



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

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

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

PORT COMMISSION AGENDA REGULAR MEETING FEBRUARY 24, 2016 AT 7:00PM VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE, VENTURA, CA

*A Closed Session of the Board will be held at **5:30PM** at the Port District Office located at 1603 Anchors Way Drive, Ventura, CA, to discuss the items on the Attachment to Agenda- Closed Session Conference with Legal Counsel.*

*The Board will convene in **Open Session** at the Port District Office located at 1603 Anchors Way Drive for its Regular Meeting at **7:00PM**.*

ADMINISTRATIVE AGENDA:

CALL TO ORDER: *By Chair Jim Friedman.*

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

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

ADOPTION OF AGENDA (5 minutes)

Consider and approve, by majority vote, minor revisions to agenda items and/or attachments and any item added to, or removed/continued from the Port Commission's agenda. Administrative Reports relating to this agenda and materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the Port District's office located at 1603 Anchors Way Drive, Ventura, CA during business hours as well as on the District's website - www.venturaharbor.com (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 the February 10, 2016 workshop meeting will be considered for approval.

PUBLIC COMMUNICATIONS (3 minutes)

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

CLOSED SESSION REPORT (3 minutes)

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

BOARD COMMUNICATIONS (5 minutes)

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

DEPARTMENTAL 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.

LEGAL COUNSEL REPORT (5 minutes)

CONSENT AGENDA: (5 minutes)

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

A) Amendment to Professional Services Agreement with RRM Design Group

Recommended Action: Motion.

That the Board of Port Commissioners approve Amendment No. 1 to the Professional Service Agreement, dated February 12, 2014 with RRM Design Group.

B) Approval of Professional Services Agreement with ALC Construction, LLC

Recommended Action: Motion.

That the Board of Port Commissioners approve the Professional Services Agreement with ALC Construction, LLC in the amount of \$11,500.00 to provide architectural design consultant services for restroom accessibility improvements at Harbor Village.

C) Approval of Out of Town Travel Request

Recommended Action: Motion.

That the Board of Port Commissioners approve the Out of Town Travel Request for Marketing Manager, Jennifer Talt-Lundin.

STANDARD AGENDA:

1) Presentation on Pacific Coast Sports Center

Recommended Action: Informational.

That the Board of Port Commissioners receive a presentation from Gary Young, on his proposed Pacific Coast Sports Center.

2) Approval of Financial Statements and Checks for the month of December 2015

Recommended Action: Resolution No. 3297.

That the Board of Port Commissioners adopt Resolution No. 3297 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in December 2015.

3) Update on Emergency Conditions at 1691 Spinnaker Drive

Recommended Action: 4/5ths vote.

That the Board of Port Commissioners determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

4) Extension of Option with Sondermann-Ring Partners

Recommended Action: Motion.

That the Board of Port Commissioners authorize the General Manager to execute the attached Eleventh Amendment to Option Agreement between Ventura Port District ("the Port") and Sondermann-Ring Partners ("SRP").

5) Approval of Notice of Proposed Ordinance for the Del Mar Seafoods, Inc. New Lease

Recommended Action: Resolution No. 3298.

That the Board of Port Commissioners adopt Resolution No. 3298 authorizing the Ventura Port District to publish a Notice of Proposed Ordinance for the Del Mar Fish Company new Lease in a newspaper of general circulation.

6) Approval of Contract with Manson Construction Co. for Dredging of the Stub Channel

Recommended Action: Resolution No. 3299.

That the Board of Port Commissioners adopt Resolution No. 3299, authorize the General Manager to enter into an Agreement with Manson Construction Co. for the dredging of the Stub Channel pursuant to Section 20751.2 of the Public Contract Code and making findings related thereto.

REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT

*This agenda was posted on Friday, February 19, 2016 at 5:00 p.m.
at the Port District Office and on the Internet - www.venturaharbor.com (Port Commission).*

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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, FEBRUARY 24, 2016

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

- a) Property: **Parcel 15, 16 and 18**
Negotiating Parties: Oscar Peña, Timothy Gosney
Under Negotiation: Eleventh Option Agreement Amendment
- b) Property: **1449 Spinnaker Drive #C & E**
Negotiating Parties: Oscar Peña, Brian Pendleton, Timothy Gosney
Under Negotiation: Del Mar Seafoods, Inc. New Lease
- c) Property: **Parcels 3A1 & 3A2**
Negotiating Parties: Oscar Peña, Brian Pendleton, Timothy Gosney
Under Negotiation: Ventura Harbor Boatyard Real Estate

2. Conference with Legal Counsel – Pending Litigation per Government Code Section 54956.9(e)(1) – Ventura Port District, dba Ventura Harbor Village v. Jack Benjamin Hessiani Ventura Superior Court Case No. 56-2015-00470864-CU-PT-VTA.

