplementary Notes to the financial statements are located directly behind the Statement of Income and Expense report. The January financial statements reflect all changes approved for the mid-year budget adjustments on February 25, 2015.

Disbursements

The accounts payable check register for January 2015 is located after all the financial statement documents. Each check on the register includes a brief description of its purpose. I have explained some of the major expenditures below. (Regular payments include monthly service contracts, utilities, legal services, etc.):

January 2015 -

- The Holly Workshop was paid \$16,300 for the setup and take down of Christmas decorations in the Village and at the Harbor Entrance feature.
- Downtown Ventura Partners was paid \$16,500 for the Downtown Trolley partnership for January-June 2015.
- Jensen Design was paid \$7,682 as a progress payment for their services on the accessibility plan design for the Village parking lot.
- ThyssenKrupp Elevator Corp was paid \$6,656 for elevator maintenance contract for the periods August 2014 through January 2015.

Payroll Disbursements

The District has 26 bi-weekly pay periods per year; ten months of the year will have two regular payroll periods and two months will have three regular pay periods. The January payroll of \$128,114 represents two regular payroll periods. The next month, in which, three regular pay periods are present, will be May 2015.

**ATTACHMENTS:**

Attachment 1 – Resolution No. 3267

Attachment 2 – Statement of Income Expenses – Period Ended January 31, 2015

Attachment 3 – Accounts Payable Check Register for January 2015



**RESOLUTION NO. 3267**

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF THE  
VENTURA PORT DISTRICT CONSENTING TO THE ACCEPTANCE OF THE  
FINANCIAL STATEMENT AND APPROVAL OF CHECKS**

**BE IT RESOLVED** by the Board of Port Commissioners of the Ventura Port District, that:

- A. The Financial Statements for January 2015;
- B. The following Checks are hereby reviewed:
  - 1) Payroll Checks #8849-8857 and direct deposits inclusive in the amount of \$128,114 for January 2015 salaries, and;
  - 2) Regular Checks #41293-41484 in the amount of \$264,035 for January 2015 expenditures.

**PASSED, APPROVED, AND ADOPTED** at a Regular Meeting of the Board of Port Commissioners of the Ventura Port District held on March 25, 2015, Resolution No. 3267 was adopted by the following vote:

AYES:  
NOES:  
Abstain:  
Absent:

Attest:

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary

(Seal)



# ATTACHMENT 2

## Ventura Port District Statement of Income and Expenses For the Period Ended January 31, 2015

	<----- Current period ----->			<----- Year-to-Date ----->		
	Budget	Activity	Favorable (Unfavorable)	Budget	Activity	Favorable (Unfavorable)
<b>OPERATING REVENUES</b>						
Parcel Lease Income	\$ 470,000	\$ 458,797	\$ (11,203)	\$ 1,895,000	\$ 1,880,881	\$ (14,119)
Dry Storage Income	6,600	7,138	538	46,700	49,374	2,674
Fisherman's Storage	5,800	5,762	(38)	41,000	40,335	(665)
Parking Income	4,250	3,580	(670)	33,750	36,893	3,143
Miscellaneous Income/Rentals	4,215	3,708	(507)	62,645	57,718	(4,927)
Village Income						
Harbor Village Lease Income	171,250	181,134	9,884	1,368,750	1,380,832	12,082
Commercial Fishing	9,800	9,286	(514)	175,600	175,855	255
Miscellaneous Income	499	613	114	3,508	2,728	(780)
Harbor Event Fees	500	1,119	619	24,000	27,146	3,146
Marketing Booth/Vendor Income	200	534	334	4,900	7,580	2,680
Co-Op Advert/Sponsorship	500	555	55	13,750	14,280	530
Merchants Promo Fund	6,984	7,183	199	49,488	51,540	2,052
Slip Rentals	66,000	64,562	(1,438)	493,000	491,294	(1,706)
Dock Electrical Income	2,000	3,939	1,939	16,000	17,869	1,869
C A M Income	22,500	22,602	102	167,500	167,156	(344)
<b>Total Oper. Revenues</b>	<b>\$ 771,098</b>	<b>\$ 770,512</b>	<b>\$ (586)</b>	<b>\$ 4,395,591</b>	<b>\$ 4,401,481</b>	<b>\$ 5,890</b>
<b>OPERATING EXPENSES</b>						
<b>Personnel Expenses</b>						
Salaries & Wages						
Regular Salaries	\$ 154,385	\$ 152,167	\$ 2,218	\$ 1,175,885	\$ 1,160,757	\$ 15,128
Part-time Help	7,170	3,733	3,437	46,520	38,007	8,513
Overtime Pay	750	585	165	29,500	24,920	4,580
Holiday Pay	0	0	0	16,500	8,921	7,579
Total Salaries & Wages	\$ 162,305	\$ 156,485	\$ 5,820	\$ 1,268,405	\$ 1,232,605	\$ 35,800
Other personnel expenses						
Retirement Contributions	\$ 35,535	\$ 36,032	\$ (497)	\$ 266,235	\$ 256,000	\$ 10,235
Payroll Taxes	2,460	2,471	(11)	24,445	20,166	4,279
Worker's Comp Ins.	35,445	35,038	407	139,215	138,808	407
OPEB Liability	6,428	6,430	(2)	44,900	44,902	(2)
Medical & Life Ins.	22,800	21,720	1,080	159,036	153,573	5,463
Optional Benefit Plan	16,200	15,612	588	111,810	109,571	2,239
Uniforms & Tool Allowances	3,625	1,260	2,365	25,900	11,276	14,624
Total - Other Personnel Expenses	\$ 122,493	\$ 118,563	\$ 3,930	\$ 771,541	\$ 734,296	\$ 37,245
Total Personnel Expenses	\$ 284,798	\$ 275,048	\$ 9,750	\$ 2,039,946	\$ 1,966,901	\$ 73,045

Monthly Report  
(Unaudited)



# ATTACHMENT 2

## Ventura Port District Statement of Income and Expenses For the Period Ended January 31, 2015

	<----- Current period ----->			<----- Year-to-Date ----->		
	Budget	Activity	Favorable (Unfavorable)	Budget	Activity	Favorable (Unfavorable)
<b>General Expenses</b>						
Advertising	\$ 1,000	\$ 2,362	\$ (1,362)	\$ 12,000	\$ 3,337	\$ 8,663
Auto Mileage & Allowance	1,250	969	281	8,750	7,157	1,593
Auto/Boat Equip & Maint	6,895	5,863	1,032	93,105	94,278	(1,173)
Bad Debt	0	0	0	18,000	4,996	13,004
Bank Fees & Other Misc	1,300	444	856	9,000	4,345	4,655
Building Maintenance	6,450	2,525	3,925	116,750	110,562	6,188
Bldg Maint-Tenant Improvments	25,000	16,595	8,405	105,000	29,469	75,531
Accessibility Improvements	10,000	8,323	1,677	70,000	65,999	4,001
Communications	3,550	3,897	(347)	23,250	25,717	(2,467)
Conferences & Training	3,300	1,313	1,987	35,100	19,972	15,128
Dock Maint. & Repair	2,500	3,748	(1,248)	31,400	19,762	11,638
Village Enhancements	5,000	16,174	(11,174)	29,000	16,975	12,025
Environmental Coordination	0	0	0	500	0	500
Equipment Rental	950	836	114	11,250	5,028	6,222
General Insurance	33,133	33,074	59	108,133	108,074	59
Grounds Maintenance	8,450	4,244	4,206	86,950	63,439	23,511
General Harbor Maintenance	420	0	420	2,940	2,868	72
Janitorial Supplies	2,300	3,036	(736)	23,450	24,296	(846)
Land/Building Rental Expense	5,800	5,762	38	41,000	40,642	358
Marketing & Promotions	23,905	23,215	690	174,250	161,107	13,143
Memberships & Subscriptions	250	0	250	16,600	16,877	(277)
Office Supplies & Equipment	4,300	1,737	2,563	33,100	17,193	15,907
Computer Equip & Supplies	1,000	1,152	(152)	16,000	5,627	10,373
Operating Supplies	4,360	1,455	2,905	32,770	15,268	17,502
Other Equipment & Repairs	3,530	7,403	(3,873)	23,850	19,822	4,028
Professional Services - Legal	20,500	20,550	(50)	158,500	157,161	1,339
Professional/Outside Services	42,280	30,266	12,014	291,676	248,680	42,996
Utilities	18,950	17,095	1,855	206,050	190,588	15,462
Dredging Related Expenses	22,250	34,356	(12,106)	151,250	123,105	28,145
<b>Total General Expenses</b>	<b>\$ 258,623</b>	<b>\$ 246,394</b>	<b>\$ 12,229</b>	<b>\$ 1,929,624</b>	<b>\$ 1,602,344</b>	<b>\$ 327,280</b>
<b>Total Operating Expenses</b>	<b>\$ 543,421</b>	<b>\$ 521,442</b>	<b>\$ 21,979</b>	<b>\$ 3,969,570</b>	<b>\$ 3,569,245</b>	<b>\$ 400,325</b>
<b>Oper. Income(Loss) Before Deprec.</b>	<b>\$ 227,677</b>	<b>\$ 249,070</b>	<b>\$ 21,393</b>	<b>\$ 426,021</b>	<b>\$ 832,236</b>	<b>\$ 406,215</b>
Depreciation	\$ 83,000	\$ 82,307	\$ 693	\$ 576,000	\$ 571,916	\$ 4,084
<b>Operating Income (Loss)</b>	<b>\$ 144,677</b>	<b>\$ 166,763</b>	<b>\$ 22,086</b>	<b>\$ (149,979)</b>	<b>\$ 260,320</b>	<b>\$ 410,299</b>

Monthly Report  
(Unaudited)

# ATTACHMENT 2

## Ventura Port District Statement of Income and Expenses For the Period Ended January 31, 2015

	<----- Current period ----->			<----- Year-to-Date ----->		
	Budget	Activity	Favorable (Unfavorable)	Budget	Activity	Favorable (Unfavorable)
<b>NON-OPERATING REVENUES</b>						
<b>General</b>						
Investment Income (Loss)	\$ 0	\$ 4,448	\$ 4,448	\$ 13,000	\$ 14,837	\$ 1,837
Tax Income	5,000	9,096	4,096	575,000	583,715	8,715
Intergov't Revenue	0	8,301	8,301	0	8,301	8,301
Sale of Fixed Assets	0	0	0	0	12,914	12,914
Total General Non-Oper. Income	\$ 5,000	\$ 21,845	\$ 16,845	\$ 588,000	\$ 619,767	\$ 31,767
<b>Special Funding</b>						
DBAW Grants-Misc	\$ 0	\$ 0	\$ 0	\$ 6,000	\$ 5,000	\$ (1,000)
DBAW Grants-Launch Ramp	0	0	0	0	0	0
Total Special Funding	\$ 0	\$ 0	\$ 0	\$ 6,000	\$ 5,000	\$ (1,000)
<b>TOTAL NON-OPER. REVENUES</b>	<b>\$ 5,000</b>	<b>\$ 21,845</b>	<b>\$ 16,845</b>	<b>\$ 594,000</b>	<b>\$ 624,767</b>	<b>\$ 30,767</b>
<b>NON-OPERATING EXPENSES</b>						
Interest Expense	\$ 210,460	\$ 216,880	\$ (6,420)	\$ 662,800	\$ 669,487	\$ (6,687)
Total Non-Oper. Expenses	\$ 210,460	\$ 216,880	\$ (6,420)	\$ 662,800	\$ 669,487	\$ (6,687)
<b>Non-Operationing Income (Loss)</b>	<b>\$ (205,460)</b>	<b>\$ (195,035)</b>	<b>\$ 10,425</b>	<b>\$ (68,800)</b>	<b>\$ (44,720)</b>	<b>\$ 24,080</b>
<b>CHANGES IN NET POSITION</b>	<b>\$ (60,783)</b>	<b>\$ (28,272)</b>	<b>\$ 32,511</b>	<b>\$ (218,779)</b>	<b>\$ 215,600</b>	<b>\$ 434,379</b>

## ATTACHMENT 2

### **Supplementary Notes to the Statement of Income and Expense for the period ending January 31, 2015 – Budget to Actual Analysis.**

#### Operating Income:

**Parcel Lease Income** – (under budget \$14,119) This variance reflects a decrease due to the percentage rents received from the Boatyard for the 2014 calendar year being less than anticipated.

**Harbor Village Lease Income** – (exceeds budget \$12,082) This increase is due primarily to an increase in percentage rents received from the Ventura Harbor Fuel Pier for their 2014 calendar year sales being higher than anticipated.

**Commercial Fishing** – (exceeds budget \$255) This category was aligned to budget by the mid-year budget adjustments.

**Slip Rentals** – (under budget \$1,706) This category was aligned to budget by the mid-year budget adjustments.

#### Operating Expenses:

**Personnel Expenses** – (under budget \$73,045) This variance is spread out over all of the categories. It is anticipated that these funds will be used over the course of the year.

**Advertising** – (under budget \$8,663) The advertising expense will pick up in next few months as we have bid packets to advertise and the Harbormaster position to fill due to our current Harbormaster retiring.

**Building Maintenance** – (under budget \$6,188) This category was aligned to budget by the mid-year budget adjustments.

**Bldg Maint-Tenant Improvements** – (under budget \$75,531) This category was divided by twelve months. This budget will be utilized as the year progresses and tenant improvement needs are determined for vacant suites and new lease negotiations are in process. Several leases have now been signed and it is anticipated the tenant improvements will begin for these leases.

**Conferences & Training** – (under budget \$15,128) These funds will be utilized in next few months as the Board has approved several out of town travel requests for conferences coming up in January, February, March and June.

**Dock Maint. & Repair** – (under budget \$11,638) It was determined that repairs would be needed on the Harbor Village docks but to date the repairs have not been implemented. This expense was reviewed during the mid-year budget adjustment process and it was determined that the budget should not be reduced as the repairs are still necessary.

**Village Enhancements** – (under budget \$12,025) This expense category is starting to catch up to budget as seen during January.

**Grounds Maintenance** – (under budget \$23,511) The remaining funds in this category will be utilized throughout the year.

**Marketing and Promotions** – (under budget \$13,143) Marketing has plans to utilize these funds before the end of the year.

**Office and Computer Supplies & Equipment** – (under budget \$15,907 and \$10,373, respectively) Both of these categories are divided by twelve months. It is anticipated that these funds will be used over the course of the year.

## ATTACHMENT 2

### **Supplementary Notes to Statement of Income and Expenses Continued for the period ending January 31, 2015 – Budget to Actual Analysis**

**Professional Services-Legal** – (under budget \$1,339) This category was aligned to budget by the mid-year budget adjustments.

**Professional/Outside Services** – (under budget \$42,996) It is anticipated that all of these funds will be utilized by the end of the year.

**Utilities** - (under budget \$15,462) This category consists of water, electricity, gas and trash expenses. It is anticipated that all of these funds will be utilized by the end of the year.

**Dredging Related Expenses** – (under budget \$28,145) This category is divided by twelve and the funds will be utilized as the year progresses. Testing and biological monitoring required for the dredging process began in January and has already utilized some of these funds.

# ATTACHMENT 2

## Ventura Port District Balance Sheet For the Period Ended January 31, 2015

### CURRENT ASSETS

Cash in Banks	1,798,506
Accounts Receivable	2,504,844
Notes Receivable	50,325
Taxes Receivable	27,212
Interest Receivable	1,792
Prepaid Expenses	82,442
Inventory of supplies	32,118

**TOTAL CURRENT ASSETS** \$4,497,239

### RESTRICTED ASSETS

Cash - Dredging	3,019,039
Cash - Improvement	2,672,983
Cash - Fisheries Complex	25,007

**TOTAL RESTRICTED ASSETS** \$5,717,029

### FIXED ASSETS

Land	2,342,629
Harbor Improvements	33,122,299
Equipment	1,430,022
	<u>36,894,950</u>

Accumulated depreciation (13,956,901)

**NET FIXED ASSETS** \$22,938,049

### OTHER ASSETS

Investments-Unrestricted Reserves	1,484,610
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**TOTAL OTHER ASSETS** \$1,484,610

**TOTAL ASSETS** \$34,636,927

### DEFERRED OUTFLOWS OF RESOURCES

Deferred amount on refundings	231,297
-------------------------------	---------

**TOTAL DEFERRED OUTFLOWS OF RESOURCES** \$231,297

**TOTAL ASSETS AND DEFERRED  
OUTFLOWS OF RESOURCES**

\$34,868,224

### CURRENT LIABILITIES

Accounts Payable	134,355
Accrued Interest	386,620
Current Portion LT Debt	616,306
Current Portion OPEB Liability	8,676
Accrued Payroll	24,147
Employee Compensated Absences	249,756

**TOTAL CURRENT LIABILITIES** \$1,419,860

### LONG TERM DEBT

ltd - Notes Payable	13,682,154
---------------------	------------

**TOTAL LONG TERM DEBT** \$13,682,154

### OTHER LIABILITIES

OPEB Liability LT	379,197
Unearned Revenue	-
Security Deposits	160,969

**TOTAL OTHER LIABILITIES** \$540,166

**TOTAL LIABILITIES** \$15,642,180

### EQUITY

Contributed Capital	4,632,128
Retained Earnings-Reserved	645,536
Retained Earnings- Unreserved	13,537,613
Current Year Retained Earnings	215,600

**TOTAL EQUITY** \$19,030,877

### DEFERRED INFLOW OF RESOURCES

Deferred Tenant Revenue	195,167
-------------------------	---------

**TOTAL DEFERRED INFLOW OF RESOURCES** \$195,167

**TOTAL LIABILITIES, EQUITY, AND  
DEFERRED INFLOW OF RESOURCES**

\$34,868,224

Monthly Report  
(Unaudited)

## ATTACHMENT 2

### Ventura Port District Cashflow Statement As of January 31, 2015

#### Enterprise Fund

Operating Income	4,401,481
Non-Operating Income	624,767
Total Income	<u>\$ 5,026,248</u>
Operating Expenses	4,141,161
Non-Operating Expenses	669,487
Total Expenses	<u>\$ 4,810,648</u>
Change in Net Position (Loss)-Accrual Basis	\$ 215,600
Cashflows for Capital and Financing Activities:	
Principle paid on debt	(616,306)
Deferred amount on refundings	10,059
Net cash from sale of capital assets	137,086
Acquisitions of Capital Assets	<u>(127,375)</u>
Net Cash provided (used) by Capital & Financing	\$ (596,536)
Operating Income Adjustments:	
Depreciation	571,916
(Increase)decrease in receivables	(240,934)
(Increase)decrease in prepaid Items	181,685
Increase(decrease) in payables	(87,116)
Increase(decrease) in unearned revenue	83,696
Increase (decrease) in tenant deposits	<u>6,388</u>
Net Cash provided by Operating Activities	\$ 515,635
NET Increase (Decrease) in Cash	\$ 134,699
Add: Beginning Cash 7/1/14	\$ 8,865,446
Ending Cash at 1/31/15	\$ 9,000,145

**Monthly Report  
(Unaudited)**

# ATTACHMENT 2

## Ventura Port District Distribution of Cash as of January 31, 2015

<u>Enterprise Fund</u>	<u>Current Balance</u>
<u>Cash</u>	
Cash on Hand (undeposited)	1,261
Cash in Checking (Wells Fargo Bank)	339,647
Cash in County Treasury	16,564
<b>Total Cash Available for Normal Operations</b>	<b>\$ 357,472</b>
 <u>Investments Unrestricted Reserves</u>	
Local Agency Investment Fund (LAIF)	1,434,284
Stifel Nicolaus	1,491,361
<b>Total Investments Unrestricted Reserves</b>	<b>\$ 2,925,645</b>
 <u>Dredging Reserves</u>	
Local Agency Investment Fund (LAIF)	3,019,039
<b>Total Dredging Reserves</b>	<b>\$ 3,019,039</b>
 <u>Capital Improvement Reserves</u>	
Local Agency Investment Fund (LAIF)	2,672,982
<b>Total Capital Improvement Reserves</b>	<b>\$ 2,672,982</b>
 <u>Fisheries Complex Reserves</u>	
Local Agency Investment Fund (LAIF)	25,007
<b>Total Fisheries Complex Reserves</b>	<b>\$ 25,007</b>
 <b>TOTAL CASH AND INVESTMENTS</b>	 <b>\$ 9,000,145</b>