3. Conference with Legal Counsel - Anticipated Litigation per Government Code Section 54956.9(d)(4): One case.

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

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

APPROVAL OF THE FEBRUARY 10, 2016 MINUTES



Minutes of Workshop Meeting of the Ventura Port District Board of Port Commissioners Held February 10, 2016

The Workshop Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 11:39AM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

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

Commissioners Absent:

None

Port District Staff:

Oscar Peña, General Manager
Brian Pendleton, Business Operations Manager
Jennifer Talt-Lundin, Marketing Manager
John Higgins, Harbormaster
Robin Baer, Property Manager
Lauren Yunckers, Marketing Assistant
Richard Parsons, Consultant
Jessica Rauch, Clerk of the Board

Legal Counsel:

Chris Chan

AGENDA

CALL TO ORDER: By Chairman Jim Friedman at 11:39AM.

PLEDGE OF ALLEGIANCE: By Chairman Jim Friedman.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 to adopt the February 10, 2016 agenda.

APPROVAL OF MINUTES

The Minutes of January 27, 2016 workshop meeting were considered as follows:

ACTION: Commissioner Smith moved, seconded by Commissioner Valance and carried by a vote of 5-0 to approve the minutes of the January 27, 2016 regular meeting with the following revision:

- **Consent Agenda Item C - This item was pulled from the consent agenda for the discussion of the Commissioner appointment process.**

PUBLIC COMMUNICATIONS: None.

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

BOARD COMMUNICATIONS: Commissioner Ashworth reported on the Economic Impacts Meeting that was held on Wednesday, February 3rd. He also updated the Commission on the Shellfish Initiative and reported on dredge funding. Commissioner Carson also commented on dredge funding and the economic impacts to our businesses.

STAFF COMMUNICATIONS: General Manager, Oscar Pena, thanked staff and the Commission for their hard work in helping to acquire dredging funding and in getting the word out on the harbor entrance channel conditions. Business Operations Manager, Brian Pendleton updated the Commission on the Holiday Inn Express addition, the RFP for Parcels 5 and 8, the Parking Management Plan, new businesses in Harbor Village and ADA Phase 2. Marketing Manager, Jennifer Talt-Lundin reported that Marketing has been working with Harbor Patrol to get the correct message out to the public that Harbor Village is open and the Harbor Channel Entrance is closed.

ACTION ITEM:

1) Update on Emergency Conditions at 1691 Spinnaker Drive

Recommended Action: 4/5ths vote.

That the Board of Port Commissioners determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

ACTION: Commissioner Smith moved, seconded by Commissioner Carson and carried by a vote of 5-0 to determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

2) Notice of Completion for the ADA Parking Access Improvements

Recommended Action: Resolution No. 3296.

That the Board of Port Commissioners adopt Resolution No. 3296, accepting the work of J & T Engineering and Construction for the Ventura Harbor ADA parking access improvements and authorize staff to prepare and record a Notice of Completion with the Ventura County Recorder.

ACTION: Commissioner Carson moved, seconded by Commissioner Smith and carried by a vote of 5-0 to adopt Resolution No. 3296, accepting the work of J & T Engineering and Construction for the Ventura Harbor ADA parking access improvements and authorize staff to prepare and record a Notice of Completion with the Ventura County Recorder.

3) Update on Harbor Entrance Conditions, Dredging and Economic Impacts to Businesses

Recommended Action: Informational.

That the Board of Port Commissioners receive an update from Harbormaster, John Higgins on the Harbor Entrance Conditions, a report from Dredging Consultant, Richard Parsons on the status of the dredging project and a report from Business Operations Manager, Brian Pendleton on the economic impacts to businesses.

ACTION: The Board of Port Commissioners received a report from staff on the Harbor Entrance Conditions, the current status of the dredge and the economic impacts meeting held last week for businesses.

WORKSHOP ITEM:

1) Overview of Ventura Port District Marketing Plan

Recommended Action: Informational.

That the Board of Port Commissioners receive a presentation on the Ventura Port District's Marketing Plan.

ACTION: The Board of Port Commissioners received a presentation on the Ventura Port District's Marketing Plan. The following comments were made by each Commissioner:

1. Commissioner Smith

- Commented that engagement, the webpage, and print ads have vastly improved over the years.
- What are our measurement criteria or tools to ascertain what is effective and what is not?
- Suggest as a future topic that we invite our partners; especially the Ventura Visitors and Convention Bureau (VVCB) to discuss what the appropriate measurement criteria are and how do you measure engagement?
- Page 20 of the staff report talks about personnel expenses going down 4%. It hasn't gone down, it has actually increased. Make sure to double check information in public reports.
- What effect does the advertising of the Harbor by the VVCB or the City have on Harbor revenues?
- What advertising do we do for the City or the VVCB? I think there is a symbiosis here. We are in a partnership with the City and VVCB; we are bringing people to Ventura, we are all benefiting. We do not have any links to the City or VVCB websites on our webpage.
- For clarification, we did not give direction; staff asked us for our input.
- If can't measure it, you can't improve it, so think it is a fair question to ask what are the measurements to ensure that funds are being spent correctly? At this time, we do not know what percentage the staff has spent on advertising versus social media, etc.

2. Commissioner Carson

- For the eight years I have been on the Commission, we have only increased the marketing staff and budget, even in economic declines.