## ATTACHMENT 2

### Ventura Port District Comparison of Lease Rent

	Year to Date Ended <u>1/31/2015</u>	Year to Date Ended <u>1/31/2014</u>	Increase (Decrease)	
<b>Parcel Leases</b>				
Ventura Harbor Marine Assoc	108,757	93,999	14,758	16%
Dave's Fuel Dock	6,249	6,480	(231)	-4%
Sheraton 4 Points-Harbortown	247,633	224,629	23,004	10%
Harbortown Point	69,045	68,323	722	1%
Oceans West Marina	164,065	162,710	1,355	1%
Ventura Isle Marina	383,747	386,204	(2,457)	-1%
Ventura Marina Mobile Park	250,123	248,002	2,121	1%
Ventura West Marina	286,433	289,015	(2,582)	-1%
Ventura Yacht Club	68,022	66,688	1,334	2%
Vta Harbor Boatyard	254,519	263,193	(8,674)	-3%
Sonderman Ring	40,000	40,000	0	0%
Total Parcel Lease	<u>1,878,594</u>	<u>1,849,243</u>	<u>29,351</u>	2%
Fees & Reimbursements	<u>2,287</u>	<u>-</u>	<u>2,287</u>	
Total Parcel Leases	1,880,881	1,849,243	31,638	2%
<b>Ventura Harbor Village</b>				
Retail Rents	286,558	268,770	17,788	7%
Restaurant Rents	545,215	529,031	16,184	3%
Office Rents	326,315	319,902	6,413	2%
Charters	222,744	222,858	(114)	0%
Total Village	<u>1,380,832</u>	<u>1,340,561</u>	<u>40,271</u>	3%
<b>TOTAL</b>	<b>3,261,713</b>	<b>3,189,804</b>	<b>71,909</b>	2%

Monthly Report  
(Unaudited)



# ATTACHMENT 2

## Ventura Port District Three Year Comparative For the Month and Year to Date

	MONTH OF JANUARY			YEAR TO DATE 1/31			% change FY13-14 to Current Yr
	2012-13	2013-14	Current	2012-13	2013-14	Current	
<b><u>Operating Income</u></b>							
Parcel Leases	460,568	488,157	458,797	1,799,815	1,849,243	1,880,881	2%
Dry Storage	7,815	7,475	7,138	56,427	54,474	49,374	-9%
Other Operating	8,186	6,728	13,050	123,480	123,738	134,946	9%
Harbor Village Leases	166,090	169,956	181,134	1,348,889	1,340,561	1,380,832	3%
Commercial Fishing	6,619	9,368	9,286	126,723	263,164	175,855	-33%
Slips	84,326	77,021	64,562	556,670	540,805	491,294	-9%
CAM	25,703	23,789	22,602	185,310	167,132	167,156	0%
Marketing	7,201	6,981	7,183	51,082	48,083	51,540	7%
Electrical Slips	2,445	4,019	3,939	17,213	18,271	17,869	-2%
Other Operating	2,635	2,639	2,821	30,550	51,484	51,734	0%
<b>Total Operating Income</b>	<b>771,588</b>	<b>796,133</b>	<b>770,512</b>	<b>4,296,159</b>	<b>4,456,955</b>	<b>4,401,481</b>	-1%
<b><u>Operating Expenses</u></b>							
Harbor Patrol	74,310	87,015	85,315	551,374	566,018	666,933	18%
Maintenance	79,337	110,966	102,152	565,364	749,902	667,473	-11%
Administration	125,218	138,947	147,514	912,159	954,019	1,027,742	8%
Marina	47,346	54,357	48,457	412,431	412,864	362,637	-12%
C A M	48,419	60,521	65,181	428,403	423,314	443,613	5%
Marketing	29,384	45,563	38,467	244,489	279,837	277,742	-1%
Dredging	17,358	14,235	34,356	169,773	139,357	123,105	-12%
<b>Total Operating Expenses</b>	<b>421,372</b>	<b>511,604</b>	<b>521,442</b>	<b>3,283,993</b>	<b>3,525,311</b>	<b>3,569,245</b>	1%
<b><u>NET OPERATING INCOME</u></b>	<b>350,216</b>	<b>284,529</b>	<b>249,070</b>	<b>1,012,166</b>	<b>931,644</b>	<b>832,236</b>	-11%
<b><u>Non-operating Income</u></b>							
Interest	. 82	(273)	4,448	25,103	47,827	14,837	
Taxes	18,006	8,010	9,096	534,991	558,743	583,715	4%
Other	14,888	8,942	8,301	18,579	8,942	26,215	
<b>Total Non-operating Income</b>	<b>32,976</b>	<b>16,679</b>	<b>21,845</b>	<b>578,673</b>	<b>615,512</b>	<b>624,767</b>	2%
<b><u>Non-Operating Expenses</u></b>							
Depreciation	72,911	74,778	82,307	510,469	522,421	571,916	
Debt Service	242,707	228,997	216,880	737,346	696,517	669,487	
Other	1,127	-		12,847	-	-	
<b>Total Non-operating Expenses</b>	<b>316,745</b>	<b>303,775</b>	<b>299,187</b>	<b>1,260,662</b>	<b>1,218,938</b>	<b>1,241,403</b>	2%
<b><u>NET NON-OPER. INCOME</u></b>	<b>(283,769)</b>	<b>(287,096)</b>	<b>(277,342)</b>	<b>(681,989)</b>	<b>(603,426)</b>	<b>(616,636)</b>	
<b>TOTAL INCOME (LOSS)</b>	<b>66,447</b>	<b>(2,567)</b>	<b>(28,272)</b>	<b>330,177</b>	<b>328,218</b>	<b>215,600</b>	-34%

Monthly Report  
(Unaudited)

# ATTACHMENT 3

## Accounts Payable Check Register - January 2015

Ventura Port District  
Wells Fargo Checking

2/23/2015

<u>Check</u>	<u>Date</u>	<u>Payee</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Voided Amount</u>
41293	1/2/2015	7000	Richard W. Parsons	Dredging/Project Management services-Nov & Dec	17,776.00	
41294	1/6/2015	1045	ADT Security Services	Security - Nat'l Park Service	179.85	
41295	1/6/2015	1440	Beacon Marine Chandlery Inc	Operating supplies for patrol boats	135.99	
41296	1/6/2015	1676	Carquest Auto Parts	Parts/repairs to maintenance vehicles	96.50	
41297	1/6/2015	1725	C E D	Operating supplies-light timers	75.93	
41298	1/6/2015	1915	Cintas Corp	Uniform rental/cleaning, door mats, rags	690.06	
41299	1/6/2015	2099	Custom Embroidery	Maintenance logo caps/marketing event jacket	384.49	
41300	1/6/2015	2331	Dial Security Inc	Dockmaster/security coverage	850.00	
41301	1/6/2015	2433	Document Systems Inc.	Printer ink	102.41	
41302	1/6/2015	2537	Dunn Edwards	Maintenance paint supplies	429.99	
41303	1/6/2015	2604	E.J. Harrison & Sons Inc.	Village trash service -Dec	3,721.55	
41304	1/6/2015	2865	Euro Kelas Int. Inc.	Village staircase striping	980.00	
41305	1/6/2015	2936	Fast Signs	Village signage	86.00	
41306	1/6/2015	3454	Gold Coast Broadcasting	Marketing Event/Harbor advertising	2,000.00	
41307	1/6/2015	3781	The Holly Workshop	Christmas Décor setup/take down	16,300.00	
41308	1/6/2015	4057	Health & Human Resource Center	Employee Assistance Program (EAP)	177.14	
41309	1/6/2015	4613	Kelly Cleaning and Supplies	clean up water damage Village office suite	89.00	
41310	1/6/2015	4939	Life-Assist Inc.	Safety supplies - Patrol	197.69	
41311	1/6/2015	5016	** Voided ** Lowe's	Check stub used to list invoices		0.00
41312	1/6/2015	5016	Lowe's	Christmas Décor	1,785.13	
41313	1/6/2015	5210	McCormix Corp.	Fuel for maintenance vehicles	582.72	
41314	1/6/2015	5213	McMaster-Carr	Parts for patrol boats	404.65	
41315	1/6/2015	5295	Michael Green Painting	Miscellaneous Village painting	4,087.50	
41316	1/6/2015	5505	Muzicraft Inc.	Ambient music in Village - Jan	457.00	
41317	1/6/2015	6361	Pitney Bowes	Postage meter lease/Vlg office - Dec	34.63	
41318	1/6/2015	6440	Port Supply	Boat parts	151.65	
41319	1/6/2015	7240	AT&T	Fiber/Wi-Fi Services VPD HDQ	1,388.34	
41320	1/6/2015	7410	Smith Pipe & Supply Inc.	Plumbing parts/fixtures	103.31	
41321	1/6/2015	7572	Standard Insurance Company	Group Term Life/Long-term Disab	3,200.56	
41322	1/6/2015	7761	The Gas Company	Utilities - Dec	143.66	
41323	1/6/2015	7762	The Home Depot	Maintenance supplies	47.35	
41324	1/6/2015	7918	Tyco Integrated Security LLC	NPS 1431 Security Quarterly-replaces Dial Security	158.22	
41325	1/6/2015	8233	Venco Power Sweeping, Inc	Parking lot sweeping - Village/Fish pier	545.38	

# ATTACHMENT 3

## Accounts Payable Check Register - January 2015

Ventura Port District  
Wells Fargo Checking

2/23/2015

<u>Check</u>	<u>Date</u>	<u>Payee</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Voided Amount</u>
41326	1/6/2015	8263	Ventura Pest Control	Village service	325.00	
41327	1/6/2015	8267	Ventura Harbor Marina & Yacht	Patrol boat repairs	2,253.21	
41328	1/6/2015	8453	Virtual Pacific Networks	IT Services	6,090.00	
41329	1/6/2015	8551	Williams Automotive Inc.	Maintenance truck repairs	448.11	
41330	1/6/2015	8620	XCEL Hawaii, Inc	Uniforms Patrol - wetsuits	214.25	
41331	1/6/2015	82590	Vessel Assist	Contain and dispose of two vessels	2,100.00	
41332	1/6/2015	PM OneTime	Chuck Hosack	Refund card key deposit	25.00	
41333	1/7/2015	1060	AFLAC	Salary reduction benefit - Dec	362.42	
41334	1/7/2015	1178	American Office Products	Office supplies	69.52	
41335	1/7/2015	1925	City Of S. Buenaventura	Trash Service	100.00	
41336	1/7/2015	5190	Matilija Water	Reverse osmosis water system Oct	45.00	
41337	1/7/2015	5625	Nestle Pure Life	Bottled water service	149.31	
41338	1/7/2015	6178	PERS Long Term Care Program	Salary reduction benefit	242.62	
41339	1/7/2015	7240	AT&T	Elevator emergency phone service	456.78	
41340	1/7/2015	7761	The Gas Company	Utilities - Dec	403.56	
41341	1/7/2015	7818	TOTALFUNDS By Hasler	Postage for VPD Office postage machine	500.00	
41342	1/7/2015	8251	Ventura Water	Water utility usage-monthly	204.96	
41343	1/7/2015	70335	Ron's Custom Upholstery	Patrol boat window & lamination	1,459.44	
41344	1/9/2015	2331	Dial Security Inc	Dockmaster/security coverage	925.00	
41345	1/9/2015	2604	E.J. Harrison & Sons Inc.	Village trash service-Fish pier Dec	392.97	
41346	1/9/2015	5055	Mainstreet Architects Inc.	TI Improvement planning in Village	277.23	
41347	1/9/2015	5945	Office Depot Credit Plan	Office supplies	88.88	
41348	1/9/2015	7768	** Voided ** ThyssenKrupp Elevator	Void duplicate payment - elevator repairs		3,039.23
41349	1/9/2015	48470	Lauren Yuncker	Reimburse mileage	35.84	
41350	1/15/2015	1037	Acorn Newspapers	Marketing Event/Harbor advertising	1,360.94	
41351	1/15/2015	1049	Adams Printing & Graphic	Marketing Event/Harbor advertising	1,776.60	
41352	1/15/2015	1178	American Office Products	Office supplies	6.69	
41353	1/15/2015	1444	Bethany Anderson	Ad production-Village maps & tall ships	1,225.00	
41354	1/15/2015	1676	Carquest Auto Parts	Parts/repairs to maintenance vehicles	33.52	
41355	1/15/2015	1679	Carpi, Clay & Smith	Washington lobbyist - Dec	5,000.00	
41356	1/15/2015	1725	C E D	LED retro fit kits for Village restrooms	2,602.81	
41357	1/15/2015	1749	** Voided ** CalPERS	Pay via CalPERS Website		1,920.00
41358	1/15/2015	1915	Cintas Corp	Uniform rental/cleaning, door mats, rags	752.37	

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2/23/2015

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41359	1/15/2015	2065	Certified Credit Reporting Inc	Prospective tenant credit check	50.00	
41360	1/15/2015	2093	Cumulus Broadcasting Inc.	Marketing Event/Harbor advertising	3,460.00	
41361	1/15/2015	2446	DocuProducts	Copier maintenance fees	227.35	
41362	1/15/2015	2448	Downtown Ventura Partners	Jan-Dec Trolley partnership	16,500.00	
41363	1/15/2015	2751	Empire Cleaning Supply	Accessibility signage and janitorial supplies	5,425.79	
41364	1/15/2015	2935	Farmer Bros. Co	Coffee supplies	271.79	
41365	1/15/2015	2980	Fausset Printing, LLC	Advertising	75.00	
41366	1/15/2015	2986	Ferguson Enterprises Inc.	Maintenance supplies, plumbing/parts/fixtures	896.66	
41367	1/15/2015	3100	Flooring 101	Office suite TI	2,530.00	
41368	1/15/2015	3490	Grainger Inc.	Maintenance supplies	575.17	
41369	1/15/2015	3492	Green Thumb International	Plants/gardening materials	117.56	
41370	1/15/2015	3602	Happenings Magazine	Marketing Event/Harbor advertising	739.00	
41371	1/15/2015	4247	Jani-King of CA Inc.	Janitorial Service in Village	4,965.56	
41372	1/15/2015	4293	Jennifer Talt-Lundin	Reimburse use of personal cell phone	50.00	
41373	1/15/2015	4295	Jensen Design & Survey Inc.	Accessibiltiy parking lot plan-Dec services	7,682.50	
41374	1/15/2015	4404	Jonathan Freeman	Uniform expense reimbursement	59.11	
41375	1/15/2015	4615	Ken Hower	Music at Carousel stage	300.00	
41376	1/15/2015	4742	Kratos Construction	Labor to retrofit LED lighting in restrooms	1,475.00	
41377	1/15/2015	5161	Mall Media Inc.	Marketing event production supplies	301.99	
41378	1/15/2015	5210	McCormix Corp.	Fuel for maintenance vehicles	385.47	
41379	1/15/2015	5295	Michael Green Painting	Village fascia repair and touch up painting	2,935.00	
41380	1/15/2015	5744	Noble Consultants Inc.	VHMA dock expansion & Village Marina dock renovation	2,808.00	
41381	1/15/2015	6030	3Digit Media	Marketing advertising-805 Living Magazine	955.00	
41382	1/15/2015	6178	PERS Long Term Care Program	Salary reduction benefit	121.31	
41383	1/15/2015	6470	LegalShield	Salary reduction benefit	192.30	
41384	1/15/2015	7221	SWRCB/AFRS	Annual dredging permit	600.00	
41385	1/15/2015	7242	Santa Barbara Independent	Marketing Event/Harbor advertising	1,100.00	
41386	1/15/2015	7245	Santa Barbara Family Life	Marketing Event/Harbor advertising	325.00	
41387	1/15/2015	7293	ServiceMaster Building Maint	Janitorial service Nat Park Service buildings	1,046.00	
41388	1/15/2015	7294	Service-Pro Fire Protection	Inspect/replace fire equipment in janitorial closets	1,603.50	
41389	1/15/2015	7346	Shell Fleet Plus	Fuel for Patrol vehicle	445.00	
41390	1/15/2015	7410	Smith Pipe & Supply Inc.	Plumbing parts/fixtures	53.75	
41391	1/15/2015	7532	Spencer Smilanick	Marketing Village entertainment	300.00	

# ATTACHMENT 3

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41392	1/15/2015	7581	Steve Stafford	Marketing Village entertainment	275.00	
41393	1/15/2015	8202	VCE Services, Inc.	Services for fisheries truck access and the fish crane	400.00	
41394	1/15/2015	8241	Ventura County Star	Marketing Event/Harbor advertising	1,800.00	
41395	1/15/2015	8241	Ventura County Star	Newspaper subscription-Village Office	63.05	
41396	1/15/2015	8246	Ventura Locksmiths	Replace locks -tenant improvements	513.38	
41397	1/15/2015	8250	Ventura Visitors & Convention	Rent for space in VVC building & Advertising Co-op -Jan	232.50	
41398	1/15/2015	8531	Whisenhunt Communication	Public relations services	2,473.50	
41399	1/15/2015	14221	Batteries Plus - Ventura	Operating supplies	64.43	
41400	1/15/2015	17582	California Travel Media	Marketing Co-op advertising-Calif. Visitors Guide	2,050.00	
41401	1/15/2015	26531	eDistsecurity	Power supply for electronic signage	113.41	
41402	1/15/2015	73400	Shawn Smith	Expense reimbursement	11.99	
41403	1/15/2015	75712	Stacey Reed	Village events	210.00	
41404	1/15/2015	82201	Valley Scene Magazine	Marketing Event/Harbor advertising	315.00	
41405	1/15/2015	Deposits	Pamela West	Refund event deposit	250.00	
41406	1/15/2015	Deposits	Rabbi Dov Muchnik	Refund event deposit	250.00	
41407	1/23/2015	70641	Superior Awning, Inc.	Remainder of awnings/frames for 1583 Spinnaker-Village	4,216.87	
41408	1/29/2015	1036	Accurate First Aid Services	Replenish first aid stations	225.90	
41409	1/29/2015	1058	Advantage Telecom Inc	District phone system/internet	1,270.33	
41410	1/29/2015	1060	AFLAC	Salary reduction benefit - Jan	362.42	
41411	1/29/2015	1178	American Office Products	Office supplies	220.34	
41412	1/29/2015	1377	B & R Tool Supply Co.	Operating supplies	493.15	
41413	1/29/2015	1440	Beacon Marine Chandlery Inc	Operating supplies for patrol boats	19.77	
41414	1/29/2015	1625	Byrd Locksmithing Inc.	Locks/closing mechanism accessibility improve.	2,709.20	
41415	1/29/2015	1663	Burons Preferred Pumping Inc.	Quarterly grease trap cleanout sewer lines	1,800.00	
41416	1/29/2015	1725	C E D	Shop stock - lights	710.51	
41417	1/29/2015	1762	Canon Financial Services	Copier lease for VPD HDQ and Marketing office	795.50	
41418	1/29/2015	1826	Central Coast Tourism Council	Marketing attend annual retreat	260.00	
41419	1/29/2015	1915	Cintas Corp	Uniform rental/cleaning, door mats, rags	799.66	
41420	1/29/2015	2174	Dan Harding	Tall ship photography	110.00	
41421	1/29/2015	2202	Dave's Marine Fuel Service	Fuel for Patrol boat	2,565.25	
41422	1/29/2015	2433	Document Systems Inc.	Printer toner	128.98	
41423	1/29/2015	2604	E.J. Harrison & Sons Inc.	Village trash service -Jan	4,191.71	
41424	1/29/2015	2751	Empire Cleaning Supply	Janitorial supplies	1,926.78	