3. Commissioner Valance

- Thanked Jennifer and Oscar for the report and good presentation.
- Wants to see a way to determine metrics; how can we track the money that is spent by Marketing?
- Out of the Marketing budget, we are spending 43% on personnel when the industry standard is 32% and the VVCB is spending 28%. Need to know if that 43% is bringing in the revenue. Just because revenues in the businesses have increased, we can't necessarily think that it is the marketing efforts of the Harbor because we also have VVCB marketing the Harbor. We do not know whose marketing money is having the biggest impact. A lot of money is going out, but we do not know what is coming in as a result.
- An idea is to bring in an outside consultant on these types of metrics and have them assist us in the development of a model for our own use and make improvements from the results.

4. Commissioner Ashworth

- The Board is the one that gives staff direction, not individuals, that is how we function. We do not have sub-committees.
- Marketing is an investment and we should promote the Harbor as a destination and collaborate with the City.
- Agree that we should always tune ourselves and understand how our value of money is spent, but not sure if metrics is the way to go.
- Would like to hear from tenants what they are tracking, for example, Andria's tracks license plates.
- We are not here to run this business; we are here to make sure the business is run properly. I do not need to know how staff spends their time. I want to make sure we deliver for our clients, deliver for our customers and have a performance.
- Suggest including tenant ideas in monthly staff report.

5. Commissioner Friedman

- With regards to Commissioner Valance's comment about the budget and the salary expense, I am assuming that is including benefits and retirement? And this puts us at a little bit of a disadvantage, because benefits of public agencies are more often times considerably higher than those of private industries. So we have costs involved as a public agency that pushes over where a private entity would not have those costs. Need to take this into account.
- With regards to Commissioner Ashworth's comment about meeting with staff, Commissioner Smith and Valance did not meet as a subcommittee, but met to give suggestions.
- The amount of information provided by staff was excellent and appreciated the thoroughness of the presentation.

- **Appreciate the tenants who came and participated in the discussion. If we do not hear from you, we do not know what is working and not working. It is good for the Board to hear your comments.**

Public Comment: Wendy Guionnet, owner of *Le Petit* suggested more events Monday – Friday and in the fall. She suggested a loyalty program for locals, more live music, and chowder cook-offs. The bike races and beer festival do not help the tenants. Alex Hong, owner of *Coastal Cone and The Parlor* commented that his businesses have experienced healthy growth rates and his social media has been increasing due to work with the marketing team. Mr. Hong has also been able to collaborate with other businesses like Andria's Seafood, which has been very beneficial. Lynn Mikelatos, owner of *The Greek* commented that nothing has been done with the entrance to Harbor Village; it should create a sense of arrival to bring patrons in. The tenant meetings are very productive and there is good merchant feedback. Ms. Mikelatos also suggested more water features around Harbor Village, especially at the entrance. Cappi Patterson, owner of *The December Store and More*, commented that she use to be downtown and had to do everything herself. Now that she is part of Harbor Village, she loves being included in everything and having help from the Marketing Department. Sam Sadove, owner of the *Rhumb Line* and *Ventura Harbor Marina and Yacht Yard*, agrees that events are not needed in the summer months, but in the fall and winter and suggested a squid festival. He also recognized Harbormaster, John Higgins for his work with the Channel Entrance closure and commented that the public needs to know that the Village is open because they think it is closed. Mike Wagner, owner of *Andria's Seafood*, commented that all business need to continue to market, even if you have good food, staff and location. Mr. Wagner also commented that the Board cannot cut the marketing budget; do not micromanage; suggest ideas. Andy Fernandez, owner of *The 805* commented that the tenant meetings have been great and it is nice to see Mr. Pena attend them all. Mr. Fernandez suggested more nighttime entertainment and asked what can we do that doesn't cost?

REQUEST FOR FUTURE AGENDA ITEMS: The Commission would like staff to discuss the issue of metric measurements with our partners and report back on what they believe is the best most cost effective way at getting at the fundamental question of "How do we measure effectiveness of our strategies in marketing?"

ADJOURNMENT: The meeting was adjourned at 1:49PM.

Secretary

FEBRUARY 24, 2016
BOARD OF PORT COMMISSIONERS

DEPARTMENTAL STAFF REPORTS

DREDGING
FACILITIES
HARBORMASTER
MARINA
MARKETING
PROPERTY MANAGEMENT
QUARTERLY TREASURERS REPORT

RWP DREDGING MANAGEMENT

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

February 25, 2016

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

Subject: January/February 2016 Dredging Activities and Special Projects Report

The Dredging Program Manager's activities for the January to mid-February 2016 period are reviewed below:

FY2016 Federal Dredging Appropriations

In late December 2015 the Congress passed the FY2016 Omnibus Appropriations Bill which included \$4.83 million for the FY2016 dredging of the Ventura Harbor. Then on February 9, 2016, the Corps of Engineers released the FY2016 Work Plan for navigation projects which included an additional \$2.5 million for Ventura Harbor. That brings the total funds available for the FY2016 dredging effort to \$7.33 million which will assure an excellent effort.

FY2017 Federal Dredging Appropriations

On February 9, 2016, the Administration released its proposed FY2017 Federal Budget which calls for a \$4.3 million appropriation for the dredging of Ventura Harbor. While we are certainly pleased to be included in the budget, our task now is to secure additional funding of about \$3 million in the anticipated FY2017 work plan. However, with the upcoming national election and a new administration taking over in Washington in 2017 the appropriation process is likely to be even more unpredictable than what is now considered normal.