# ATTACHMENT 3

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<u>Check</u>	<u>Date</u>	<u>Payee</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Voided Amount</u>
41425	1/29/2015	2924	FMP Uniform Co.	Patrol uniforms	53.74	
41426	1/29/2015	2980	Fausset Printing, LLC	Advertising	90.00	
41427	1/29/2015	3046	Chase	Manager's credit cards	8,196.29	
41428	1/29/2015	3155	Franchise Tax Board	Employee garnishment	140.00	
41429	1/29/2015	3491	Greek At The Harbor	Tall Ship Reception	50.00	
41430	1/29/2015	3592	Hansen's Plumbing, Inc.	Clear 1559 mainline and 1567 restroom line	1,074.93	
41431	1/29/2015	3752	HLI Systems	Village trash service	190.00	
41432	1/29/2015	4057	Health & Human Resource Center	Employee Assistance Program (EAP)	177.14	
41433	1/29/2015	4295	Jensen Design & Survey Inc.	Accessibiltiy parking lot plan-Jan services	1,752.38	
41434	1/29/2015	4852	Lagerlof Senecal Gosney	Legal services	20,549.50	
41435	1/29/2015	5188	Matthew Bender & Co. Inc.	Publication for Patrol	204.80	
41436	1/29/2015	5190	Matilija Water	Reverse osmosis water system Oct	45.00	
41437	1/29/2015	5231	Mendez Roofing Inc	Village patch roofs/replace vents	2,750.00	
41438	1/29/2015	5295	Michael Green	Miscellaneous Village painting and restroom sealing	2,735.00	
41439	1/29/2015	5322	Milano's	Tall Ship Reception	50.00	
41440	1/29/2015	5505	Muzicraft Inc.	Ambient music in Village - Feb	202.00	
41441	1/29/2015	5945	Office Depot Credit Plan	Office supplies	424.92	
41442	1/29/2015	6178	PERS Long Term Care Program	Salary reduction benefit	121.31	
41443	1/29/2015	6283	Petty Cash Fund	Operating supplies	373.41	
41444	1/29/2015	6361	Pitney Bowes	Postage meter ink cartridge	69.86	
41445	1/29/2015	6361	Pitney Bowes	Postage meter lease/Vlg office - Jan	34.63	
41446	1/29/2015	6440	Port Supply	Boat parts	475.71	
41447	1/29/2015	6687	RRM Design Group Inc.	Village accessibility planning assistance	4,201.14	
41448	1/29/2015	7210	SEIU Local 721	Union dues for Harbor Patrol	251.26	
41449	1/29/2015	7240	AT&T	Fiber/Wi-Fi Services VPD HDQ	1,455.21	
41450	1/29/2015	7294	Service-Pro Fire Protection	Annual device inspections	1,133.38	
41451	1/29/2015	7581	Steve Stafford	Marketing Village entertainment	275.00	
41452	1/29/2015	7583	** Voided ** Standard Industries - wrong vendor - should be Standard Insurance			3,200.56
41453	1/29/2015	7719	Teamsters Local No. 186	Union dues for Dockmasters	434.00	
41454	1/29/2015	7761	The Gas Company	Utilities - Jan	1,089.03	
41455	1/29/2015	7768	ThyssenKrupp Elevator Corp	Elevator maintenance contract Aug2014-Jan2015	6,656.21	
41456	1/29/2015	7777	The Signal	Marketing Event/Harbor advertising	450.00	
41457	1/29/2015	8228	Ventana Monthly	Marketing Event/Harbor advertising	395.00	

# ATTACHMENT 3

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2/23/2015

<u>Check</u>	<u>Date</u>	<u>Payee</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Voided Amount</u>
41458	1/29/2015	8233	Venco Power Sweeping, Inc	Parking lot sweeping - Village/Fish pier	545.38	
41459	1/29/2015	8239	Ventura County Reporter	Marketing Event/Harbor advertising	1,075.00	
41460	1/29/2015	8250	Ventura Visitors & Convention	Marketing retreat attendance	53.00	
41461	1/29/2015	8260	Verizon Wireless	Cell phones/services	1,186.26	
41462	1/29/2015	8267	Ventura Harbor Marina & Yacht	Patrol boat repairs	793.24	
41463	1/29/2015	8500	Warren Takahashi	Marketing Village entertainment	150.00	
41464	1/29/2015	8530	White Nelson Diehl Evans LLP	Installment on June 30, 2014 audit services	433.00	
41465	1/29/2015	8542	William P. Hummer	Mileage reimbursement	98.32	
41466	1/29/2015	12911	ASCAP	Marketing quarterly entertainment permit	172.00	
41467	1/29/2015	12945	Assurant Employee Benefits	Dental Insurance Premiums	1,137.88	
41468	1/29/2015	15731	Boatyard Cafe	Tall Ship Reception	50.00	
41469	1/29/2015	16231	Brophy Brothers	Tall Ship Reception	50.00	
41470	1/29/2015	26591	805 Bar & Grilled Cheese	Board meeting refreshments	50.00	
41471	1/29/2015	31155	Four Seasons Rug &	Village elevator & restroom flooring repairs	700.00	
41472	1/29/2015	46141	Kozwel Boatworks	Patrol boat parts	449.04	
41473	1/29/2015	48542	Le Petit Cafe and Bakery	Tall Ship Reception	390.00	
41474	1/29/2015	48601	Latitudes Fine Art Gallery	Chairman appreciation gift	188.13	
41475	1/29/2015	61731	PPG Architectural Coatings	Painting supplies	81.78	
41476	1/29/2015	74343	Sommerville Associates	Marketing - February services	2,000.00	
41477	1/29/2015	PM OneTime	PAUL MAHER	Refund card key deposit	50.00	
41478	1/29/2015	6201	Pamela Griffin	Wellness program instructor	100.00	
41479	1/29/2015	7000	Richard W. Parsons	Dredging/Project Management services-Jan	8,888.00	
41480	1/29/2015	8244	Ventura Harbor Storage	Fishermans storage/net repair area	5,762.10	
41481	1/30/2015	7434	Southern Calif ** Voided **	Check stub used to list invoices		0.00
41482	1/30/2015	7434	Southern Calif ** Voided **	Check stub used to list invoices		0.00
41483	1/30/2015	7434	Southern Calif ** Voided **	Check stub used to list invoices		0.00
41484	1/30/2015	7434	Southern Calif. Edison	Utilities	5,840.06	
Bank Account Totals					264,035.21	8,159.79

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**CONSENT AGENDA ITEM NO. 2**

**APPROVAL OF OUT OF TOWN TRAVEL REQUESTS**



**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**CONSENT AGENDA ITEM 2**  
Meeting Date: March 25, 2015

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

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**RECOMMENDATION:**

That the Board of Port Commissioners discuss and take appropriate action on the following out of town travel requests:

- A) Marketing Manager, Jennifer Talt-Lundin's travel to Menlo Park, California to participate in the Consumer Travel Show for Sunset Magazine from June 5 – June 8, 2015. This benefits the District by allowing our Marketing Manager to gather information to promote visitation to the Ventura Harbor.

Registration	\$ 466.66
Car Rental	\$ 270.00
Lodging (2 nights)	\$ 444.00
Meals	\$ 220.00
Miscellaneous-Parking, etc.	<u>\$ 57.00</u>
TOTAL	\$1,457.66

- B) Harbor Patrolman, John Higgins' travel to Monterey, California to participate in the California Boating Safety Officers Association Conference from April 19 – April 23, 2015. This benefits the District by networking with Division of Boating and Waterways personnel, USCG leaders and field experts and learning new information.

Registration	\$ 120.00
Lodging (2 nights)	\$ 426.19
Meals	\$ 380.00
Personal Vehicle Mileage	<u>\$ 316.00</u>
TOTAL	\$1,242.19

Note: Pursuant to the Expense Reimbursement Policy, Meal and Incidental Expenses are not to exceed \$115 per day. Funds have been allocated in the FY 2014-15 Budget for training and conferences.

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**STANDARD AGENDA ITEM NO. 1**

**APPROVAL OF MODIFICATIONS TO THE  
HUMAN RESOURCES MANUAL:**

**PAID SICK LEAVE**

**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**STANDARD AGENDA ITEM 1**  
Meeting Date: March 25, 2015

TO: Board of Port Commissioners  
FROM: G. Scott Miller, Harbormaster  
SUBJECT: Modify Human Resources Manual: Paid Sick Leave

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**RECOMMENDATION:**

That the Board of Port Commissioners adopt Resolution No. 3268, modifying the Human Resources Manual to comply with provisions of the “Healthy Workplaces, Healthy Families Act of 2014”.

**INFORMATION FOR DISCUSSION:**

The Ventura Port District provides 91 hours of Paid Sick Leave to Full-time Employees and a proportionate number of hours to Regular Part-time Employees, those who regularly work less than 40 hours, but more than 20 hours per week. The District does not provide Paid Sick Leave for Per Diem, Part-time, or other employees.

Healthy Workplace--Healthy Family Act of 2014 (AB 1522) provides that essentially all California employees, Per Diem, Part-time and other employees who work a minimum of 30 days a year, will accrue Paid Sick Leave at a rate of 1 hour for each 30 hours worked and will receive up to three days or 24 hours of Paid Sick Leave per year. Although the law went into effect January 1, 2015, the right to accrue and take Sick Leave under this law does not take effect until July 1, 2015.

Employers may choose one of two methods to implement the program:

1. The employer may provide no less than 24 hours of Paid Sick Time “up front” for an employee to use each year. This sick time does not carry over from one year to the next;
2. The employer may track accruing sick leave throughout the year at a rate of 1 hour for each 30 hours worked. This method requires that the accrued sick leave carry over from one year to the next. However, the employer may limit the employee to three days or 24 hours of Paid Sick Leave per year.

After exploring both options, Staff is recommending that Option 2 be written into the Port District’s Human Resources Manual. The ***bolded italics*** in ATTACHMENT 1 indicate the new language. ***Paragraphs a to d*** meet the minimum requirements of the law. ***Paragraph e*** was added after meeting and conferring with S.E.I.U. 721 representing the Part-time Harbor Patrol Officer unit. The intent of this paragraph is to make it clear that the Part-time Harbor Patrol Officer is entitled to Paid Sick Time if s/he is sick on a day s/he was scheduled to work. S/he is not entitled to Paid Sick Time if the employee is sick on a day s/he is called to cover a vacant shift.

**ALTERNATIVES:**

The Board of Port Commissioners could direct staff to rewrite the policy to implement Option 1, the “up front” method for implementing the program or may direct staff to enhance the benefit beyond the requirements of the law, i.e., allowing a person to utilize all accrued sick time, even if it exceeds three days per year.

**ATTACHMENTS:**

Attachment 1 – Modifications that will be added to the Human Resources Manual  
Attachment 2 – Resolution No. 3268

## ATTACHMENT 1

### VII-G

#### 1. Accrual of Sick Leave

##### Regular Full Time Employees

Sick leave shall accrue at a rate of 3.5 hours per pay period up to a maximum accrual of 720 hours. If permitted by the District's retirement system, sick leave accrual in excess of 720 hour may be allowed for purposes of calculation of retirement benefits only.

##### Regular Part-time Employees

Sick leave shall accrue at the same hourly rate of accrual for Regular Full-time employees calculated on the number of hours worked each pay day.

##### ***Part-time, Per Diem, and other employees***

***In compliance with the "Healthy Workplaces, Healthy Families Act of 2014, beginning July 1, 2015, the following policies are implemented for Part-time, Per Diem and other employees that work a minimum of thirty days in a year:***

- a. An employee must be employed by the Ventura Port District for 90 days before being entitled to use paid sick leave;***
- b. Sick leave will accrue at a rate of 1 hour for every thirty hours worked;***
- c. Employees may take a maximum of three days or 24-hours of sick leave per year;***
- d. Unused Sick Leave will carry over to the next year to a maximum of six days or 48 hours;***
- e. An employee may only take paid sick time for a day in which s/he is scheduled to work;***
- f. These employees shall not be eligible for "Non-Accrued Sick Leave" as provided in section VII G 2.***



**RESOLUTION NO. 3268**

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS  
OF THE VENTURA PORT DISTRICT MODIFYING THE  
VENTURA PORT DISTRICT HUMAN RESOURCES MANUAL**

WHEREAS, on October 27, 2004, the Board of Port Commissioners approved Resolution No. 3007, adopting the Ventura Port District Human Resources Manual;

WHEREAS, on October 27, 2010, the Board of Port Commissioners approved Resolution No. 3158, consenting to the change in Section IV-B of the Human Resources Manual to provide a voluntary 9/80 work schedule;

WHEREAS, on July 25, 2012, the Board of Port Commissioners approved Resolution No. 3193, updating new legislation or case law and modifying language to improve clarity;

WHEREAS, the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522) provides that essentially all California employees, Per Diem, Part-time and other employees who work a minimum of 30 days a year, will accrue paid sick leave at a rate of one hour for each 30 hours worked and will receive up to three days or 24 hours of paid sick leave per year;

WHEREAS, this law will take effect July 1, 2015;

WHEREAS, in compliance with the "Healthy Workplaces, Healthy Families Act of 2014", the following policies should be implemented for Part-time, Per Diem and other employees that work a minimum of thirty days in a year:

- a. An employee must be employed by the Ventura Port District for 90 days before being entitled to use paid sick leave;
- b. Sick leave will accrue at a rate of 1 hour for every 30 hours worked;
- c. Employees may take a maximum of three days or 24-hours of sick leave per year;
- d. Unused Sick Leave will carry over to the next year to a maximum of six days or 48 hours;
- e. An employee may only take paid sick time for a day in which s/he is scheduled to work; and



ATTACHMENT 2

- f. These employees shall not be eligible for "Non-Accrued Sick Leave" as provided in section VII G 2; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the Ventura Port District, that the modifications to the Ventura Port District Human Resources Manual are hereby adopted;

BE IT FURTHER RESOLVED that the General Manager and Port District staff are hereby authorized and directed to make the appropriate revisions to the Ventura Port District Human Resources Manual to implement the aforesaid policies as approved by the Board of Port Commissioners;

BE IT FURTHER RESOLVED that the General Manager and staff are hereby authorized and directed to take such further and additional actions as may be appropriate and necessary to comply with the spirit and intent of this resolution.

PASSED, APPROVED and ADOPTED at the regular meeting of the Board of Port Commissioners of the Ventura Port District on this 25<sup>th</sup> day of March 2015, Resolution No. 3268 was adopted by the following vote:

AYES:  
NOES:  
Abstain:  
Absent:

Attest:

\_\_\_\_\_  
Jim Friedman, Chairman

\_\_\_\_\_  
Bruce Smith, Secretary

(Seal)

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**STANDARD AGENDA ITEM NO. 2**

**APPROVAL OF COMMERCIAL AND RECREATIONAL  
SLIP FEE INCREASES**

**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**STANDARD AGENDA ITEM 2  
Meeting Date: March 25, 2015**

TO: Board of Port Commissioners  
FROM: Oscar Peña, General Manager  
SUBJECT: Approval of Commercial and Recreational Slip Fee Increases

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**RECOMMENDATION:**

That the Board of Port Commissioners adopt Resolution No. 3269 (Attachment #1), approving commercial and recreational slip fee increases.

**BACKGROUND:**

Ventura Port District works with local fishing industry leaders to support sustainable fishing polices, fees, and to preserve the heritage of commercial fishing and boating in Ventura County. At the December meeting, the Board requested that staff examine various harbor fees, including slip fees at Harbor Village.

Recreational and Commercial Slip Fees

The Ventura Harbor Village Marina is a mixed use marina with approximately 70% commercial vessels and 30% recreational boats. There are currently 130 slips in the marina with an occupancy level of 80%. The vacant slips are generally in the 35 feet to 40 feet range.

Currently, there are two rates for the slips in this marina; commercial rate for commercial fishing and a recreational rate for all others. These rates have not been increased since September 1, 2012.

When staff compared the current recreational slip rates at Harbor Village Marina to Ventura West Marina I and II, the recreational rates at Harbor Village are 16% lower than Ventura West Marina I and II. A comparison for recreational slips between Ventura Isle Marine and Harbor Village Marina suggests that slip rates at Harbor Village are 33% below Ventura Isle Marina. The amenities at the privately operated marinas are different than those offered at the Harbor Village Marina; however, there is an opportunity to increase the recreational rates at Harbor Village Marina 8% to 10%. There are about 40 slips that would be subject to this adjustment; half these slips are vacant.

The commercial fishing rate at Harbor Village Marina is currently 20% (on average) less than the recreational rate. In the past, the District offered lower rates to encourage and support the commercial fishing vessels to make Harbor Village Marina their home port. There was a period of time in the mid 1980's to the mid 1990's that this type of incentive was necessary because of a slump in commercial fishing. Then in 1996 the squid industry began to develop as the demand for California Market Squid began to increase on a global level. Today, there is more demand than available slips for these larger vessels.

Staff is suggesting an 8% to 12% increase in the commercial rate. In this category, the 30 foot to 45 foot slips could be increased up to 8% and the 48 foot to 160 foot slips could be increased by 12%. With this recommendation, the 48 foot to 160 foot slips will still be 20% below the proposed recreational rates in the Harbor Village Marina. Staff does not believe the incentives of the past are necessary as the commercial fishing industry has become more successful.

Attachment #2 illustrates the rates for Ventura Harbor Village Marina compared to Ventura West Marina I and II and Ventura Isle Marina. The shaded column shows the difference between the



privately operated marinas and Harbor Village. In each case, the slip rates are higher than Harbor Village Marina. Attachment #3 illustrates the current Ventura Harbor Village recreational rates compared to the commercial rates. There is an average of 20% difference between the two rates.

Attachment #4 compares the proposed commercial slip rates at Harbor Village Marina to the proposed recreational rates. In this illustration, the commercial slip rates are 18% (on average) less than the recreational rates. The current commercial slip rate is not sustainable for the District as the larger slips are more expensive to build and maintain. The gap between the two rates should be reduced over the next few years. The only way to accomplish this is with a proactive plan to adjust rates to meet the demand.

**FISCAL IMPACT:**

The projected revenue at 100% occupancy for a twelve month period is \$1,061,283. Today, the occupancy of the marina is 81.59%. The lower occupancy level is attributed to the reduction of fish off-loading activity in the Ventura Harbor over the last 18 to 24 months. At this level, the projected revenue for the marina in fiscal year 2015-2016 is \$871,281. This is a 4.22% increase for the period ending June 30, 2015.

**CONCLUSION:**

If the Board authorizes any increase, staff will provide stakeholders with a minimum 30 day notice of the approved slip rates. It is staff's opinion that the slip fees should be increased to recover the cost to maintain the District's infrastructure and continue to provide a high level of service to our stakeholders, as outlined in Attachment 5.

**ATTACHMENTS:**

Attachment 1 – Resolution No. 3269

Attachment 2 – Rates for Ventura Harbor Village Marina compared to Ventura West Marina I and II and Ventura Isle Marina

Attachment 3 – Current Ventura Harbor Village Recreational rates compared to Commercial Rates

Attachment 4 – Proposed Commercial and Recreational Slip Comparisons

Attachment 5 – Notice sent to boaters



**RESOLUTION NO. 3269**

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS  
OF VENTURA PORT DISTRICT APPROVING THE FEE INCREASE OF COMMERCIAL AND  
RECREATIONAL SLIPS IN VENTURA HARBOR**

WHEREAS, the Ventura Port District is the owner and operator of approximately 152 acres of land and 122 acres of water area devoted to commercial and recreational fishing and restaurant and office space in Ventura Harbor Village; and

WHEREAS, California Harbors and Navigation Code Section 6305 provides that the Ventura Port District may fix, regulate and collect the rates or charges for the use of wharves, warehouses, vessels, railroads and other facilities, structures and appliances owned, controlled or operated by it, in connection with or for the promotion and accommodation of transportation or navigation, and it may also fix, regulate and collect the rates or charges for pilotage and towage; and

WHEREAS, the charges established by this resolution as set forth in the schedule of fees attached hereto as Exhibit A and incorporated herein by reference do not exceed the cost of the services provided at the Ventura Harbor; and

WHEREAS, the charges established by this resolution are, to the extent feasible, are uniform, on average, with charges for similar uses or services established by the City of Santa Barbara, the City of Port Hueneme and the County of Ventura; and

WHEREAS, the Ventura Port District provides a system of fee collection at the Ventura Port District office for slip fee rentals, which involves an appropriate designated employee and/or collection device to receive said imposed fees; and

WHEREAS, the Board of Port Commissioners finds that the fees referenced herein at the Ventura Harbor are for the purpose of:

- 1) Meeting financial reserve needs and requirements; and
- 2) Obtaining funds for capital projects, necessary to maintain service within the existing service areas; and

NOW, THEREFORE, BE IT RESOLVED, the Board of Port Commissioners of the Ventura Port District hereby:

- 1) Approves and adopts the attached schedule of fees (Exhibit A) for Commercial and Recreational slips.



ATTACHMENT 1

- 2) The schedule of fees (Exhibit A) adopted by this resolution is to be effective on May 1, 2015; and

PASSED, APPROVED AND ADOPTED by the Board of Port Commissioners, this 25<sup>th</sup> day of March 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

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Chairman

ATTEST:

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Secretary

(Seal)

# ATTACHMENT 1

## EXHIBIT A

### VENTURA PORT DISTRICT FEE SCHEDULE

<b><u>COMMERCIAL &amp; RECREATIONAL HARBOR VILLAGE SLIP FEES</u></b>		
<b><u>FEE DESCRIPTION</u></b>	<b><u>FEE AMOUNT</u></b>	
<b><i>Rate per foot/month</i></b>	<b><i>Commercial</i></b>	<b><i>Recreational</i></b>
30	\$11.06	\$12.11
35	\$11.06	\$12.40
38	\$11.06	\$13.19
40	\$11.06	\$12.68
45	\$11.06	\$13.00
48	\$11.34	\$13.48
55	\$11.63	\$13.76
60	\$12.06	\$14.00
65	\$12.06	\$14.32
80	\$12.06	\$14.58
90	\$12.11	\$15.72
100	\$13.05	\$15.72
160	\$13.98	\$16.29

ATTACHMENT #2

**CURRENT VHV MARINA RECREATIONAL SLIP RATES COMPARED  
TO VENTURA WEST MARINA & VENTURA ISLE MARINA**

Ventura Harbor Village current (9/2012)				Ventura West Ph I&II current (1/2006)				Ventura Isle Marina current (5/2007)		
Slip Size	Rate per foot/mo	Effective Value	Vta West higher by	Slip Size	Rate per foot/mo	Effective Value	VIM higher by	Slip Size	Rate per foot/mo	Effective Value
30	\$ 11.21	\$ 336	10%	30	\$ 12.30	\$ 369	17%	30	\$ 13.10	\$ 393
35	\$ 11.48	\$ 402	na		*	*	25%	35	\$ 14.40	\$ 504
38	\$ 12.21	\$ 464	8%	38	\$ 13.13	\$ 499	na		*	*
40	\$ 11.74	\$ 470	14%	40	\$ 13.35	\$ 534	32%	40	\$ 15.55	\$ 622
45	\$ 12.03	\$ 541	15%	45	\$ 13.87	\$ 624	35%	45	\$ 16.24	\$ 731
48	\$ 12.48	\$ 599	14%	48	\$ 14.19	\$ 681	na		*	*
50	*	*	na	50	\$ 14.40	\$ 720	na	50	\$ 16.88	\$ 844
55	\$ 12.74	\$ 701	17%	55	\$ 14.93	\$ 821	37%	55	\$ 17.42	\$ 958
60	\$ 12.96	\$ 778	19%	60	\$ 15.45	\$ 927	38%	60	\$ 17.90	\$ 1,074
65	\$ 13.26	\$ 862	na		*	*	45%	65	\$ 19.18	\$ 1,247
70	*	*	na	70	\$ 16.49	\$ 1,154	na	70	\$ 19.59	\$ 1,371
80	\$ 13.50	\$ 1,080	30%	80	\$ 17.50	\$ 1,400	na		*	*
90	\$ 14.56	\$ 1,310	na		*	*	na		*	*
100	\$ 14.56	\$ 1,456	na		*	*	na		*	*
160	\$ 15.08	\$ 2,413	na		*	*	na		*	*

|<----- 16% ----->|

|<----- 38% ----->|

ATTACHMENT #3

**COMMERCIAL FISHING SLIP RATES COMPARED TO RECREATIONAL**

VHV Recreational current (9-1-12)				VHV Commercial current (9-1-12)		
Slip Size	Rate per foot/mo	Effective Value	Commercial lower by	Slip Size	Rate per foot/mo	Effective Value
30	\$ 11.21	\$ 336	9%	30	\$ 10.24	\$ 307
35	\$ 11.48	\$ 402	12%	35	\$ 10.24	\$ 359
38	\$ 12.21	\$ 464	19%	38	\$ 10.24	\$ 389
40	\$ 11.74	\$ 470	15%	40	\$ 10.24	\$ 410
45	\$ 12.03	\$ 541	17%	45	\$ 10.24	\$ 461
48	\$ 12.48	\$ 599	19%	48	\$ 10.50	\$ 504
55	\$ 12.74	\$ 701	18%	55	\$ 10.76	\$ 592
60	\$ 12.96	\$ 778	20%	60	\$ 10.76	\$ 646
65	\$ 13.26	\$ 862	23%	65	\$ 10.76	\$ 700
80	\$ 13.50	\$ 1,080	25%	80	\$ 10.76	\$ 861
90	\$ 14.56	\$ 1,310	35%	90	\$ 10.82	\$ 973
100	\$ 14.56	\$ 1,456	25%	100	\$ 11.65	\$ 1,165
160	\$ 15.08	\$ 2,413	21%	160	\$ 12.48	\$ 1,997

20%

**PROPOSED COMMERCIAL FISHING SLIP RATES COMPARED TO  
RECREATIONAL**

VHV Recreational proposed				VHV Commercial proposed		
<u>Slip Size</u>	<u>Rate per foot/mo</u>	<u>Effective Value 8%</u>	<u>Commercial lower by</u>	<u>Slip Size</u>	<u>Rate per foot/mo</u>	<u>Effective Value 8% / 12%</u>
<b>30</b>	\$12.11	\$ 363.25	9%	<b>30</b>	\$11.06	\$ 331.91
<b>35</b>	\$12.40	\$ 434.01	12%	<b>35</b>	\$11.06	\$ 387.22
<b>38</b>	\$13.19	\$ 501.08	19%	<b>38</b>	\$11.06	\$ 420.41
<b>40</b>	\$12.68	\$ 507.23	15%	<b>40</b>	\$11.06	\$ 442.54
<b>45</b>	\$13.00	\$ 584.80	17%	<b>45</b>	\$11.06	\$ 497.86
<b>48</b>	\$13.48	\$ 646.96	19%	<b>48</b>	\$11.34	\$ 544.53
<b>55</b>	\$13.76	\$ 756.76	18%	<b>55</b>	\$11.63	\$ 639.38
<b>60</b>	\$14.00	\$ 839.70	16%	<b>60</b>	\$12.06	\$ 723.34
<b>65</b>	\$14.32	\$ 930.85	19%	<b>65</b>	\$12.06	\$ 783.62
<b>80</b>	\$14.58	\$ 1,166.34	21%	<b>80</b>	\$12.06	\$ 964.45
<b>90</b>	\$15.72	\$ 1,415.23	30%	<b>90</b>	\$12.11	\$ 1,090.25
<b>100</b>	\$15.72	\$ 1,572.48	21%	<b>100</b>	\$13.05	\$ 1,304.58
<b>160</b>	\$16.29	\$ 2,605.82	17%	<b>160</b>	\$13.98	\$ 2,236.42

18%

NOTE: Commercial rate proposed increase of 12% begins with 60 feet and over

## ATTACHMENT 5

### **NOTICE OF PROPOSED SLIP RENTAL RATE INCREASE**

**NOTICE IS HEREBY GIVEN** that Ventura Harbor Village Marina, 1583 Spinnaker Drive, Ventura, CA has proposed to impose a slip rental rate increase on its slips in Ventura Harbor.

#### **RECREATIONAL FISHING SLIPS:**

Slip Size	Monthly Rate	Slip Size	Monthly Rate	Slip Size	Monthly Rate
30	\$12.11	48	\$13.48	80	\$14.58
35	\$12.40	55	\$13.76	90	\$15.72
38	\$13.19	60	\$14.00	100	\$15.72
40	\$12.68	65	\$14.32	160	\$16.29
45	\$13.00				

#### **COMMERCIAL FISHING SLIPS:**

Slip Size	Monthly Rate	Slip Size	Monthly Rate	Slip Size	Monthly Rate
30	\$11.06	48	\$11.34	80	\$12.06
35	\$11.06	55	\$11.63	90	\$12.11
40	\$11.06	60	\$12.06	100	\$13.05
38	\$11.06	65	\$12.06	160	\$13.98
45	\$11.06				

The Ventura Port District Board of Port Commissioners, at a Public Meeting, will receive from the District's General Manager a report concerning his preliminary determination as to the fairness and reasonableness of the proposed slip rates. Said Public Meeting will be held in the offices of the Ventura Port District, 1603 Anchors Way, Ventura, CA, on **Wednesday, March 25, 2015 at 7:00 p.m.**

***Oscar F. Peña***  
General Manager

Dated and Posted: February 24, 2015

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

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**STANDARD AGENDA ITEM NO. 3**

**HARBORMASTER AND BUSINESS  
OPERATIONS MANAGER POSITIONS**



**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**STANDARD AGENDA ITEM 3  
Meeting Date: March 25, 2015**

TO: Board of Port Commissioners  
FROM: Oscar Peña, General Manager  
SUBJECT: Harbormaster and Business Operations Manager Positions

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**RECOMMENDATION:**

That the Board of Port Commissioners approve by motion the recommended changes to the District's organization regarding the position of Harbormaster and Business Operations Manager.

**INFORMATION FOR DISCUSSION:**

The pending retirement of Harbormaster, Scott Miller, is providing the District with an opportunity to evaluate the organization and identify means to increase efficiencies. After review, two changes are recommended:

- The Harbormaster position will revert back to a "Working Manager" within the Harbor Patrol;
- The position of Business Operations Manager will be created. This position will report directly to the General Manager and will work closely with every Department.

In 1998, Scott Miller assumed the position of Harbor Master, a "Working Manager" position. He was in uniform and performed the functions of a Harbor Patrol Officer as well as his manager-level duties. In November 2005, his role within the District changed. He assumed the title Harbormaster, got out of uniform and became a member of the Administration Department with expanded responsibilities.

With Mr. Miller's pending retirement, the Harbormaster title will remain. However, the position will have less administrative responsibilities and instead function as a "Working Manager" within the Harbor Patrol. The person will work Sunday – Wednesday from 6:00 a.m. to 4:00 p.m. Because the work hours will be set, this position will have non-exempt status. In view of the reduced responsibilities and the non-exempt status, the salary range should be adjusted so it is 15% above the Senior Harbor Patrol Officer position, as proposed in Item 5. The Harbormaster position will be filled through a closed interview process within the Port District before the end of this calendar year.

Business Operations Managers plan and organize the activities of businesses, government agencies, and non-profits. The addition of a Business Operations Manager will help fulfill the District's Goal of increasing revenues through expansion of successful business operations. The Major Job Duties and Responsibilities include, but are not limited to the areas of Business Development, Interdepartmental Coordination, and Risk Management. This position will be responsible for overseeing a variety of projects and Departments, including negotiating leases/contracts, addressing budget matters, understanding general business operations and guiding work teams for various projects to meet the end goal.

This position requires the candidate to hold a degree in Business or Public Administration, Management or Finance. The preferred candidate will have an advanced degree such as an MBA or a MPA. By matching the salary with the City's "Economic Development Manager", we feel that we can fill the position with a well-qualified person while staying within the District's financial goals and will begin an open recruitment process as soon as the Board approves new position and salary range.

Assuming the board approves the recommended action and the salary resolution (Item 4 following), the recruitment process will begin immediately with the intent to make an offer within 25 days, which should be adequate to hire a top notch candidate. The target timeline will be:

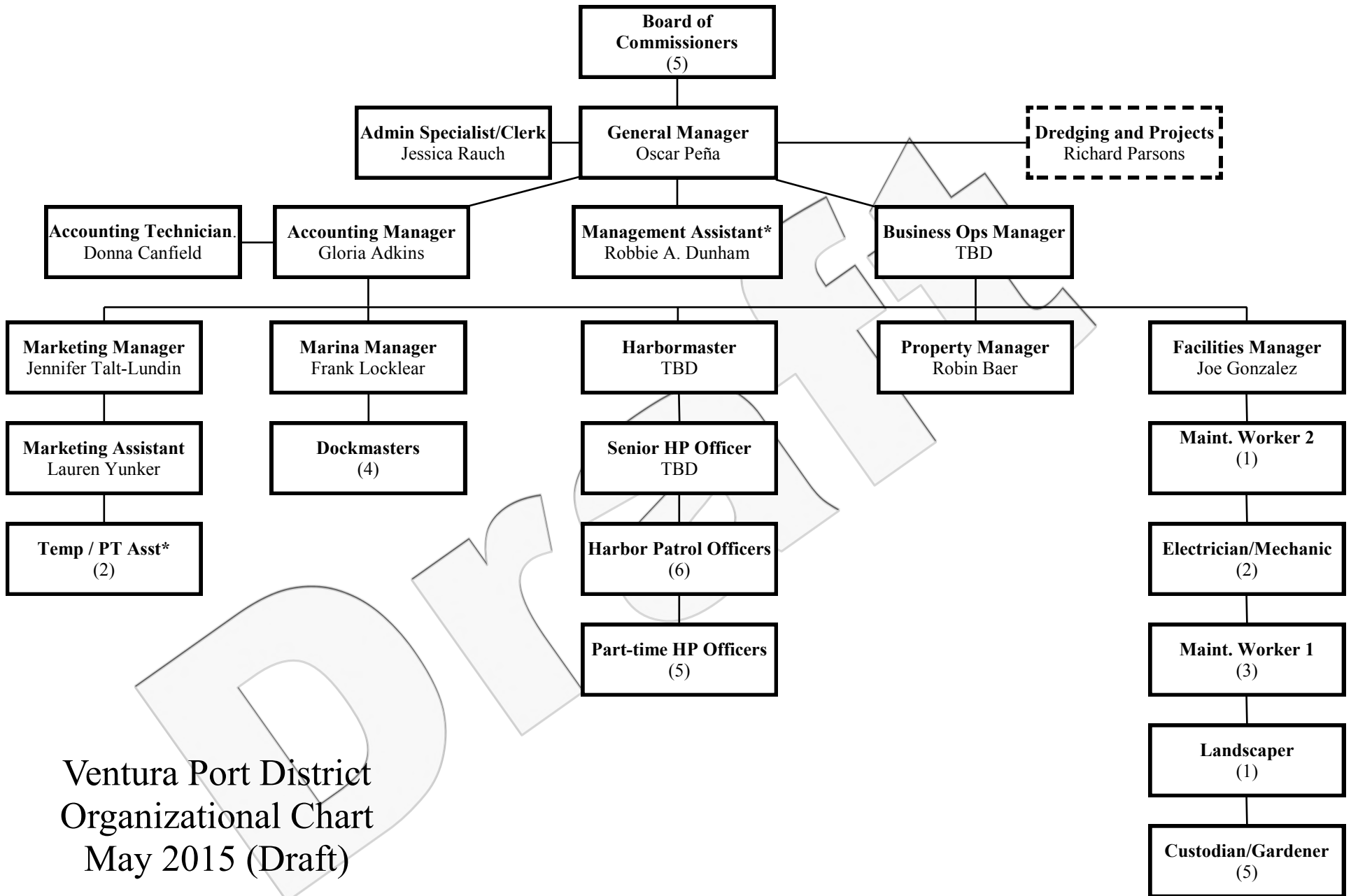
March 26: Advertise the position on one to three online job sites  
April 10: 3:00 p.m. cutoff date for accepting applications  
April 13: Arrange interviews with three to five applicants  
April 15: Interview Board  
April 17: Second interview if necessary or make offer  
April 20: Make offer  
April 22: Introduce successful candidate at the Board Meeting  
May 4: Tentatively fill position

We believe that these changes will improve efficiencies within the District in a financially sound manner.

**ATTACHMENTS:**

Attachment 1 – Organization Chart

# ATTACHMENT 1



Ventura Port District  
Organizational Chart  
May 2015 (Draft)

\*Management Assistant  
provides clerical support  
for several Managers

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

---

**STANDARD AGENDA ITEM NO. 4**

**ADOPT REVISED SALARY RESOLUTION No. 3270  
AND RESCIND RESOLUTION No. 3263**

**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**STANDARD AGENDA ITEM 4  
Meeting Date: March 25, 2015**

TO: Board of Port Commissioners  
FROM: Oscar Peña, General Manager  
SUBJECT: Adopt Revised Salary Resolution No. 3270 and Rescind Resolution No. 3263

**RECOMMENDATION:**

That the Board of Port Commissioners adopt Resolution No. 3270, which amends the salary range of the Harbormaster position and adds the salary range for the new position of Business Operations Manager and rescind Resolution No. 3263.

**INFORMATION FOR DISCUSSION:**

As presented in Item 3 of the current Board Meeting agenda, the administrative responsibilities of the Harbormaster position are being reduced and the position will be non-exempt. The salary will be adjusted so it is 15% above that of the Senior Harbor Patrol Officer. Comparable positions and salaries are shown below.

Ventura Port District Current Harbormaster	\$73,176 - \$110,904	Under administrative direction, assists in the administration, supervision, policy development and coordination of the District; assists in the coordination of activities with departments, outside agencies, organizations, and the public; provides professional, administrative, and technical support to the General Manager; oversees the Operations Department; manages the District's Human Resources functions; acts on the behalf of the General Manager during absences; performs related duties as required.
Ventura Port District Proposed Harbormaster	\$65,988 - \$97,116	Under the direction of the General Manager, the Harbormaster is responsible Management and Supervision of the Operations Department as a uniformed working Manager. As a sworn Peace Officer and Boating Safety Officer; provides supervision to Harbor Patrol Officers including hiring, disciplining, and training. Under administrative direction, provides in the administration, supervision, policy development and coordination of the Operations Department; assists in the coordination of activities with departments, outside agencies, organizations, and the public.
Santa Cruz Harbor Harbormaster	\$76,500 - \$80,376	Under general direction from the Port Director, the Harbormaster plans, organizes, directs and oversees all functions of the Operations Department, including marina management, marine rescue services and harbor-wide safety, security, law enforcement, parking control, and special events at the Santa Cruz Harbor.
Santa Barbara Harbor Operations Manager	\$94,673 - \$115,076	Under administrative direction, manages and coordinates harbor patrol and security operations as part of the Harbor Operations Division; represents division on operations matters with officials and professional associations; manages staff, policies, budget, and programs; and performs related duties as assigned.
Ventura County Harbor Master	\$70,703 - \$97,296	Under general direction, the Harbormaster has primary responsibility for the delivery of services within the County Harbor Department located at Channel Islands Harbor and performs related work as required. The incumbent manages and participates in Harbor Patrol activities including planning, organizing, and staffing for services; programs and activities.

As presented in Item 3 of the current Board Meeting agenda, creating the Business Operations Manager will help fulfill the District's Goal of increasing revenues through expansion of successful business operations and will collaborate with various Departments and oversee a variety of projects.

Ventura Port District Business Operations Manager	\$90,566-\$121,360	Under administrative direction of the General Manager, the Business Operations Manager plans, organizes, manages and provides leadership to staff in business development, general staff supervision and risk management. Operates with substantial latitude and discretion to develop, implement, and monitor long-term plans, goals, and objectives focused on achieving the District's mission and Board established goals and priorities. Provide highly complex administrative support to the General Manager. Act for and on behalf of the General Manager in his/her absence; represents the District to the business community and works with other public agencies.
City of Ventura Economic Development Manager	\$90,566-\$121,360	Under general direction, works with businesses, community groups, developers, commercial real estate brokers, and outside agencies to achieve the objectives of the City's economic development policies and programs through a comprehensive and focused commitment to business retention, expansion and attraction. Reporting to the Assistant City Manager, plans, organizes, manages and provides leadership to staff in the activities and operations of economic development programs. Represents the city to the business community and works with regional and state economic development organizations
City of Santa Barbara Waterfront Business Manager	\$96,580 - \$117,394	Under administrative direction, manages and coordinates the activities and operations of the Waterfront Business Division, including parking, property management, accounting, and office services; plans and coordinates services with other Waterfront divisions and city services and supervises staff; provides professional, administrative and technical support to the Waterfront Director
County of Ventura Director Harbor Planning & Redevelopment	\$101,836 - \$142,570	Under general direction of the Director Harbor, acts as liaison between Harbor, Harbor lessees, outside consultants and various public agencies such as Coastal Commission, City of Oxnard (and other jurisdictions as appropriate), U.S. Army Corps of Engineers, State of California Department of Boating and Waterways, National Oceanic and Atmospheric Administration, Oxnard College, U.S. Navy-Ventura, Channel Islands Beach Community Services District, for the purpose of expediting redevelopment of Harbor properties.