FY2016 Army Corps of Engineers Maintenance Dredging

The Los Angeles District of the Corps of Engineers entered into a three year maintenance dredging contract for Ventura Harbor with Manson Construction Co. on December 29, 2015. Manson began mobilizing into the harbor in late January 2016 and the hydraulic dredge, H.R. Morris, began the operation on February 10, 2016. Manson is expected to remove about 875,000 cu.yds of material from the federal channel area which will place the harbor entrance in excellent condition. The work should be completed by late March or early April 2016.

Harbor Village Marina Modifications

On January 14, 2016, the California Coastal Commission approved (see attached notice) the Port District's plans to modify and replace docks C, D, G and H at Harbor Village Marina (19 months after the initial application). Permits must still be obtained from the Corps of Engineers and the Los Angeles Regional Water Quality Control Board but I do not view that process as problematic, just time consuming.

Roof Tile Replacement at 1691 Spinnaker Drive

Letner Roofing mobilized their equipment and material for replacing the tile roof at 1691 on February 18, and will commence the actual work on the 22nd, weather permitting.

Respectfully submitted,

Richard Parsons

Dredging and Special Projects Consultant

Attachment: Coastal Commission Notice

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST DISTRICT OFFICE
89 SOUTH CALIFORNIA STREET, SUITE 200
VENTURA, CALIFORNIA 93001-2801
PH (805) 585-1800 FAX (805) 641-1732
WWW.COASTAL.CA.GOV



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February 4, 2016

Permit Application No.: 4-14-0821

NOTICE OF INTENT TO ISSUE PERMIT

(Upon satisfaction of special conditions)

THE SOLE PURPOSE OF THIS NOTICE IS TO INFORM THE APPLICANT OF THE STEPS NECESSARY TO OBTAIN A VALID AND EFFECTIVE COASTAL DEVELOPMENT PERMIT ("CDP"). A Coastal Development Permit for the development described below has been approved but is not yet effective. Development on the site cannot commence until the CDP is effective. In order for the CDP to be effective, Commission staff must issue the CDP to the applicant, and the applicant must sign and return the CDP. **Commission staff cannot issue the CDP until the applicant has fulfilled each of the "prior to issuance" Special Conditions.** A list of all the Special Conditions for this permit is attached.

The Commission's approval of the CDP is valid for two years from the date of approval. To prevent expiration of the CDP, you must fulfill the "prior to issuance" Special Conditions, obtain and sign the CDP, and commence development within two years of the approval date specified below. You may apply for an extension of the permit pursuant to the Commission's regulations at Cal. Code Regs. title 14, section 13169.

On January 14, 2016, the California Coastal Commission approved Coastal Development Permit No. 4-14-0821 requested by **Ventura Port District** subject to the attached conditions, for development consisting of: **Replace existing wooden docks C, G, H, and southern section of dock D with precast concrete floating docks, reconfigure docks G and H to better accommodate commercial fishing ships, replace existing piles with larger precast concrete piles, and construct a 109 foot precast concrete walkway between docks C and D, more specifically described in the application filed in the Commission offices.** **Commission staff will not issue the CDP until the "prior to issuance" special conditions have been satisfied.**

The development is within the coastal zone at **Ventura Harbor Village Marina, Spinnaker Drive (Ventura County)**

If you have any questions regarding how to fulfill the "prior to issuance" Special Conditions for CDP No. 4-14-0821, please contact the Coastal Program Analyst identified below.

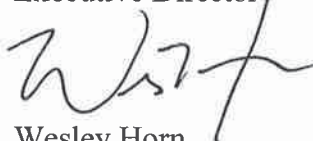
February 4, 2016

Permit Application No.: 4-14-0821

NOTICE OF INTENT TO ISSUE PERMIT

(Upon satisfaction of special conditions)

Sincerely,
Charles Lester
Executive Director



Wesley Horn
Coastal Program Analyst

ACKNOWLEDGMENT

The undersigned permittee acknowledges receipt of this Notice and fully understands its contents, including all conditions imposed.

Date

Permittee

Please sign and return one copy of this form to the Commission office at the above address.

STANDARD CONDITIONS

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, then permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission and affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

NOTICE OF INTENT TO ISSUE PERMIT

(Upon satisfaction of special conditions)

NOTE: IF THE **SPECIAL CONDITIONS** REQUIRE THAT DOCUMENT(S) BE RECORDED WITH THE COUNTY RECORDER, YOU WILL RECEIVE THE LEGAL FORMS TO COMPLETE (WITH INSTRUCTIONS). IF YOU HAVE ANY QUESTIONS, PLEASE CALL THE DISTRICT OFFICE.