#### **ATTACHMENTS:**

Attachment 1 – Resolution No. 3270



## RESOLUTION NO. 3270

### RESOLUTION OF THE BOARD OF PORT COMMISSIONERS OF THE VENTURA PORT DISTRICT ESTABLISHING THE SALARY SCHEDULE FOR NON-REPRESENTED EMPLOYEES OF THE DISTRICT FOR CALENDAR YEAR 2015

WHEREAS, on February 25, 2015, the Board of Port Commissioners (the "Board") passed, approved, and adopted at a regular meeting of the Board, Resolution No. 3263, wherein the Board established a salary schedule for non-represented employees for Calendar Year 2015;

WHEREAS, the Board has determined that it is in the best interest of the District to amend the salary schedule to show the new classification of Business Operations Manager and the change in the Harbormaster's monthly salary range;

WHEREAS, as a result of such amendments, the Board finds it desirable and in the best interest of the District to rescind Resolution No. 3263 and to adopt the revised Resolution No. 3271 in the manner set forth herein; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Port Commissioners of the Ventura Port District that the Salary Schedules set forth below shall become effective April 1, 2015:

Classification	Monthly Range
Accounting Manager*	\$5,710 - \$8,403
Accounting Technician	\$3,343 - \$4,919
Administrative Assistant/Clerk*	\$3,932 - \$5,786
<b>Business Operations Manager*</b>	<b>\$7,547 - \$10,113</b>
Custodian I	\$2,431 - \$3,578
Electrical Technician	\$3,727 - \$5,483
Facilities Manager*	\$5,594 - \$7,838
Gardener	\$2,674 - \$3,936
<b>Harbormaster</b>	<b>\$5,499 - \$8,093</b>
Landscaper	\$3,208 - \$4,723
Maintenance Supervisor*	\$4,757 - \$7,001



# ATTACHMENT 1

Maintenance Worker I	\$2,675	-	\$3,936
Maintenance Worker II	\$3,208	-	\$4,723
Management Assistant	\$2,725	-	\$4,009
Marina Manager*	\$4,708	-	\$6,928
Marketing & Event Coordinator	\$3,374		\$4,303
Marketing Manager*	\$5,129	-	\$7,549
Mechanical Technician	\$3,727	-	\$5,483
Property Manager*	\$5,594	-	\$7,838
Senior Harbor Patrol Officer	\$4,782	-	\$7,037

\*Exempt Employee Status

Temporary Employee	Hourly Range		
Dispatcher	\$15.00	-	\$18.53
Administrative/Marketing Services	\$9.00	-	\$23.18

BE IT FURTHER RESOLVED, that the General Manager's salary shall be negotiated with the Board. Any employee with an employment agreement shall have his or her rate of pay or salary established annually through negotiation with the General Manager and/or the Board in conjunction with the annual District budget; and

BE IT FURTHER RESOLVED, that all other rates of pay shall be confined to a Salary Resolution established by the Board and will be based on a range, and

BE IT FURTHER RESOLVED, that adjustments within a Pay Range will be based on individual merit. Merit encompasses an employee's knowledge, experience, ability, and performance, among other factors. A merit increase is considered as being earned by an employee. A merit increase is advancement to a higher rate in the employee's classification pay range. A merit increase is based on satisfactory or better work performance and must be accompanied by a current employee evaluation prepared and signed by the employee's supervisor and signed and approved by the General Manager. The employee shall acknowledge receipt of such evaluation and such salary increase on merit shall be subject to Board approval through the budget process; and

BE IT FURTHER RESOLVED, that the District shall continue to contribute a maximum of \$600.00 per month toward the employee's cost of health and dental insurance. The amount specified in the District's Optional Benefit Plan shall \$400.00 per month. Those employees who choose not to participate in the District's health and dental insurance will receive \$216.00 as additional salary; and

BE IT FURTHER RESOLVED that each year during the budget process and at such other times as the Board of Port Commissioners shall determine in its discretion, the Board of Port Commissioners shall review the Salary Range Plan to ensure that the



## ATTACHMENT 1

specified salary ranges are appropriate for identified positions given the duties and responsibilities of such positions.

PASSED, APPROVED and ADOPTED this 25th day of March, 2015 at the regular meeting of the Board of Port Commissioners of the Ventura Port District, Resolution No. 3270 was adopted by the following vote:

AYES:

NOES:

Abstain:

Absent:

Attest:

---

Jim Friedman, Chairman

---

Bruce Smith, Secretary  
(Seal)

ATTACHMENT 1

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

I, Bruce Smith, Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution No. 3270 was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 25th day of March 2015, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 25th day of March 2015.

\_\_\_\_\_  
Secretary

(Seal)

**MARCH 25, 2015**

**BOARD OF PORT COMMISSIONERS**

---

**STANDARD AGENDA ITEM NO. 5**

**APPROVAL OF BOARD OF PORT  
COMMISSIONERS PROTOCOLS 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 adopt Resolution No. 3271 (Attachment 1), approving the Board of Port Commissioners Protocols and Policies Manual.

**SUMMARY:**

On March 11, 2015, the Board of Port Commissioners and staff reviewed and discussed the draft manual of protocols and policies that will govern the Port Commission meetings. The 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.

Attachment 1 is the redline version with corrections and additions that were made by Commissioners at the March 11, 2015 meeting. Attachment 2 is the clean version for approval.

**ATTACHMENT:**

Attachment 1 – Resolution No. 3271

Attachment 2 – Redlined Version Board of Port Commissioners Protocol and Policies Manual

Attachment 3 – Clean Version of Board of Port Commissioners Protocol and Policies Manual

ATTACHMENT 1



**RESOLUTION NO. 3271**

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS  
OF VENTURA PORT DISTRICT APPROVING THE BOARD OF PORT COMMISSIONERS  
PROTOCOLS AND POLICIES MANUAL**

WHEREAS, the adoption of written guidelines regarding the conduct of public officials provides a sound foundation on which to build public trust and confidence;

WHEREAS, the proper operation of the Ventura Port 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 Commission remains objective and responsive to the needs of the public and business owners they serve;

WHEREAS, the purpose of the Board of Port Commissioners Manual is to set forth protocols and policies that govern the Port Commission and Commission meetings;

WHEREAS, the intent of the Board of Port Commissioners 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; and

NOW, THEREFORE, BE IT RESOLVED, the Board of Port Commissioners of the Ventura Port District hereby approves the Board of Port Commissioners Protocols and Policies Manual.

PASSED, APPROVED AND ADOPTED by the Board of Port Commissioners, this 25<sup>th</sup> day of March 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

---

Jim Friedman, Chairman

ATTEST:

---

Bruce Smith, Secretary  
(Seal)



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



## **VENTURA PORT DISTRICT**

Adopted \_\_\_\_\_ 2015

# ATTACHMENT 2

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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 Commission remains 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. Listed 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:

## ATTACHMENT 2

1. ~~Staff~~ Act in accordance with the 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 ~~regue~~ independent, tangential, or hidden agendas.
4. Always strive for consensus, ~~but remembering~~ unanimity is not required.
5. Once the Board has made a decision, acknowledge ~~it~~ and act in accordance with 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, and Secretary.
9. Correctly identify the issues.
10. Realistically select important issues related to the District's mission and worthy 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.  
~~Accept the responsibility to bring to the Board any issues related to the District's mission.~~
12. Communicate all facts accurately and fully.
13. Encourage open discussion by all Board members on all subjects.
14. Ensure everyone has a chance to give and explain his or her point of view.
15. ~~Aggressively~~ Actively and courteously listen to each other in a genuine effort to understand opposing views.
16. Attend and actively participate in all meetings, keeping absences to a minimum.
17. Come to meetings prepared, having reviewed the materials provided by staff.
18. Ask the General Manager for background information as needed prior to Board meetings.
19. Never hesitate to ask questions at a Board meeting or request additional information, if required.

Comment [JR1]: Commissioner Smith

Comment [JR2]: Commissioner Smith

Comment [JR3]: Commissioner Smith

Comment [JR4]: Commissioner Smith

Comment [JR5]: Commissioner Smith

Comment [JR6]: Commissioner Smith

Comment [JR7]: Commissioner Ashworth

Comment [JR8]: Commissioner Smith – was combine with 10.

Comment [JR9]: Commissioner Smith & Ashworth

### 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

## ATTACHMENT 2

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 Commission/Clerk of the Board Interaction

*All questions or requests regarding Commission meetings, travel requests, or forwarding information to staff or other Commissioners must come through the Clerk of the Board.*

Comment [JR10]: Clerk of the Board

### 2.3.5 Staff/Commissioner Interaction

*It is the policy of the Board that all Commissioners will address District staff in a professional, constructive, and considerate manner. This will assure that Board interactions will have a positive impact on the operations of the port district.*

Comment [JR11]: Commissioner Ashworth

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 needs to be aware of the projects on which each staff member is working.

Comment [JR12]: Commissioner Ashworth

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.

### 2.3.6 Commissioner/Port District Tenant Interaction

*In an effort to assure fair and efficient communication with Port District tenants, a Commissioner will provide a brief summary and disclose any contacts he or she may have had with a Port District tenant. This brief summary of such contact shall be provided as part of routine reporting during Board Communications at the next Port District public hearing, as appropriate.*

*To assure fair and consistent negotiations on all pending leasing agreements, a Commissioner shall not discuss any aspect of a lease that is under negotiation or discussion between the tenant and the Port District General Manager or District staff. Should a tenant wish to meet or confer with a Commissioner at any point during lease negotiation regarding the terms of a lease, a Commissioner may only do so if a member of the Port District staff is also present.*

Comment [JR13]: Commissioner Ashworth

## 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.

*The Chair shall attend an agenda review meeting with the General Manager before each Port Commission Meeting.*

Comment [JR14]: Commissioner Smith & Friedman

## 2.5 Role of Vice-Chair

In the absence of the Chair or his inability to act, preside at all meetings. *The Vice Chair shall attend an agenda review meeting with the General Manager and Chair before each Port Commission Meeting.*

Comment [JR15]: Commissioner Smith & Friedman

## 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. and other official documents.*

Comment [JR16]: Commissioner Smith

## 2.7 Commissioner and Staff Visibility to the Public

*To assure that Commissioners and senior Port District staff are easily recognized by the public, a Commissioner or senior Port District staff will wear an appropriate name badge to identify the individual and his or her affiliation with the Port District. The cost of the name badge will be borne by the Port District.*

Comment [JR17]: Commissioner Ashworth

## 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

## ATTACHMENT 2

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 Sub-committees**

In an effort to assure transparency in Port Commission business, the use of sub-committees will be discouraged whenever possible. The Port District and public are better served when Port Commission meetings are conducted out in the open as opposed to behind closed doors. This will assure that all five Commissioners have an equal opportunity to have input on all issues related to the Port District.

Comment [JR18]: Commissioner Friedman

### **3.43.5 Quorum and Voting**

Three members of the Port Commission shall constitute a quorum and three affirmative votes are needed to pass a motion.

Comment [JR19]: Commissioner Smith

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.

### **3.53.6 Commissioner Absences**

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

### **3.63.7 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.

### **3-73.8 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-notice/>.

### **3-83.9 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

## ATTACHMENT 2

**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. However, a consensus of the Board is needed for the request to move forward.

Comment [JR20]: Commissioner Friedman

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

### **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

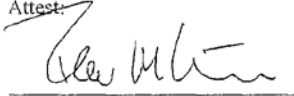
WHEREAS, the statutes provide specific retention periods for certain records but do not contain retention periods for all records; and

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)

# ATTACHMENT 2

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

## ATTACHMENT 2

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.



## ATTACHMENT 2

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.

## ATTACHMENT 2

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.

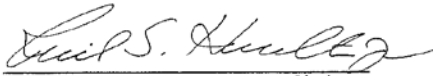
8. Should any lease applicant, existing lessee or holder of any entitlement to property of the District disclose any such loans, business dealings, other financial transactions or gifts with a member of the Board of Port Commissioners, the Commissioner so identified shall be excluded from participation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

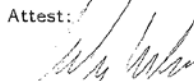
9. The disclosure and disqualification provisions of Paragraphs 7 and 8 shall not apply when such business dealings or financial transactions are not distinguishable from the lease applicant's, lessee's or entitlement holder's business dealings or financial transactions with the public generally.

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 changes 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 E. McCarty*  
Chairman

Attest:

*Robert J. Brown*  
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

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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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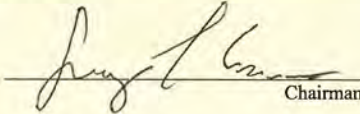


## ATTACHMENT 2

- (c) Specification of the conditions under which reserve funds shall be expended or transferred, consistent with Board directives.

7) This Ventura Port District Reserve Policy shall become effective on the date of its adoption and District staff is hereby directed to take all actions necessary to implement this Policy and to maintain the designated reserve funds.

PASSED AND ADOPTED at a regular meeting of the Board of Port Commissioners of the Ventura Port District held on August 28, 2013

  
Chairman

ATTEST:

  
Secretary

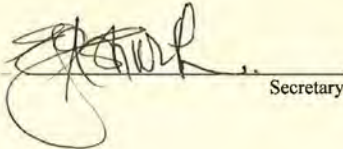
STATE OF CALIFORNIA           )  
COUNTY OF VENTURA        ) ss.  
CITY OF SAN BUENAVENTURA   )

I, Everard Ashworth, Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution No. 3225 was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 28<sup>th</sup> day of August 2013, by the following vote:

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 28<sup>th</sup> day of August 2013.

(Seal)

  
Secretary

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Resolution No. 3225

5.6 Investment Policy



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)

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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.

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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

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(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

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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

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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.

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Resolution No. 3253, October 22, 2014

- 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

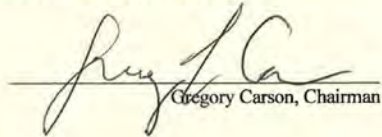
The General Manager shall submit an investment report to the Board of Port Commissioners at least quarterly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, 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.



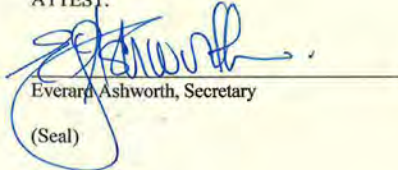
13.0 INVESTMENT POLICY ADOPTION

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.

PASSED, APPROVED AND ADOPTED this 22<sup>nd</sup> day of October 2014

  
Gregory Carson, Chairman

ATTEST:

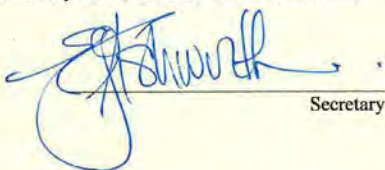
  
Everard Ashworth, Secretary  
(Seal)

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 No. 3253 was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 22<sup>nd</sup> day of October 2014, by the following vote:

AYES: Commissioners Ashworth, Bravo, Smith and Chairman Carson  
NOES: None  
ABSENT: Vice Chair Friedman

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

  
Secretary  
(Seal)

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Resolution No. 3253, October 22, 2014

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

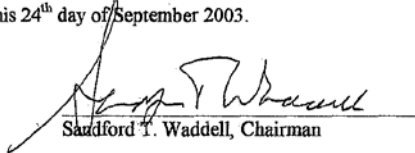




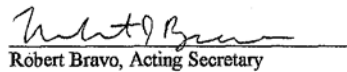
ATTACHMENT 2

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 24<sup>th</sup> 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 24<sup>th</sup> 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 24<sup>th</sup> day of September 2003.

(Seal)   
Acting Secretary

**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.

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MASTER LEASE/OPTION NEGOTIATION  
AND ADMINISTRATION POLICY

- 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 30<sup>th</sup> and 35<sup>th</sup> 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.



## ATTACHMENT 2

- 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**



**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.

It is the District's policy that the Clerk of the Board shall arrange for and purchase all registrations, including conferences, hotels, rental cars, and aircraft travel. To the extent that a Commissioner is required to purchase these items individually, a Commissioner must make such a request in advance of approval by a majority vote of the Board.

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: Commissioners Friedman, Ashworth, Smith, Bravo

NOES:

Abstain:

Absent: Commissioner Carson

Attest:

  
Secretary

  
Chairman

(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
Subtotal			

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

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

**TOTAL** \_\_\_\_\_

Approved By: \_\_\_\_\_  
Oscar Peña, General Manager

Date: \_\_\_\_\_

5.9 Procurement and Purchasing Policy

**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.

## ATTACHMENT 2

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](http://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**

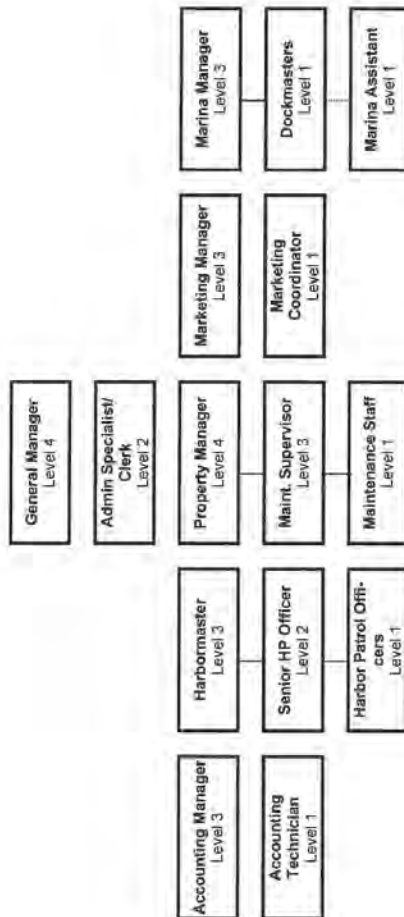
District staff shall use the following forms, where appropriate, in connection with the District's procurement and purchasing activities:

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

Ventura Port District  
Employee Procurement  
Status Chart

EXHIBIT "A"



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.					

## ATTACHMENT 2

### 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.

## ATTACHMENT 2

- ☐ 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

## ATTACHMENT 2

- ☐ 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: \_\_\_\_\_

## ATTACHMENT 2

### 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.)

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☐ Approved   ☐ Denied   By: \_\_\_\_\_   Date: \_\_\_\_\_

Comments:

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## ATTACHMENT 2

### 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.

## ATTACHMENT 2

- ☐ 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)

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**General Manager's Response:**

☐ Approved ☐ Denied By: \_\_\_\_\_ Date: \_\_\_\_\_

Comments:

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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.

## ATTACHMENT 2

- 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.

## ATTACHMENT 2

- 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





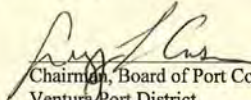
## ATTACHMENT 2

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

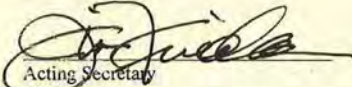
BE IT FURTHER RESOLVED that the District shall implement such uniform public construction cost accounting procedures effective on the date Ordinance No. 48 (providing informal bidding procedures under the Act) goes into effect.

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)

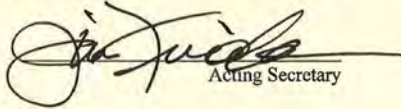
STATE OF CALIFORNIA            )  
COUNTY OF VENTURA        ) ss.  
CITY OF SAN BUENAVENTURA )

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 27<sup>th</sup> 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 27<sup>th</sup> 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





## ATTACHMENT 2

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.

Attest:

  
Secretary  
(Seal)

  
Chairman, Board of Port Commissioners  
Ventura Port District

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 8<sup>th</sup> 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.

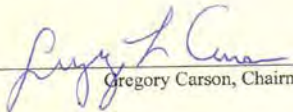
The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

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.

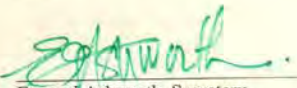
Section 5 Award of Contracts. The Board may delegate the authority to award informal contracts to the general manager or other appropriate persons pursuant to Public Contract Code section 22034(e). If all bids received by the District are in excess of \$175,000.00, the Board of Port Commissioners may, 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.

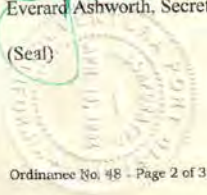
PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of Ventura Port District held on March 27, 2013.

  
Gregory Carson, Chairman

Attest:

  
Everard Ashworth, Secretary

(Seal)



Ordinance No. 48 - Page 2 of 3

## **APPENDIX**

### **Harbors and Navigation Code**

6200. "District," as used in this part, refers to any port district formed pursuant to this part.

6201. "Board," as used in this part, means the board of port commissioners described in Chapter 2 (commencing with Section 6240).

6202. This part does not repeal, modify or otherwise affect the provisions of any other law relating to port or harbor districts, and no other law providing for the creation of port or harbor districts repeals, modifies or otherwise affects this part or any of its provisions.

6203. Any property owned by any city which is used or held for the purpose of aiding or developing navigation, commerce or fishing may be transferred to the district to be used for the same purposes, and any lands of the State which may have been transferred to any such city may be transferred to the district subject to the trusts and other provisions for the transfer of the lands from the State to the city. A city which is governed by a freeholders charter may only transfer or turn over property if authorized by the provisions of its charter or an amendment thereof.

6204. If any land under a navigable stream is by virtue of any work or improvement by the United States or the State, freed from the easement of navigation and fishing, it reverts to the district, to be used for the purposes for which the district was organized. But if any land is not used or held for such purposes, it reverts to the State.

6205. If the district is dissolved, lands which were granted to it by a municipal corporation revert to that municipal corporation.

6210. A district may be organized pursuant to this part. It shall include one municipal corporation and any contiguous unincorporated territory in any one county but a municipal corporation shall not be divided in the formation of a district.

Territory which may be annexed to a municipal corporation, which is in a district, is by virtue of the annexation a part of the district.

6211. The formation of a district is initiated by a petition presented at a regular meeting of the board of supervisors of the county in which the proposed district is situated.

The petition shall be signed by a number of registered voters, residing within the proposed district, equal to not less than five per cent of the number of registered voters, residing in the district, who voted at the last preceding general State election at which a Governor was elected. The petition may consist of any number of instruments.

6212. The petition shall state the name of the proposed district, and describe the proposed boundaries and it shall pray that the territory included be created a district pursuant to this part.

6213. Upon presentation, the petition shall be filed with the clerk of the board of supervisors, and upon filing, or at its next regular meeting, the board of supervisors shall fix a time for hearing it, which shall not be less than thirty nor more than sixty days from the date of filing.

6214. A notice of the time and place of the hearing of the petition, including a copy of the petition, excepting the names thereon, shall be published at least four times in a newspaper of general circulation published in the territory included within the proposed district, and in case no

## ATTACHMENT 2

such newspaper is published in the territory, then in a newspaper published in the county in which the proposed district is situated.

6215. At the hearing of the petition, the board of supervisors shall hear those appearing in support, and all protests or objections. The hearing may be adjourned from time to time, not exceeding sixty days in all.

6215.5. If the board of supervisors finds that protests have been made, prior to its final determination for formation of the district, by the owners of real property within the proposed district the assessed value of which, as shown by the last equalized assessment roll, constitutes more than one-half of the total assessed value of the real property within the proposed district, the proceeding shall terminate. The board of supervisors shall order the proceeding terminated when such protests are received.

6216. The board of supervisors may make such changes in the proposed boundaries of the district as are advisable, and it shall define and establish the boundaries.

If the board of supervisors deems it proper to include any territory not included within the boundaries proposed in the petition, it shall first give notice of its intention so to do, by publication of notice in a newspaper published in the county in which the district is located, for two times. The hearing on a proposed inclusion of additional territory shall not be continued beyond sixty days after the board determines to give notice of its intention to increase the boundaries. Within ten days of the final hearing of the matter, the board of supervisors shall make its order fixing the boundaries of the district.

6217. The boundaries of any district shall be fixed by the board of supervisors so as not to include more than fifty square miles of unincorporated territory. This area shall have a frontage upon the waterway which it is contemplated will be improved, and the board of supervisors shall only include within the boundaries land which will be benefited by the creation and operation of the district.

6218. At the time of making its order fixing the boundaries of the district the board of supervisors shall call an election to determine whether the proposed district shall be organized.

A defect in the contents of the petition or in the title to or in the form or publication of the notice shall not vitiate any proceedings thereon, if the petition has a sufficient number of qualified signatures.

6230. An election shall be held within 130 days of the call, to determine whether the district shall be organized. The election shall be conducted in conformity with the general election laws. At the election the proposition shall be placed on the ballot, permitting each voter to vote "yes" or "no."

6231. The board of supervisors shall canvass the results of the election and if a majority of those voting have voted "yes" the proposition is carried, and the board of supervisors shall certify the result to the Secretary of State, who shall file it. From and after the filing of the certificate by the Secretary of State, the district is in existence.

6232. A certified copy of the certificate filed with the Secretary of State, shall be recorded in the office of the county recorder in the county in which the district is situated.

6233. Any informality in procedure or in the conduct of the election shall not invalidate the establishment of the district.

Any proceedings in which the validity of its establishment is denied shall be commenced within sixty days after the date of filing in the office of the Secretary of State of the certificate

## ATTACHMENT 2

mentioned in this article. Otherwise, the establishment and legal existence of the district and all proceedings in respect thereto are valid in every respect and incontestable.

6240. The district shall be governed by a board of port commissioners. The board consists of five members. Two of the commissioners shall be appointed by the board of supervisors of the county in which the district is located. Two of the commissioners shall be appointed by the city council of the municipal corporation situated in the district. The board of supervisors, together with five members of the city council, appointed by the mayor of the municipality in the district constitute a board of election to appoint the other commissioner. This commissioner shall be chairman of the board. A majority vote is necessary for the appointment of the chairman of the board. An auditor shall be appointed by the board of port commissioners and approved by the board of supervisors and the city council.

6241. These appointments shall be made within thirty days after the formation of the district.

6241.1. Port districts in Ventura County shall be governed by a board of port commissioners consisting of five members appointed by the mayor of the municipal corporation in the district, with the approval of the city council.

The chairperson of the board shall be elected by the commissioners for a term of two years. An auditor shall be appointed by the board with the approval of the city council.

After a public hearing, the city council may remove commissioners from office during their term for cause by a vote of not less than five members of the city council.

6242. A vacancy on the board shall be filled by the body which appointed the commissioner whose office is vacated, and the new appointee shall hold his office for the unexpired term.

6243. Each commissioner shall, within ten days after his appointment and before entering upon the discharge of the duties of his office, take and subscribe to an oath or affirmation before an officer authorized by law to administer oaths, that he will support the Constitution of the United States and the Constitution of the State of California, and will faithfully discharge the duties of his office according to the best of his ability. The oaths or affirmations shall be filed in the office of the district.

6244. A person shall not be appointed a member of the board unless he is, at the time of his appointment, a taxpayer within the district and has resided within the district for at least one year.

6245. The term of office of each commissioner is four years from the time of his appointment, except that the chairman first appointed shall hold office for two years, and the remaining commissioners first appointed to the board shall classify themselves by lot, so that they hold office respectively for one, two, three, and four years.

6246. The chairman is the presiding officer of the board and he shall vote on propositions passed upon by the board.

6247. The first meeting of the board shall be held within ten days of the appointment of its chairman. The board may make its own rules of procedure and determine the place and time of its meeting.

6248. The board shall select one of its members vice chairman, who shall preside in the absence of the chairman.

The board shall provide for and select such officers, except the auditor, as it deems necessary to conduct the affairs of the district.



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6249. The board may prescribe rules and regulations pertaining to the selection of officers and employees of the district, other than the auditor. It shall also fix the salary or wages of all officers and employees of the district. The term of each officer appointed by the board shall be during the pleasure of the board.

The board may adopt and carry into effect a contract or contracts of group insurance or a system of group annuities or both for the benefit of such of the officers and employees of the district as accept the same and who have authorized the board to make deductions from their compensation for the payment of a portion of the premium thereon. Contracts of group insurance or systems of group annuities which include benefits to dependents of officers and employees are contracts of group insurance or systems of group annuities for the benefit of officers and employees for the purpose of this section.

The board may make such deductions and may pay the remainder of such premiums from any funds of the district not required to be devoted to a specific purpose. The board may pay such portion of the premiums thereon or attributable thereto as it determines to be advisable. The board may arrange or contract for a contract or contracts of group insurance or a system of group annuities or both with any public agency or any insurance company or agent authorized by or pursuant to law to transact such business within this State.

6250. A corporation may be selected as treasurer or the board may provide that the duties of the treasurer shall be performed by the county treasurer of the county in which the district is located, or by the city treasurer of the city within the district.

6251. The commissioners shall serve without salary or compensation.

6252. The auditor of the district shall hold office during the pleasure of the board of election, and it shall fix his salary and require him to file a bond for the faithful performance of his duties in such amount as it may determine. The bonds shall be filed in the office of the board.

6253. The mayor of the city within the district, or the chairman of the board of supervisors of the county in which the district is located, may call meetings of the board of election.

6254. The fiscal year of any district shall begin on the first day of July of each year and shall end on the thirtieth day of June in the following year, unless otherwise fixed with the consent of the board of supervisors of the county in which the district is located.

6255. The board shall annually file a report of the affairs and financial condition of the district for the preceding year. This report shall show the sources of all receipts and purposes of all disbursements during the year.

6270. The powers of a district established pursuant to this part shall be exercised by the board, by ordinance or resolution passed by a majority vote of the board. All ordinances shall be published in a newspaper of general circulation, printed or published in the county in which the district is situated, at least once before final passage.

Franchises and leases for a period of more than ten years shall not be valid, unless authorized by ordinance.

6271. A grant of a franchise or lease of property of the district shall not be made for a longer period than 50 years.

6272. A district may destroy a record pursuant to Chapter 7 (commencing with Section 60200) of Division 1 of Title 6 of the Government Code.

## ATTACHMENT 2

6273. The district may itself, without letting contracts therefor, do work and make improvements. The work shall be done under the direction of its officers or employees.

6275. An officer of the district, and any of its employees, shall not be interested, directly or indirectly, in any contract or transaction with the district; or become surety for the performance of any contract made with or for the district, upon bonds given to the district.

An officer or employee of the district shall not receive any commission or thing of value, or derive any profit, benefit, or advantage, directly or indirectly, from or by reason of any dealings with or service for the district by himself or others, except as lawful compensation as such officer or employee.

The violation of the provisions of this section by an officer or employee works a forfeiture of his office or employment.

6276. (a) In lieu of the benefits afforded pursuant to Division 4 (commencing with Section 3200) and Division 4.7 (commencing with Section 6200) of the Labor Code, the district may agree to provide workers' compensation benefits to its stevedore employees in amounts, and under such conditions, as would be payable to stevedore employees of private employers pursuant to the Longshoremen's and Harbor Workers' Compensation Act (33 U.S.C. 901, et seq.).

(b) Such an agreement shall be binding upon the parties only if it is in writing and signed by the employee and by a representative of the district. It shall acknowledge, in writing, that the benefits agreed upon are authorized by this section and are expressly in lieu of any benefits available under Division 4 (commencing with Section 3200) and Division 4.7 (commencing with Section 6200) of the Labor Code.

(c) All claims for benefits against the district which are authorized by this section shall be determined pursuant to law and the rules and regulations of the Workers' Compensation Appeals Board.

To the fullest extent possible, the Workers' Compensation Appeals Board shall attempt to apply the Longshoremen's and Harbor Workers' Compensation Act to employees covered by this section in the same manner as applicable to private employees.

(d) Notwithstanding the provisions of Sections 11779 and 11870 of the Insurance Code or any other provision of law, the State Compensation Insurance Fund or any private insurer may provide insurance coverage for the benefits authorized by this section.

6290. A district created under this part is a public corporation created for municipal purposes.

6291. It has perpetual succession.

6292. It may sue and be sued.

6293. It may adopt a seal.

6294. It may take by grant, purchase, gift, devise or lease or otherwise acquire and hold and enjoy, and lease or dispose of, real and personal property of every kind, within or without the district, necessary to the full or convenient exercise of its powers.

6295. A district may acquire, purchase, takeover, construct, maintain, operate, develop, and regulate wharves, docks, warehouses, grain elevators, bunkering facilities, belt railroads, floating plants, lighterage, lands, towage facilities, and any and all other facilities, aids, or public personnel, incident to, or necessary for, the operation and development of ports, waterways, and the district.

## ATTACHMENT 2

6296. It may exercise the right of eminent domain to take any property necessary to carry out any of the objects or purposes of the district.

6297. It may incur indebtedness and issue bonds or other evidence of indebtedness for its purposes.

If any bonds issued for port improvement purposes by any part of a district prior to its creation are refunded, the refunding bonds are a lien only upon the lands upon which the original bonds were a lien at the time of the creation of the district.

6298. It may levy and collect or cause to be levied or collected taxes as in this part provided.

6299. It has exclusive jurisdiction over, and it may provide for and supervise pilots and the pilotage of sea-going vessels from the end of jurisdiction of existing pilot authorities to points lying upon any navigable waterway project of the United States, entering the district.

6300. It may contribute money to the Federal or the State Government or to the county in which it is located or to any city within the district, for the purpose of defraying the whole or a portion of the cost and expenses of work and improvement to be performed, either within or without the territorial limits of the district, by the Federal, State, county or city government, in improving rivers, streams, or in doing other work, when such work will improve navigation and commerce, in or to the navigable waters in the district.

6301. A district may do any work or make any improvement within or without the territorial limits of the district, which will aid in the development or the improvement of navigation or commerce to or within the district.

6302. A district may enact necessary police regulations providing for control of any waterway project of the United States, entering the district, and adopt rules and regulations concerning the construction of wharves, docks, buildings, and improvements of all types, contemplated.

6303. A district may provide for the opening and laying out of streets leading to the waterfront.

6304. A district may regulate and control the construction, maintenance, and operation or use of all wharves, warehouses, structures, improvements, or appliances used in connection with or for the accommodation and promotion of transportation or navigation on any improvement project of the federal government applying to the main waterway entering the district and on other navigable streams improved or unimproved which lie within the district, and it may make and enforce necessary police and sanitary regulations in connection therewith.

6304.1. Notwithstanding any other provision of law, any port district which has received, or is receiving, money pursuant to the provisions of Division 1 (commencing with Section 30) for the construction or improvement of a small craft harbor or facilities in connection therewith, may enter into a lease of any portion of its land and water area which has been freed from the public trust for commerce, navigation, or fisheries for the development of marine-oriented apartments and townhouses. Such lease may authorize the lessee to sublet individual dwelling units, but such lease shall not exceed a term of 50 years, after which time any improvements constructed pursuant to the lease shall revert to the district. Land rental units constructed pursuant to such lease shall be available to all persons on equal and reasonable terms. Any such lease shall contain express provisions requiring the lessee to provide for reasonable public access across the leased lands to adjacent port water areas.

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Nothing in this section shall be construed to allow the use of tide or submerged lands in any manner inconsistent with the California Constitution or with the public trust for commerce, navigation, or fisheries.

Any lease of real property so freed from the public trust which is proposed to be let under the provisions of this section shall first be submitted to the State Lands Commission and to the Attorney General for review and approval, and no such lease shall be let unless the State Lands Commission and the Attorney General find that the proposed lease would be in the public interest and would not be in violation of any provision of the California Constitution or of any term of a grant of tidelands or submerged lands and would not be inconsistent with the public trust for commerce, navigation, or fisheries.

6305. It may fix, regulate and collect the rates or charges for the use of wharves, warehouses, vessels, railroads and other facilities, structures and appliances owned, controlled or operated by it, in connection with or for the promotion and accommodation of transportation or navigation, and it may also fix, regulate and collect the rates or charges for pilotage and towage.

6306. It may lay out, plan and establish the general plan and system of harbor and harbor district improvements and modify the plan and prescribe the specifications for such improvements.

6307. It may perform the functions of warehousemen, stevedores, lighterers, reconditioners, shippers and reshippers of properties of all kinds.

6308. It may manage the business of the district and promote the maritime and commercial interests by proper advertisement of its advantages, and by the solicitation of business, within or without the district, within other States or in foreign countries, through such employees and agencies as are expedient.

6309. Except as otherwise provided in Section 660, the board may adopt all ordinances necessary for the regulation of the district with respect to the parking of vehicles, the speed and operation on vehicles and vessels, berthing of vessels, fire safety ashore and afloat, prohibiting the pumping of raw sewage or waste into port waters, and littering.

6309.2. Before any ordinance may be adopted, the ordinance shall be published in its entirety on three separate occasions in a newspaper of general circulation published within the district, or if none, in any newspaper of general circulation published in the county in which the district, or a part thereof, is located, together with a notice of the date on which the board will meet for the purpose of adopting the ordinance. The first publication shall occur at least 20 days prior to the date of such meeting, and the second and third publications shall occur at seven-day intervals. The general public shall be allowed to appear at the meeting and be heard on the proposed ordinance. The ordinance shall become effective as provided in Section 9141 of the Elections Code, unless another effective date is set forth by the board.

6309.4. Every person who violates any of the provisions of a district ordinance adopted pursuant to Sections 6309 and 6309.2 is guilty of an infraction and shall be subject to a fine not to exceed one hundred dollars (\$100).

6309.6. The district's manager, harbormaster or wharfinger, or any duly authorized representative of one of these persons, shall have the power to issue citations for violation of district ordinances in the manner provided by Chapter 5C (commencing with Section 853.5) of Title 3 of Part 2 of the Penal Code.

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6310. Notwithstanding the enumeration and specific statement herein of particular powers, the district may do and perform all acts and things necessary and appropriate to carry out the purposes of this part and the powers of the district.

6311. Upon a four-fifths vote of all the members of the board, it may issue negotiable promissory notes bearing interest at a rate of not exceeding 7 percent per annum; provided, however, that said notes shall be payable from revenues and taxes levied for purposes of the district other than the payment of principal and interest on any bonded debt of the district; and provided further, that the maturity shall not be later than 20 years from the date thereof and that the total aggregate amount of such notes outstanding at any one time shall not exceed 1 percent of the assessed valuation of the taxable property in the district, or if said assessed valuation is not obtainable, 1 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate.

6340. Pursuant to this article a district may create a revenue bond indebtedness for the acquisition and construction, or acquisition or construction of any improvements or property or facilities contained within its powers.

6341. The issuance of said bonds shall be authorized by ordinance adopted by two-thirds of all the members of the board, to take effect upon its publication.

6342. The secretary shall publish said ordinance once in a newspaper of general circulation printed in said district, and if there is none, then in such newspaper published in the county in which said district is located.

6343. Said ordinance shall specify the total amount, denomination, method of maturity, and the rate or maximum rate of interest of said bonds, and in general terms, the acquisitions and improvements to be constructed thereby; and, in addition, shall contain such other and further provisions as in the judgment of the board are deemed advisable.

6344. The proceeds of said bonds shall be placed in an account in the treasury of the district to be entitled Port District Revenue Construction Fund No. and used exclusively for the objects and purposes mentioned in the ordinance.

6345. The lien of said bonds of the same issue shall be prior and superior to all revenue bonds subsequently issued.

6346. Proceedings for the issuance of said bonds shall be had, the board shall have such powers and duties, and the bondholders shall have such rights and remedies, all in substantial accordance with and with like legal effect as provided in Sections 54344 to 54346, inclusive, 54347, 54348, 54350, 54351, 54352, and in Articles 4 (commencing at Section 54400) to 11 (commencing at Section 54660), inclusive, of Chapter 6, Part 1, Division 2, Title 5 of the Government Code. As used therein the word "resolution" shall mean ordinance, the word "local agency" shall mean district, and the words "legislative body" shall mean board.

6355. Whenever, upon the creation of a district any municipality therein or any county in which the district is located which has theretofore authorized or incurred a bonded indebtedness for any work or improvement for which the district may incur a bonded debt pursuant to this part, and such municipality or such county thereafter sells such bonds or any portion thereof, the proceeds of the sale may, upon the order of the appropriate board of supervisors or city council, be paid by the custodian into the treasury of the district and shall be applied by the board, exclusively to the purposes and objects for which the bonds were authorized by the municipal corporation or the county issuing them.

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6360. On or before June first of each year, the port director shall submit to the board a detailed statement of the money required for the ensuing fiscal year for the purpose of conducting the business of the district. There shall be submitted with such estimate, such data and schedules as the board may require.

6361. Annually, on or before the date set for the consideration of the budget by the board of supervisors of the county in which the district is located, the board of each district shall furnish to the board of supervisors of the county in which the district is situated, an estimate in writing of the amount of money needed for all purposes by the district during the ensuing fiscal year. Thereupon, it is the duty of the board of supervisors to levy a special tax, on all taxable property of the county lying within the district, sufficient in amount to raise that sum.

6362. The tax shall in no event exceed the rate of ten cents (\$0.10) on each one hundred dollars (\$100) of the assessed value of all taxable property within the district, exclusive of the amount necessary to be raised by taxes to meet bond and promissory note interest and redemption. The tax shall be computed, entered upon the tax rolls and collected in the same manner as county taxes are computed, entered and collected. All money collected shall be paid into the county treasury to the credit of the particular district fund and shall be paid to the treasurer of the district upon the order of the board of port commissioners.

6363. From the time of the organization of any district until the next succeeding July first, the district may incur indebtedness for the purpose of operating the port and in the first tax levy, the rate shall be in an amount sufficient to operate the port for the first full fiscal year as well as to pay the obligations thus incurred before the first of the July succeeding the creation of the district.

6364. A district may impose a special tax pursuant to Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code. The special taxes shall be applied uniformly to all taxpayers or all real property within the district, except that unimproved property may be taxed at a lower rate than improved property.

6365. (a) The district may, in any year, levy assessments, reassessments, or special taxes and issue bonds to finance waterway construction projects and related operations and maintenance, or operations and maintenance projects independent of construction projects in accordance with, and pursuant to, the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), the Benefit Assessment Act of 1982 (Chapter 6.4 (commencing with Section 54703) of the Government Code), the Integrated Financing District Act (Chapter 1.5 (commencing with Section 53175) of Division 2 of Title 5 of the Government Code), the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code), and the Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code).