1. Pre and Post-Construction Eelgrass Survey(s)**A. Pre-Construction Eelgrass Survey:**

- A valid pre-construction eelgrass (*Zostera marina*) survey shall be completed during the period of active growth of eelgrass (typically March through October). The pre-construction survey shall be completed prior to the beginning of construction and shall be valid until the next period of active growth. The survey shall be prepared in full compliance with the "Southern California Eelgrass Mitigation Policy" dated October 2014 (except as modified by this special condition) adopted by the National Marine Fisheries Service (see http://www.westcoast.fisheries.noaa.gov/habitat/habitat_types/seagrass_info/california_eelgrass.html) and shall be prepared in consultation with the California Department of Fish and Wildlife. The applicant shall submit the eelgrass survey for the review and approval of the Executive Director within five (5) business days of completion of each eelgrass survey and in any event no later than fifteen (15) business days prior to commencement of any development. If the eelgrass survey identifies any eelgrass within the project area which would be impacted by the proposed project, the development shall require an amendment to this permit from the Coastal Commission or a new coastal development permit in order to address and allow eelgrass mitigation measures, as described in subsection B, below. However, no amendment or new permit is needed if the Executive Director determines that no amendment or new permit is required.

B. Post-Construction Eelgrass Survey:

- If any eelgrass is identified in the project area by the survey required in subsection A of this condition above, within one month after the conclusion of construction, the applicant shall survey the project site to determine if any eelgrass was adversely impacted. The survey shall be prepared in full compliance with the "Southern California Eelgrass Mitigation Policy" dated October 2014 (except as modified by this special condition) adopted by the National Marine Fisheries Service (see http://www.westcoast.fisheries.noaa.gov/habitat/habitat_types/seagrass_info/california_eelgrass.html) and shall be prepared in consultation with the California Department of Fish and Wildlife. The applicant shall submit the post-construction eelgrass survey for the review and approval of the Executive Director within thirty (30) days after completion of the survey. If any eelgrass has been impacted, the applicant shall replace the impacted eelgrass at a minimum 1.38:1 ratio on-site, or at another location, in accordance with the Southern California Eelgrass Mitigation Policy (SCEMP). All impacts to eelgrass habitat shall be mitigated at a minimum ratio of 1.38:1 (mitigation:impact). The exceptions to the required 1.38:1 mitigation ratio found within SCEMP shall not apply. Implementation of mitigation shall require an amendment to this permit or a new coastal development

February 4, 2016

Permit Application No.: 4-14-0821

NOTICE OF INTENT TO ISSUE PERMIT

(Upon satisfaction of special conditions)

permit unless the Executive Director determines that no amendment or new permit is required.

2. Pre-Construction *Caulerpa Taxifolia* Survey

- A. Not earlier than ninety (90) days and no later than thirty (30) days prior to commencement of any development authorized under this coastal development permit (the "project"), the applicant shall undertake a survey of the project area and a buffer area at least ten (10) meters beyond the project area to determine the presence of the invasive alga *Caulerpa taxifolia*. The survey shall include a visual examination of the substrate.
- B. The survey protocol shall be prepared in consultation with the Regional Water Quality Control Board, the California Department of Fish and Wildlife, and the National Marine Fisheries Service.
- C. Within five (5) business days of completion of the survey, the applicant shall submit the survey:
 - (1) for the review and approval of the Executive Director; and
 - (2) to the Surveillance Subcommittee of the Southern California Caulerpa Action Team (SCCAT). The SCCAT Surveillance Subcommittee may be contacted through William Paznokas, California Department of Fish & Wildlife (858-467-4218), William.Paznokas@wildlife.ca.gov or Bryant Chesney, National Marine Fisheries Service (562-980-4037, Bryant.Chesney@noaa.gov), or their successors.
- D. If *Caulerpa taxifolia* is found within the project or buffer areas, the applicant shall not proceed with the project until: (1) the applicant provides evidence to the Executive Director that all *C. taxifolia* discovered within the project and/or buffer area has been eliminated in a manner that complies with all applicable governmental approval requirements, including but not limited to those of the California Coastal Act, or (2) the applicant has revised the project to avoid any contact with *C. taxifolia*. No revisions to the project shall occur without a Coastal Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

3. Construction Responsibilities and Debris Removal.

By acceptance of this permit, the applicant agrees to comply with the following construction-related requirements:

- A. No demolition or construction materials, equipment, debris, or waste shall be placed or stored in the water, or where it may enter sensitive habitat, receiving waters or a storm drain, or be subject to wave, wind, rain or tidal erosion and dispersion;
- B. Any and all debris resulting from demolition or construction activities, and any remaining construction material, shall be removed from the project site each day. Dock demolition debris shall be removed from the water as quickly as possible in order to

NOTICE OF INTENT TO ISSUE PERMIT

(Upon satisfaction of special conditions)