(b) Sections 5116, 5117, 5118, 5119, 5190, 5191, 5192, 5193, 10104, and 10302 of the Streets and Highways Code shall not apply to assessment proceedings undertaken pursuant to this section.

(c) Notwithstanding the related provisions of any assessment act which the district is authorized to use, any assessment diagram which any of those acts requires to be prepared prior to final approval of the assessment district may show only the exterior boundaries of the assessment district and the boundaries of any assessment zones or improvement areas within

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the district. The diagram may refer to the county assessor's maps and records for a detailed description of each lot or parcel.

(d) Notwithstanding any other provision of law, the district may levy and collect assessments and reassessments in the same manner as provided in Article 3 (commencing with Section 51320) of Chapter 2 of

Part 7 of Division 15 of the Water Code, to pay any or all of the following:

(1) For the operation and maintenance of projects, including maintenance of lands, easements, rights-of-way, dredge material disposal areas, and remediation.

(2) For the satisfaction of liabilities arising from projects.

(3) To accumulate a fund which may be used to advance the cost of district projects, provided that the advances be repaid, with interest as determined by the commissioners, from assessments, reassessments, special taxes, or fees charged by the district pursuant to this section.

(4) To acquire real property, easements, or rights-of-way for a navigation project or the maintenance of a navigation project.

(5) To acquire real property within the district for disposal of dredged material.

(e) For purposes of this section, functions designated by Article 3 (commencing with Section 51320) of Chapter 2 of Part 7 of Division 15 of the Water Code to be performed by the board of supervisors, the board of trustees, or valuation commissioners shall be performed by the district's board.

(f) For purposes of this section, the board may order the creation of a separate assessment roll to pay the allowable expenses of any single project or any group or system of projects.

(g) Notwithstanding any other provision of law, all assessments, reassessments, and taxes levied by the district may be collected together with, and not separately from, taxes for county purposes.

Any county in which the district is located may collect, at the request of the district, all assessments, reassessments, and special taxes levied by the district and shall cause those revenues to be deposited into the county treasury to the credit of the district.

Each county may deduct its reasonable collection and administrative costs.

(h) Notwithstanding any other provision of law, any assessment or reassessment levied pursuant to this section may be apportioned on the basis of land use category, tonnage shipped on the waterway, size and type of vessel using the waterway, front footage, acreage, capital improvements, or other reasonable basis, separately or in combination, as determined by the district commissioners.

(i) Notwithstanding any other provision of law, Division 4 (commencing with Section 2800) of the Streets and Highways Code shall not apply to any assessment levied by the district.

(j) Notwithstanding any other provision of law, no bond issued pursuant to this section shall be used to fund the routine maintenance dredging of channels.

6370. All claims for money or damages against the district are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto. All claims not governed thereby shall be filed with the auditor on forms and blanks prescribed by him. A claim shall not be paid without the endorsement of the auditor certifying to its correctness.

The auditor shall keep a record, which shall be a public record, of all claims against the district showing by whom made, for what purpose, the amount thereof and when paid.

6371. If there is not sufficient money in any fund to pay the demands made against it, the demand shall be registered in a book kept by the treasurer, showing its number, when presented, date, amount, name of payee, and on what account allowed and out of what fund payable, and when so registered, the demand shall be returned to the person presenting it with

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the endorsement of the word "Registered" dated and signed by the treasurer. All registered demands are payable in the order of their registration.

This section does not prevent the payment by the treasurer of bonds of the district or of any city or county, and interest coupons thereof, in accordance with the Constitution of this State and the provisions of this part authorizing the issuance and payment of such bonds.

6372. Wages and salaries shall be paid at such intervals as the board may direct, but at least once each month.

Comment [JR21]: Commissioner Ashworth

DRAFT



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



## **VENTURA PORT DISTRICT**

**Adopted March 25, 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 Commission remains 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. Listed 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. Act in accordance with 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 independent, tangential, or hidden agendas.
4. Always strive for consensus, remembering unanimity is not required.
5. Once the Board has made a decision, acknowledge and act in accordance with 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, Vice Chair, and Secretary
9. Correctly identify the issues.
10. Realistically select important issues related to the District's mission and worthy 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 explored and weighed.
12. Communicate all facts accurately and fully.
13. Encourage open discussion by all Board members on all subjects.
14. Ensure everyone has a chance to give and explain his or her point of view.
15. Actively and courteously listen to each other in a genuine effort to understand opposing views.
16. Attend and actively participate in all meetings, keeping absences to a minimum.
17. Come to meetings prepared, having reviewed the materials provided by staff.
18. Ask the General Manager for background information as needed prior to Board meetings.
19. 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 Commission/Clerk of the Board Interaction**

All questions or requests regarding Commission meetings, travel requests, or forwarding information to staff or other Commissioners must come through the Clerk of the Board.

### **2.3.5 Staff/Commissioner Interaction**

It is the policy of the Board that all Commissioners will address District staff in a professional, constructive, and considerate manner. This will assure that Board interactions will have a positive impact on the operations of the port district.

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 General Manager needs 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.

### **2.3.6 Commissioner/Port District Tenant Interaction**

In an effort to assure fair and efficient communication with Port District tenants, a Commissioner will provide a brief summary and disclose any contacts he or she may have had with a Port District tenant. This brief summary of such contact shall be provided as part of routine reporting during Board Communications at the next Port District public hearing, as appropriate.

To assure fair and consistent negotiations on all pending leasing agreements, a Commissioner shall not discuss any aspect of a lease that is under negotiation or discussion between the tenant and the Port District General Manager or District staff. Should a tenant wish to meet or confer with a

Commissioner at any point during lease negotiation regarding the terms of a lease, a Commissioner may only do so if a member of the Port District staff is also present.

## **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.

The Chair shall attend an agenda review meeting with the General Manager before each Port Commission Meeting.

## **2.5 Role of Vice-Chair**

In the absence of the Chair or his inability to act, preside at all meetings. The Vice Chair shall attend an agenda review meeting with the General Manager and Chair before each Port Commission Meeting.

## **2.6 Role of Secretary**

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

## **2.7 Commissioner and Staff Visibility to the Public**

To assure that Commissioners and senior Port District staff are easily recognized by the public, a Commissioner or senior Port District staff will wear an appropriate name badge to identify the individual and his or her affiliation with the Port District. The cost of the name badge will be borne by the Port District.

# **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 Sub-committees**

In an effort to assure transparency in Port Commission business, the use of sub-committees will be discouraged whenever possible. The Port District and public are better served when Port Commission meetings are conducted out in the open as opposed to behind closed doors. This will assure that all five Commissioners have an equal opportunity to have input on all issues related to the Port District.

### **3.5 Quorum and Voting**

Three members of the Port Commission shall constitute a quorum and three affirmative votes are needed to pass a motion.

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.

### **3.6 Commissioner Absences**

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

### **3.7 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.



### **3.8 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/>.

### **3.9 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. However, a consensus of the Board is needed for the request to move forward.

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

## **5.0    PORT COMMISSION POLICIES BY RESOLUTION**

## 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

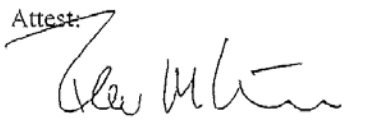
WHEREAS, in instances where the law does not expressly require retention, the Board may exercise its own discretion in setting the policy for retention and destruction.

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.

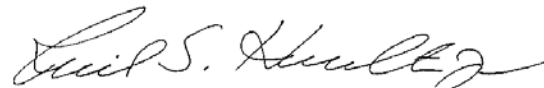
8. Should any lease applicant, existing lessee or holder of any entitlement to property of the District disclose any such loans, business dealings, other financial transactions or gifts with a member of the Board of Port Commissioners, the Commissioner so identified shall be excluded from participation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

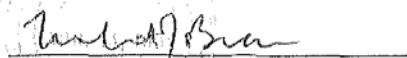
FURTHER RESOLVED that the General Manager shall adhere to the following procedures prior to final approval or disapproval of proposed slip rates and charges proposed to be imposed by Ventura Harbor Slip Operators that pay percentage rent to the District:

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

  
Chairman

Attest:

  
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







## 5.6 Investment Policy



### 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)

- 1 -

Resolution No. 3253, October 22, 2014



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

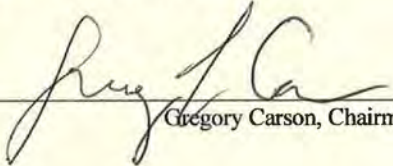
The General Manager shall submit an investment report to the Board of Port Commissioners at least quarterly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, 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.



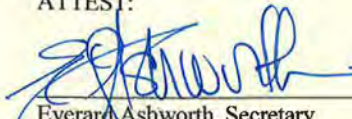
13.0 INVESTMENT POLICY ADOPTION

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.

PASSED, APPROVED AND ADOPTED this 22<sup>nd</sup> day of October 2014

  
Gregory Carson, Chairman

ATTEST:


  
Everard Ashworth, 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 No. 3253 was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 22<sup>nd</sup> day of October 2014, by the following vote:

AYES:       Commissioners Ashworth, Bravo, Smith and Chairman Carson  
NOES:       None  
ABSENT:     Vice Chair Friedman

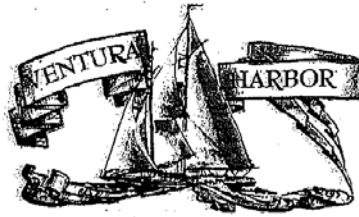
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 22<sup>nd</sup> day of October 2014.

(Seal)   
Secretary

- 9 -

Resolution No. 3253, October 22, 2014

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

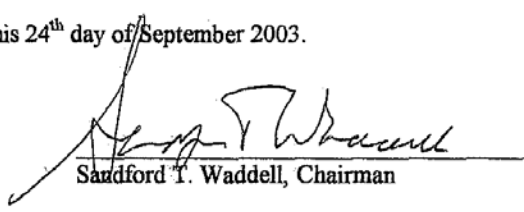
BE IT FURTHER RESOLVED, that the General Manager and other members of the District staff are hereby authorized to provide copies of this Policy to both existing and prospective ground lease tenants to assist those parties in the conduct of their master lease/option negotiations and lease administration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

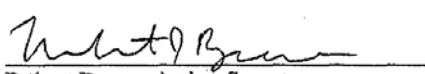


BE IT FURTHER RESOLVED, that the General Manager and staff at the District are hereby authorized and directed to take such other and further actions as may be necessary and appropriate to carry out and implement the purposes of this Resolution.

PASSED AND ADOPTED this 24<sup>th</sup> day of September 2003.

  
Sanford T. Waddell, Chairman

ATTEST:

  
Robert Bravo, Acting Secretary

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

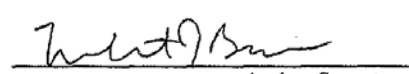
I, Robert Bravo, Acting Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 24<sup>th</sup> day of September, 2003, 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 24<sup>th</sup> 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 30<sup>th</sup> and 35<sup>th</sup> 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



### **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.

It is the District's policy that the Clerk of the Board shall arrange for and purchase all registrations, including conferences, hotels, rental cars, and aircraft travel. To the extent that a Commissioner is required to purchase these items individually, a Commissioner must make such a request in advance of approval by a majority vote of the Board.

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.

**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: Commissioners Friedman, Ashworth, Smith, Bravo

NOES:

Abstain:

Absent: Commissioner Carson

Attest:

  
Secretary

  
Chairman

(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
Subtotal			

Other Expenditure(s)

(See Section 3 of Reimbursement Policy.)

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

TOTAL \_\_\_\_\_

Approved By: \_\_\_\_\_  
Oscar Peña, General Manager

Date: \_\_\_\_\_

**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](http://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**

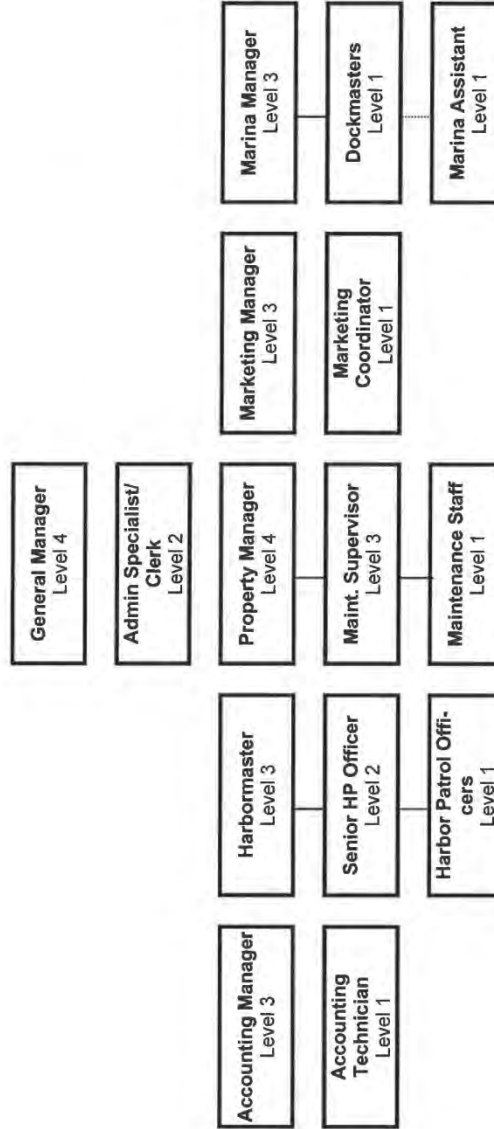
District staff shall use the following forms, where appropriate, in connection with the District's procurement and purchasing activities:

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

Ventura Port District  
Employee Procurement  
Status Chart

**EXHIBIT "A"**



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: \_\_\_\_\_

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**Description of work/services/products:** \_\_\_\_\_

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**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.)

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☐ Approved   ☐ Denied   By: \_\_\_\_\_   Date: \_\_\_\_\_

Comments:

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**EXHIBIT "D"**

**VENTURA PORT DISTRICT – REQUEST FOR APPROVAL OF CONTRACT CHANGE**

Date: \_\_\_\_\_ Submitted by: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_ Reviewed by: \_\_\_\_\_ Title: \_\_\_\_\_

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**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)

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**General Manager's Response:**

☐ Approved   ☐ Denied   By: \_\_\_\_\_   Date: \_\_\_\_\_

Comments:

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## 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**

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

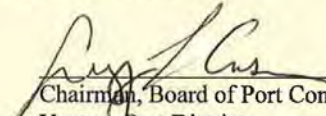


Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the General Manager notify the State Controller forthwith of this election; and

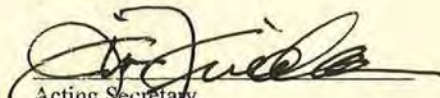
BE IT FURTHER RESOLVED that the District shall implement such uniform public construction cost accounting procedures effective on the date Ordinance No. 48 (providing informal bidding procedures under the Act) goes into effect.

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)

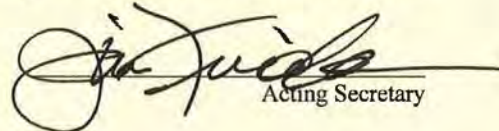
STATE OF CALIFORNIA            )  
COUNTY OF VENTURA        ) ss.  
CITY OF SAN BUENAVENTURA )

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 27<sup>th</sup> 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 27<sup>th</sup> 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 8<sup>th</sup> 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.

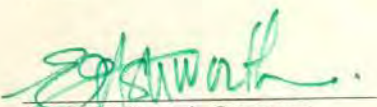
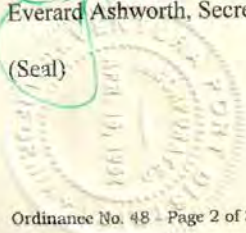
Section 5 Award of Contracts. The Board may delegate the authority to award informal contracts to the general manager or other appropriate persons pursuant to Public Contract Code section 22034(e). If all bids received by the District are in excess of \$175,000.00, the Board of Port Commissioners may, 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

## **APPENDIX**

### **Harbors and Navigation Code**

6200. "District," as used in this part, refers to any port district formed pursuant to this part.

6201. "Board," as used in this part, means the board of port commissioners described in Chapter 2 (commencing with Section 6240).

6202. This part does not repeal, modify or otherwise affect the provisions of any other law relating to port or harbor districts, and no other law providing for the creation of port or harbor districts repeals, modifies or otherwise affects this part or any of its provisions.

6203. Any property owned by any city which is used or held for the purpose of aiding or developing navigation, commerce or fishing may be transferred to the district to be used for the same purposes, and any lands of the State which may have been transferred to any such city may be transferred to the district subject to the trusts and other provisions for the transfer of the lands from the State to the city. A city which is governed by a freeholders charter may only transfer or turn over property if authorized by the provisions of its charter or an amendment thereof.

6204. If any land under a navigable stream is by virtue of any work or improvement by the United States or the State, freed from the easement of navigation and fishing, it reverts to the district, to be used for the purposes for which the district was organized. But if any land is not used or held for such purposes, it reverts to the State.

6205. If the district is dissolved, lands which were granted to it by a municipal corporation revert to that municipal corporation.

6210. A district may be organized pursuant to this part. It shall include one municipal corporation and any contiguous unincorporated territory in any one county but a municipal corporation shall not be divided in the formation of a district.

Territory which may be annexed to a municipal corporation, which is in a district, is by virtue of the annexation a part of the district.

6211. The formation of a district is initiated by a petition presented at a regular meeting of the board of supervisors of the county in which the proposed district is situated.

The petition shall be signed by a number of registered voters, residing within the proposed district, equal to not less than five per cent of the number of registered voters, residing in the district, who voted at the last preceding general State election at which a Governor was elected. The petition may consist of any number of instruments.

6212. The petition shall state the name of the proposed district, and describe the proposed boundaries and it shall pray that the territory included be created a district pursuant to this part.

6213. Upon presentation, the petition shall be filed with the clerk of the board of supervisors, and upon filing, or at its next regular meeting, the board of supervisors shall fix a time for hearing it, which shall not be less than thirty nor more than sixty days from the date of filing.

6214. A notice of the time and place of the hearing of the petition, including a copy of the petition, excepting the names thereon, shall be published at least four times in a newspaper of general circulation published in the territory included within the proposed district, and in case no



such newspaper is published in the territory, then in a newspaper published in the county in which the proposed district is situated.

6215. At the hearing of the petition, the board of supervisors shall hear those appearing in support, and all protests or objections. The hearing may be adjourned from time to time, not exceeding sixty days in all.

6215.5. If the board of supervisors finds that protests have been made, prior to its final determination for formation of the district, by the owners of real property within the proposed district the assessed value of which, as shown by the last equalized assessment roll, constitutes more than one-half of the total assessed value of the real property within the proposed district, the proceeding shall terminate. The board of supervisors shall order the proceeding terminated when such protests are received.

6216. The board of supervisors may make such changes in the proposed boundaries of the district as are advisable, and it shall define and establish the boundaries.

If the board of supervisors deems it proper to include any territory not included within the boundaries proposed in the petition, it shall first give notice of its intention so to do, by publication of notice in a newspaper published in the county in which the district is located, for two times. The hearing on a proposed inclusion of additional territory shall not be continued beyond sixty days after the board determines to give notice of its intention to increase the boundaries. Within ten days of the final hearing of the matter, the board of supervisors shall make its order fixing the boundaries of the district.

6217. The boundaries of any district shall be fixed by the board of supervisors so as not to include more than fifty square miles of unincorporated territory. This area shall have a frontage upon the waterway which it is contemplated will be improved, and the board of supervisors shall only include within the boundaries land which will be benefited by the creation and operation of the district.

6218. At the time of making its order fixing the boundaries of the district the board of supervisors shall call an election to determine whether the proposed district shall be organized.

A defect in the contents of the petition or in the title to or in the form or publication of the notice shall not vitiate any proceedings thereon, if the petition has a sufficient number of qualified signatures.

6230. An election shall be held within 130 days of the call, to determine whether the district shall be organized. The election shall be conducted in conformity with the general election laws. At the election the proposition shall be placed on the ballot, permitting each voter to vote "yes" or "no."

6231. The board of supervisors shall canvass the results of the election and if a majority of those voting have voted "yes" the proposition is carried, and the board of supervisors shall certify the result to the Secretary of State, who shall file it. From and after the filing of the certificate by the Secretary of State, the district is in existence.

6232. A certified copy of the certificate filed with the Secretary of State, shall be recorded in the office of the county recorder in the county in which the district is situated.

6233. Any informality in procedure or in the conduct of the election shall not invalidate the establishment of the district.

Any proceedings in which the validity of its establishment is denied shall be commenced within sixty days after the date of filing in the office of the Secretary of State of the certificate

mentioned in this article. Otherwise, the establishment and legal existence of the district and all proceedings in respect thereto are valid in every respect and incontestable.