- prevent the spread of invasive aquatic plant species (Japanese kelp), but in no case later than the end of each day;
- C. Demolition or construction debris and sediment shall be removed from work areas each day that demolition or construction occurs to prevent the accumulation of sediment and other debris that may be discharged into coastal waters;
 - D. Machinery or construction materials not essential for project improvements will not be allowed at any time in the subtidal or intertidal zones;
 - E. If turbid conditions are generated during construction, a silt curtain will be utilized to control turbidity;
 - F. Eelgrass shall not be disturbed. Anchors shall not be placed in eelgrass areas.
 - G. Floating booms will be used to contain debris discharged into coastal waters and any debris discharged will be removed as soon as possible but no later than the end of each day;
 - H. Non buoyant debris discharged into coastal waters will be recovered by divers as soon as possible after loss;
 - I. All trash and debris shall be disposed in the proper trash and recycling receptacles at the end of every construction day;
 - J. The applicant shall provide adequate disposal facilities for solid waste, including excess concrete, produced during demolition or construction;
 - K. Debris shall be disposed of at a legal disposal site or recycled at a recycling facility. If the disposal site is located in the coastal zone, a coastal development permit or an amendment to this permit shall be required before disposal can take place unless the Executive Director determines that no amendment or new permit is legally required;
 - L. All stock piles and construction materials shall be covered, enclosed on all sides, shall be located as far away as possible from drain inlets and any waterway, and shall not be stored in contact with the soil;
 - M. Machinery and equipment shall be maintained and washed in confined areas specifically designed to control runoff. Thinners or solvents shall not be discharged into sanitary or storm sewer systems;
 - N. The discharge of any hazardous materials into any receiving waters shall be prohibited;
 - O. Spill prevention and control measures shall be implemented to ensure the proper handling and storage of petroleum products and other construction materials. Measures shall include a designated fueling and vehicle maintenance area with appropriate berms and protection to prevent any spillage of gasoline or related petroleum products or contact with runoff. The area shall be located as far away from the receiving waters and storm drain inlets as possible;
 - P. Best Management Practices (BMPs) and Good Housekeeping Practices (GHPs) designed to prevent spillage and/or runoff of demolition or construction-related

February 4, 2016

Permit Application No.: 4-14-0821

NOTICE OF INTENT TO ISSUE PERMIT

(Upon satisfaction of special conditions)

materials, and to contain sediment or contaminants associated with demolition or construction activity, shall be implemented prior to the on-set of such activity; and

- Q. Any wood treatment used shall conform to the specifications of the American Wood Preservation Association for saltwater use. Wood treated with Creosote, CCA (Chromated Copper Arsenate), or ACA (Ammoniacal Copper Arsenate) is prohibited. No wood treated with ACZA (Ammoniacal Copper Zinc Arsenate) shall be used where it could come into direct contact with the water. All treated timber shall be free of chromium and arsenic.
- R. All BMPs shall be maintained in a functional condition throughout the duration of construction activity.

4. Inspection and Maintenance Program.

Throughout the life of the development approved by this permit, the permittee shall exercise due diligence in periodically inspecting (at least once per year) the facilities that are subject to this coastal development permit. The permittees shall immediately undertake any repairs necessary to maintain the structural integrity of the docks, pilings, and utility connections, prevent leaks, and to ensure that debris does not enter the environment.

5. Conformance with the Requirements of Other Resource Agencies.

The applicant shall comply with all permit requirements, and mitigation measures of the California Department of Fish and Wildlife, State Water Quality Control Board, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service with respect to preservation and protection of water quality and the marine environment. Any change in the approved project which may be required by the above-stated agencies shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations

6. Assumption of Risk.

By acceptance of this permit, the applicant acknowledges and agrees (i) that the site may be subject to hazards from storm waves, tsunamis, surges, and flooding; (ii) to assume the risks to the applicant and the property that is the subject of this permit of injury and damage from such hazards in connection with this permitted development; (iii) to unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; and (iv) to indemnify and hold harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards.

Prior to commencement of development, the applicant shall submit a written agreement, in a form and content acceptable to the Executive Director, incorporating all of the above terms of this condition.

VENTURA PORT DISTRICT
DEPARTMENTAL STAFF REPORT

Meeting Date: February 24, 2016

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

I. Maintenance

- 1) Minor tenant improvement was performed in 1575 Suite 106 and 107.
- 2) Replaced failed drain roof pipe at 1449 Suite E, new carpet was installed in suite, due to water damage.
- 3) Replaced Mutt mitt dispenser located at Surfers Knoll.
- 4) Vehicle M-31, M-38, M-39, were serviced.
- 5) Several services were performed on Harbor Patrol boats 17, 19 and Boat 1.
- 6) Graffiti was removed in several restrooms within the Village.
- 7) Preventive maintenance was done on Ventura Port District's shop/hanger air blower.
- 8) Launch ramp boat washed facility was serviced.
- 9) Electronic card reader was replaced due to being vandalized on 1559 downstairs public men's restroom exterior door.
- 10) Five light bulbs were replaced in the Ventura Harbor Village parking lot.
- 11) Monthly inspection on all VPD fire extinguishers was performed.
- 12) Minor repair was done on building 1567 electrical access gate.
- 13) Three exterior light bulbs were replaced on buildings at the Ventura Harbor Village.
- 14) New battery was installed in H-10B vehicle.
- 15) 1691 restroom's water heater was replaced.
- 16) New E.M.R light fixture was installed in women's restroom in 1559 building.
- 17) 1575 women's restroom's hand dry was repaired.
- 18) New light bulb in Launch Ramp restroom # 4 was installed.

II. Landscaping

- 1) New Irrigation clock was installed at 19A Lot.
- 2) One light voltage light fixture was replaced at 1559 courtyard.
- 3) Inspected all irrigation sprinklers for any water waste.
- 4) 7 large pine trees were completely removed throughout the Harbor after experiencing severe damage from high winds.
- 5) Several large pine trees were trimmed throughout the Village to prevent damage from high winds.