6240. The district shall be governed by a board of port commissioners. The board consists of five members. Two of the commissioners shall be appointed by the board of supervisors of the county in which the district is located. Two of the commissioners shall be appointed by the city council of the municipal corporation situated in the district. The board of supervisors, together with five members of the city council, appointed by the mayor of the municipality in the district constitute a board of election to appoint the other commissioner. This commissioner shall be chairman of the board. A majority vote is necessary for the appointment of the chairman of the board. An auditor shall be appointed by the board of port commissioners and approved by the board of supervisors and the city council.

6241. These appointments shall be made within thirty days after the formation of the district.

6241.1. Port districts in Ventura County shall be governed by a board of port commissioners consisting of five members appointed by the mayor of the municipal corporation in the district, with the approval of the city council.

The chairperson of the board shall be elected by the commissioners for a term of two years. An auditor shall be appointed by the board with the approval of the city council.

After a public hearing, the city council may remove commissioners from office during their term for cause by a vote of not less than five members of the city council.

6242. A vacancy on the board shall be filled by the body which appointed the commissioner whose office is vacated, and the new appointee shall hold his office for the unexpired term.

6243. Each commissioner shall, within ten days after his appointment and before entering upon the discharge of the duties of his office, take and subscribe to an oath or affirmation before an officer authorized by law to administer oaths, that he will support the Constitution of the United States and the Constitution of the State of California, and will faithfully discharge the duties of his office according to the best of his ability. The oaths or affirmations shall be filed in the office of the district.

6244. A person shall not be appointed a member of the board unless he is, at the time of his appointment, a taxpayer within the district and has resided within the district for at least one year.

6245. The term of office of each commissioner is four years from the time of his appointment, except that the chairman first appointed shall hold office for two years, and the remaining commissioners first appointed to the board shall classify themselves by lot, so that they hold office respectively for one, two, three, and four years.

6246. The chairman is the presiding officer of the board and he shall vote on propositions passed upon by the board.

6247. The first meeting of the board shall be held within ten days of the appointment of its chairman. The board may make its own rules of procedure and determine the place and time of its meeting.

6248. The board shall select one of its members vice chairman, who shall preside in the absence of the chairman.

The board shall provide for and select such officers, except the auditor, as it deems necessary to conduct the affairs of the district.

6249. The board may prescribe rules and regulations pertaining to the selection of officers and employees of the district, other than the auditor. It shall also fix the salary or wages of all officers and employees of the district. The term of each officer appointed by the board shall be during the pleasure of the board.

The board may adopt and carry into effect a contract or contracts of group insurance or a system of group annuities or both for the benefit of such of the officers and employees of the district as accept the same and who have authorized the board to make deductions from their compensation for the payment of a portion of the premium thereon. Contracts of group insurance or systems of group annuities which include benefits to dependents of officers and employees are contracts of group insurance or systems of group annuities for the benefit of officers and employees for the purpose of this section.

The board may make such deductions and may pay the remainder of such premiums from any funds of the district not required to be devoted to a specific purpose. The board may pay such portion of the premiums thereon or attributable thereto as it determines to be advisable. The board may arrange or contract for a contract or contracts of group insurance or a system of group annuities or both with any public agency or any insurance company or agent authorized by or pursuant to law to transact such business within this State.

6250. A corporation may be selected as treasurer or the board may provide that the duties of the treasurer shall be performed by the county treasurer of the county in which the district is located, or by the city treasurer of the city within the district.

6251. The commissioners shall serve without salary or compensation.

6252. The auditor of the district shall hold office during the pleasure of the board of election, and it shall fix his salary and require him to file a bond for the faithful performance of his duties in such amount as it may determine. The bonds shall be filed in the office of the board.

6253. The mayor of the city within the district, or the chairman of the board of supervisors of the county in which the district is located, may call meetings of the board of election.

6254. The fiscal year of any district shall begin on the first day of July of each year and shall end on the thirtieth day of June in the following year, unless otherwise fixed with the consent of the board of supervisors of the county in which the district is located.

6255. The board shall annually file a report of the affairs and financial condition of the district for the preceding year. This report shall show the sources of all receipts and purposes of all disbursements during the year.

6270. The powers of a district established pursuant to this part shall be exercised by the board, by ordinance or resolution passed by a majority vote of the board. All ordinances shall be published in a newspaper of general circulation, printed or published in the county in which the district is situated, at least once before final passage.

Franchises and leases for a period of more than ten years shall not be valid, unless authorized by ordinance.

6271. A grant of a franchise or lease of property of the district shall not be made for a longer period than 50 years.

6272. A district may destroy a record pursuant to Chapter 7 (commencing with Section 60200) of Division 1 of Title 6 of the Government Code.

6273. The district may itself, without letting contracts therefor, do work and make improvements. The work shall be done under the direction of its officers or employees.

6275. An officer of the district, and any of its employees, shall not be interested, directly or indirectly, in any contract or transaction with the district; or become surety for the performance of any contract made with or for the district, upon bonds given to the district.

An officer or employee of the district shall not receive any commission or thing of value, or derive any profit, benefit, or advantage, directly or indirectly, from or by reason of any dealings with or service for the district by himself or others, except as lawful compensation as such officer or employee.

The violation of the provisions of this section by an officer or employee works a forfeiture of his office or employment.

6276. (a) In lieu of the benefits afforded pursuant to Division 4 (commencing with Section 3200) and Division 4.7 (commencing with Section 6200) of the Labor Code, the district may agree to provide workers' compensation benefits to its stevedore employees in amounts, and under such conditions, as would be payable to stevedore employees of private employers pursuant to the Longshoremen's and Harbor Workers' Compensation Act (33 U.S.C. 901, et seq.).

(b) Such an agreement shall be binding upon the parties only if it is in writing and signed by the employee and by a representative of the district. It shall acknowledge, in writing, that the benefits agreed upon are authorized by this section and are expressly in lieu of any benefits available under Division 4 (commencing with Section 3200) and Division 4.7 (commencing with Section 6200) of the Labor Code.

(c) All claims for benefits against the district which are authorized by this section shall be determined pursuant to law and the rules and regulations of the Workers' Compensation Appeals Board.

To the fullest extent possible, the Workers' Compensation Appeals Board shall attempt to apply the Longshoremen's and Harbor Workers' Compensation Act to employees covered by this section in the same manner as applicable to private employees.

(d) Notwithstanding the provisions of Sections 11779 and 11870 of the Insurance Code or any other provision of law, the State Compensation Insurance Fund or any private insurer may provide insurance coverage for the benefits authorized by this section.

6290. A district created under this part is a public corporation created for municipal purposes.

6291. It has perpetual succession.

6292. It may sue and be sued.

6293. It may adopt a seal.

6294. It may take by grant, purchase, gift, devise or lease or otherwise acquire and hold and enjoy, and lease or dispose of, real and personal property of every kind, within or without the district, necessary to the full or convenient exercise of its powers.

6295. A district may acquire, purchase, takeover, construct, maintain, operate, develop, and regulate wharves, docks, warehouses, grain elevators, bunkering facilities, belt railroads, floating plants, lighterage, lands, towage facilities, and any and all other facilities, aids, or public personnel, incident to, or necessary for, the operation and development of ports, waterways, and the district.

6296. It may exercise the right of eminent domain to take any property necessary to carry out any of the objects or purposes of the district.

6297. It may incur indebtedness and issue bonds or other evidence of indebtedness for its purposes.

If any bonds issued for port improvement purposes by any part of a district prior to its creation are refunded, the refunding bonds are a lien only upon the lands upon which the original bonds were a lien at the time of the creation of the district.

6298. It may levy and collect or cause to be levied or collected taxes as in this part provided.

6299. It has exclusive jurisdiction over, and it may provide for and supervise pilots and the pilotage of sea-going vessels from the end of jurisdiction of existing pilot authorities to points lying upon any navigable waterway project of the United States, entering the district.

6300. It may contribute money to the Federal or the State Government or to the county in which it is located or to any city within the district, for the purpose of defraying the whole or a portion of the cost and expenses of work and improvement to be performed, either within or without the territorial limits of the district, by the Federal, State, county or city government, in improving rivers, streams, or in doing other work, when such work will improve navigation and commerce, in or to the navigable waters in the district.

6301. A district may do any work or make any improvement within or without the territorial limits of the district, which will aid in the development or the improvement of navigation or commerce to or within the district.

6302. A district may enact necessary police regulations providing for control of any waterway project of the United States, entering the district, and adopt rules and regulations concerning the construction of wharves, docks, buildings, and improvements of all types, contemplated.

6303. A district may provide for the opening and laying out of streets leading to the waterfront.

6304. A district may regulate and control the construction, maintenance, and operation or use of all wharves, warehouses, structures, improvements, or appliances used in connection with or for the accommodation and promotion of transportation or navigation on any improvement project of the federal government applying to the main waterway entering the district and on other navigable streams improved or unimproved which lie within the district, and it may make and enforce necessary police and sanitary regulations in connection therewith.

6304.1. Notwithstanding any other provision of law, any port district which has received, or is receiving, money pursuant to the provisions of Division 1 (commencing with Section 30) for the construction or improvement of a small craft harbor or facilities in connection therewith, may enter into a lease of any portion of its land and water area which has been freed from the public trust for commerce, navigation, or fisheries for the development of marine-oriented apartments and townhouses. Such lease may authorize the lessee to sublet individual dwelling units, but such lease shall not exceed a term of 50 years, after which time any improvements constructed pursuant to the lease shall revert to the district. Land rental units constructed pursuant to such lease shall be available to all persons on equal and reasonable terms. Any such lease shall contain express provisions requiring the lessee to provide for reasonable public access across the leased lands to adjacent port water areas.

Nothing in this section shall be construed to allow the use of tide or submerged lands in any manner inconsistent with the California Constitution or with the public trust for commerce, navigation, or fisheries.

Any lease of real property so freed from the public trust which is proposed to be let under the provisions of this section shall first be submitted to the State Lands Commission and to the Attorney General for review and approval, and no such lease shall be let unless the State Lands Commission and the Attorney General find that the proposed lease would be in the public interest and would not be in violation of any provision of the California Constitution or of any term of a grant of tidelands or submerged lands and would not be inconsistent with the public trust for commerce, navigation, or fisheries.

6305. It may fix, regulate and collect the rates or charges for the use of wharves, warehouses, vessels, railroads and other facilities, structures and appliances owned, controlled or operated by it, in connection with or for the promotion and accommodation of transportation or navigation, and it may also fix, regulate and collect the rates or charges for pilotage and towage.

6306. It may lay out, plan and establish the general plan and system of harbor and harbor district improvements and modify the plan and prescribe the specifications for such improvements.

6307. It may perform the functions of warehousemen, stevedores, lighterers, reconditioners, shippers and reshippers of properties of all kinds.

6308. It may manage the business of the district and promote the maritime and commercial interests by proper advertisement of its advantages, and by the solicitation of business, within or without the district, within other States or in foreign countries, through such employees and agencies as are expedient.

6309. Except as otherwise provided in Section 660, the board may adopt all ordinances necessary for the regulation of the district with respect to the parking of vehicles, the speed and operation on vehicles and vessels, berthing of vessels, fire safety ashore and afloat, prohibiting the pumping of raw sewage or waste into port waters, and littering.

6309.2. Before any ordinance may be adopted, the ordinance shall be published in its entirety on three separate occasions in a newspaper of general circulation published within the district, or if none, in any newspaper of general circulation published in the county in which the district, or a part thereof, is located, together with a notice of the date on which the board will meet for the purpose of adopting the ordinance. The first publication shall occur at least 20 days prior to the date of such meeting, and the second and third publications shall occur at seven-day intervals. The general public shall be allowed to appear at the meeting and be heard on the proposed ordinance. The ordinance shall become effective as provided in Section 9141 of the Elections Code, unless another effective date is set forth by the board.

6309.4. Every person who violates any of the provisions of a district ordinance adopted pursuant to Sections 6309 and 6309.2 is guilty of an infraction and shall be subject to a fine not to exceed one hundred dollars (\$100).

6309.6. The district's manager, harbormaster or wharfinger, or any duly authorized representative of one of these persons, shall have the power to issue citations for violation of district ordinances in the manner provided by Chapter 5C (commencing with Section 853.5) of Title 3 of Part 2 of the Penal Code.

6310. Notwithstanding the enumeration and specific statement herein of particular powers, the district may do and perform all acts and things necessary and appropriate to carry out the purposes of this part and the powers of the district.

6311. Upon a four-fifths vote of all the members of the board, it may issue negotiable promissory notes bearing interest at a rate of not exceeding 7 percent per annum; provided, however, that said notes shall be payable from revenues and taxes levied for purposes of the district other than the payment of principal and interest on any bonded debt of the district; and provided further, that the maturity shall not be later than 20 years from the date thereof and that the total aggregate amount of such notes outstanding at any one time shall not exceed 1 percent of the assessed valuation of the taxable property in the district, or if said assessed valuation is not obtainable, 1 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate.

6340. Pursuant to this article a district may create a revenue bond indebtedness for the acquisition and construction, or acquisition or construction of any improvements or property or facilities contained within its powers.

6341. The issuance of said bonds shall be authorized by ordinance adopted by two-thirds of all the members of the board, to take effect upon its publication.

6342. The secretary shall publish said ordinance once in a newspaper of general circulation printed in said district, and if there is none, then in such newspaper published in the county in which said district is located.

6343. Said ordinance shall specify the total amount, denomination, method of maturity, and the rate or maximum rate of interest of said bonds, and in general terms, the acquisitions and improvements to be constructed thereby; and, in addition, shall contain such other and further provisions as in the judgment of the board are deemed advisable.

6344. The proceeds of said bonds shall be placed in an account in the treasury of the district to be entitled \_\_\_\_ Port District Revenue Construction Fund No. \_\_\_\_ and used exclusively for the objects and purposes mentioned in the ordinance.

6345. The lien of said bonds of the same issue shall be prior and superior to all revenue bonds subsequently issued.

6346. Proceedings for the issuance of said bonds shall be had, the board shall have such powers and duties, and the bondholders shall have such rights and remedies, all in substantial accordance with and with like legal effect as provided in Sections 54344 to 54346, inclusive, 54347, 54348, 54350, 54351, 54352, and in Articles 4 (commencing at Section 54400) to 11 (commencing at Section 54660), inclusive, of Chapter 6, Part 1, Division 2, Title 5 of the Government Code. As used therein the word "resolution" shall mean ordinance, the word "local agency" shall mean district, and the words "legislative body" shall mean board.

6355. Whenever, upon the creation of a district any municipality therein or any county in which the district is located which has theretofore authorized or incurred a bonded indebtedness for any work or improvement for which the district may incur a bonded debt pursuant to this part, and such municipality or such county thereafter sells such bonds or any portion thereof, the proceeds of the sale may, upon the order of the appropriate board of supervisors or city council, be paid by the custodian into the treasury of the district and shall be applied by the board, exclusively to the purposes and objects for which the bonds were authorized by the municipal corporation or the county issuing them.

6360. On or before June first of each year, the port director shall submit to the board a detailed statement of the money required for the ensuing fiscal year for the purpose of conducting the business of the district. There shall be submitted with such estimate, such data and schedules as the board may require.

6361. Annually, on or before the date set for the consideration of the budget by the board of supervisors of the county in which the district is located, the board of each district shall furnish to the board of supervisors of the county in which the district is situated, an estimate in writing of the amount of money needed for all purposes by the district during the ensuing fiscal year. Thereupon, it is the duty of the board of supervisors to levy a special tax, on all taxable property of the county lying within the district, sufficient in amount to raise that sum.

6362. The tax shall in no event exceed the rate of ten cents (\$0.10) on each one hundred dollars (\$100) of the assessed value of all taxable property within the district, exclusive of the amount necessary to be raised by taxes to meet bond and promissory note interest and redemption. The tax shall be computed, entered upon the tax rolls and collected in the same manner as county taxes are computed, entered and collected. All money collected shall be paid into the county treasury to the credit of the particular district fund and shall be paid to the treasurer of the district upon the order of the board of port commissioners.

6363. From the time of the organization of any district until the next succeeding July first, the district may incur indebtedness for the purpose of operating the port and in the first tax levy, the rate shall be in an amount sufficient to operate the port for the first full fiscal year as well as to pay the obligations thus incurred before the first of the July succeeding the creation of the district.

6364. A district may impose a special tax pursuant to Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code. The special taxes shall be applied uniformly to all taxpayers or all real property within the district, except that unimproved property may be taxed at a lower rate than improved property.

6365. (a) The district may, in any year, levy assessments, reassessments, or special taxes and issue bonds to finance waterway construction projects and related operations and maintenance, or operations and maintenance projects independent of construction projects in accordance with, and pursuant to, the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), the Benefit Assessment Act of 1982 (Chapter 6.4 (commencing with Section 54703) of the Government Code), the Integrated Financing District Act (Chapter 1.5 (commencing with Section 53175) of Division 2 of Title 5 of the Government Code), the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code), and the Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code).

(b) Sections 5116, 5117, 5118, 5119, 5190, 5191, 5192, 5193, 10104, and 10302 of the Streets and Highways Code shall not apply to assessment proceedings undertaken pursuant to this section.

(c) Notwithstanding the related provisions of any assessment act which the district is authorized to use, any assessment diagram which any of those acts requires to be prepared prior to final approval of the assessment district may show only the exterior boundaries of the assessment district and the boundaries of any assessment zones or improvement areas within



the district. The diagram may refer to the county assessor's maps and records for a detailed description of each lot or parcel.

(d) Notwithstanding any other provision of law, the district may levy and collect assessments and reassessments in the same manner as provided in Article 3 (commencing with Section 51320) of Chapter 2 of

Part 7 of Division 15 of the Water Code, to pay any or all of the following:

(1) For the operation and maintenance of projects, including maintenance of lands, easements, rights-of-way, dredge material disposal areas, and remediation.

(2) For the satisfaction of liabilities arising from projects.

(3) To accumulate a fund which may be used to advance the cost of district projects, provided that the advances be repaid, with interest as determined by the commissioners, from assessments, reassessments, special taxes, or fees charged by the district pursuant to this section.

(4) To acquire real property, easements, or rights-of-way for a navigation project or the maintenance of a navigation project.

(5) To acquire real property within the district for disposal of dredged material.

(e) For purposes of this section, functions designated by Article

3 (commencing with Section 51320) of Chapter 2 of Part 7 of Division

15 of the Water Code to be performed by the board of supervisors, the board of trustees, or valuation commissioners shall be performed by the district's board.

(f) For purposes of this section, the board may order the creation of a separate assessment roll to pay the allowable expenses of any single project or any group or system of projects.

(g) Notwithstanding any other provision of law, all assessments, reassessments, and taxes levied by the district may be collected together with, and not separately from, taxes for county purposes.

Any county in which the district is located may collect, at the request of the district, all assessments, reassessments, and special taxes levied by the district and shall cause those revenues to be deposited into the county treasury to the credit of the district.

Each county may deduct its reasonable collection and administrative costs.

(h) Notwithstanding any other provision of law, any assessment or reassessment levied pursuant to this section may be apportioned on the basis of land use category, tonnage shipped on the waterway, size and type of vessel using the waterway, front footage, acreage, capital improvements, or other reasonable basis, separately or in combination, as determined by the district commissioners.

(i) Notwithstanding any other provision of law, Division 4 (commencing with Section 2800) of the Streets and Highways Code shall not apply to any assessment levied by the district.

(j) Notwithstanding any other provision of law, no bond issued pursuant to this section shall be used to fund the routine maintenance dredging of channels.

6370. All claims for money or damages against the district are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto. All claims not governed thereby shall be filed with the auditor on forms and blanks prescribed by him. A claim shall not be paid without the endorsement of the auditor certifying to its correctness.

The auditor shall keep a record, which shall be a public record, of all claims against the district showing by whom made, for what purpose, the amount thereof and when paid.

6371. If there is not sufficient money in any fund to pay the demands made against it, the demand shall be registered in a book kept by the treasurer, showing its number, when presented, date, amount, name of payee, and on what account allowed and out of what fund payable, and when so registered, the demand shall be returned to the person presenting it with

the endorsement of the word "Registered" dated and signed by the treasurer. All registered demands are payable in the order of their registration.

This section does not prevent the payment by the treasurer of bonds of the district or of any city or county, and interest coupons thereof, in accordance with the Constitution of this State and the provisions of this part authorizing the issuance and payment of such bonds.

6372. Wages and salaries shall be paid at such intervals as the board may direct, but at least once each month.

### **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.