III. Marina

- 1) A-Dock pedestal #1 & #2 had new light bulbs installed.
- 2) Monthly inspection on all fire extinguishers for the marina docks/facilities was performed.
- 3) Serviced Hoist #1.
- 4) C-Dock fire hose cabinet door hardware was serviced.
- 5) Electrical work was done on C-Dock 2B pedestal.
- 6) Two hose bibs were replaced at the fish pier.
- 7) Minor electrical work was done on H-Dock pedestal #4.
- 8) I-Dock pedestal 1C light bulb was replaced.
- 9) H-Dock pedestals 13 & 15 light bulbs were replaced.
- 10) F-Dock's gangway's bottom plate was re-welded in place.

IV. Marketing

- 1) Assisted the Marketing Department by setting up tables, banners, reserving parking stalls, etc. for eight events from January 2, 2016 through January 22, 2016.

V. Construction Projects

- 1) 1691 Elevator Modernization - ThyssenKrupp has completed the Modernization of the elevator; final inspection with State of California Department of Industrial Relations Division of Occupational Safety & Health has been scheduled for February 23, 2016.

VENTURA PORT DISTRICT
DEPARTMENTAL STAFF REPORT

Meeting Date: February 24, 2015

TO: Board of Port Commissioners
FROM: John Higgins, Harbormaster
SUBJECT: January/February Harbormaster Report

I. Winter Storms

We have spent the last four months preparing for the possible impacts of the predicted El Niño. As we expected, the winter waves and coastal erosion were impacting our area in a dramatic form. Within a very short time period we had greater than 70% erosion to our beach on the South Side of the Harbor. Another very prominent El Niño effect was the strong winds we have been experiencing. The sand drift has scoured our beaches and deposited sand on the City Street and neighboring Marinas. On January 31st, we experienced some of the strongest winds we have had in a number of years. With gusts in the 50-60's, our harbor began to suffer downed trees in Harbor Village.

II. Local Emergency

After a series of El Niño large long period storms during December and early January, the Harbor Entrance experienced an abrupt shoaling. The shoaling was a direct result of a sudden full sand trap and the strong currents that were pushing that sand into our entrance. The strong currents were also posing a hazard to boaters as they were now forced to navigate into an unprecedented narrowing channel with breaking waves on both sides. Working with staff and outside agencies, we took a very proactive approach by putting a number of plans and actions in place to preserve life and property. Escorts were provided until the "Safety Zone" plan was put in to effect.

Harbor Patrol Report Statistics January/February 2016	
911 Dispatched Calls	43
In Harbor	19
Out Harbor	13
Total	32
Boating	12
Non-Boat	21
Per in H2O	20
Capsized	4
Hazard to Nav	4
H2O Rescue	14
Mech Fail	4
Medical	17
Collision	3
Violation	0
Tow	8
Fires	3
Agency Asst	43

III. Safety Zone

The Local Emergency presented real hazards to both boaters and the agencies, which would be responsible for effecting rescues. In a planning meeting with Ventura County Public Safety Agencies and the US Coast Guard, the topic of how to best minimize the impact to the community and provide the highest level of risk management was looked at closely. The options available at that time were to continue to provide escorts of boats, and a complete Harbor Closure. Both of these options had serious consequences and would present unique challenges in themselves. Working directly with the US Coast Guard we were able to come up with another option which was an order of the Captain of the Port in the form of a "Safety Zone". This "Safety Zone" was essentially a closure with some opportunity to escort boats with good cause in or out of the Harbor. While this ceased recreational boating it allowed for key boats to relocate or return to the Harbor under controlled circumstances. We feel this process has been very successful in dealing with the Hazard and expect it to be used as a model for other Harbors in the future as they are presented with similar issues.

IV. Enhanced Staffing & 24 Hour Coverage

With all the issues like El Niño, rapid shoaling, high surf, a safety zone, and increased calls for service happening at such a fast rate, it became critical to enhance our staffing and to initiate 24-hour coverage. This was done to ensure that we were able to meet the needs of the public and to ensure everyone's safety. We now have started to decrease daily staffing, but have continued the 24 hour coverage. We plan to have a staff meeting when the entrance opens to discuss how this change has challenged or benefitted our Harbor.

V. Mechanical Issues

At the beginning of this shoaling event, we experienced unexpected mechanical issues on 2 of our 3 boats. Having only one boat available during this event was an emergency in itself. Our staff dropped everything and made getting these vessels back into service a priority. While overtime was used to do the work we were able to save money on the repairs and keep our staff available on premises to attend to other important needs. I want to thank Port District Employee's Sergio Gonzalez (Vessel Technician), John Collins (Electrical Technician), and Bobby Crane (Harbor Patrol Officer) for working overtime for several days to get all our boats back in service.

VI. Fishing Vessel "Day Island"

A newly relocated 70 foot commercial fishing vessel ran aground on Pierpont Beach in the evening hours. The accident did not result in any injuries but presented significant challenges on how to best deal with the large vessel and its fuel. Due to a number of factors, it was determined that the vessel could not be towed off the beach and was later destroyed by salvage crews. While we were mostly involved with the initial rescue, I remained involved and assisted with the efforts up to it being destroyed. One of the issues with the whole event was that the boat owner did not have insurance and all the costs for the removal of fuel and the destruction was paid by State and Local Government. The costs for these services were significant. As the Harbormaster, I would like to further investigate if we can require all vessels within the Harbor to have both pollution and salvage insurance.

VII. Meetings and Trainings Attended

- Oxnard Harbor District "Harbor Safety Committee" Meeting
- Los Angeles Area Committee Meeting (Oil Disaster/Response)
- Regional Ocean Rescue Committee

VIII. Crime Reports Provided by the Ventura Police Department

Harbor Crimes Report - RD's 46 and 47

Start Date: 1/1/2016 To End Date: 1/31/2016

RD	Report Number	Date Time	Address of Event	Incident Type	Statute Code	Code Description
46	LVE16-000389	01/09/2016 21:46Hrs	1198 NAVIGATOR DR	DOMEST	IR415F	IR DOMESTIC VERBAL
	LVE16-000976	01/21/2016 12:54Hrs	SANTA CLARA RIVERBOTTOM	Not Given	PC647 (E)	DISORDERLY CONDUCT:LODGE W/O CONSENT
47	LVE16-001073	01/22/2016 20:05Hrs	1559 SPINNAKER DR	BURGV	PC459 -AUTO	BURGLARY-AUTO

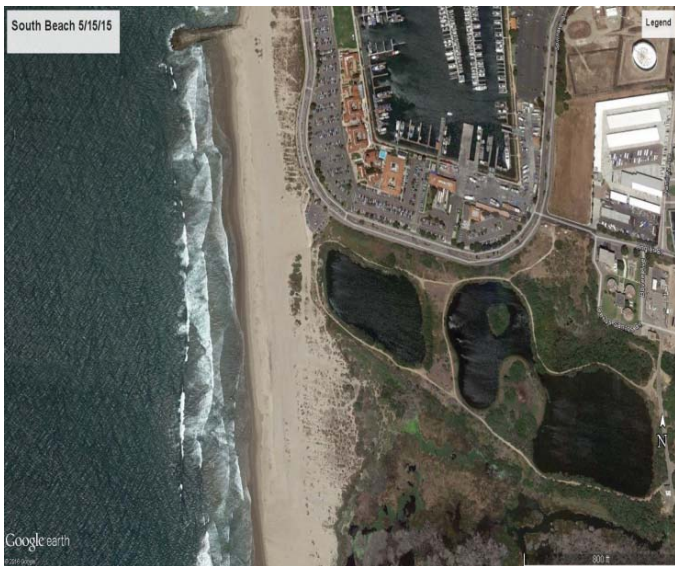
ATTACHMENTS:

Attachment 1 – El Niño Pictures

Attachment 2 – 911 Calls Dispatched/Notified (Harbor Patrol – HAR10)

ATTACHMENT 1

El Nino Storm Pictures



Attachment 2 - 911 Calls Dispatched/Notified

Incident	Units	Priority	Problem	Agency	Address	City	Response Date
16-0000599	HARB10, ME2, MED482	M3	UNCONSCIOUS/FAINT HIGH	Ventura County Fire Department	1559 SPINNAKER DR	Ventura	1/2/2016 10:06:43 PM
16-0000618	HARB10, ME2, MED481	M5	UNKNOWN PROBLEM NON EMD	Ventura County Fire Department	1500 Anchors Way	Ventura	1/2/2016 11:37:40 PM
16-0001273	HARB10, ME2, MED482	M5	MEDICAL ALARM	Ventura County Fire Department	1215 Anchors Way	Ventura	1/5/2016 9:47:02 AM
16-0001854	HARB10, ME2, MED482	M3	UNCONSCIOUS/FAINT HIGH	Ventura County Fire Department	1215 Anchors Way	Ventura	1/6/2016 2:53:09 PM
16-0002389	HARB10, ME2	F7	INVESTIGATION	Ventura County Fire Department	Olivas Park Dr / E Harbor Blvd	Ventura	1/8/2016 6:59:30 AM
16-0003247	AIRSQ9, B10, B5, BOAT1, CSTGRD, HARB10, LIFEGD, ME1, ME2, ME51, MED482, MED483, MT5, SAFETY, TR2, WR10, WR53	F3	WATER RESCUE	Ventura County Fire Department	1019 Woodstock Ln	Ventura	1/10/2016 10:18:28 PM
16-0004858	AIRSQ9, B10, B23, BOAT1, CSTGRD, HARB10, LIFEGD, ME1, ME2, MED483, MT5, SAFETY, TR3, WR10, WR53	F3	WATER RESCUE	Ventura County Fire Department	Anchors way / anchors way dr	Ventura	1/16/2016 1:24:41 PM
16-0005032	AIRSQ9, B10, B5, BOAT1, CSTGRD, E54, HARB10, LIFEGD, ME1, ME2, MED482, MT5, SAFETY, TR2, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	559 Figueroa St	Ventura	1/17/2016 7:52:28 AM
16-0005136	HARB10, ME2, MED482	M3	BREATHING PROBLEMS NON EMD	Ventura County Fire Department	1600 Spinnaker Dr	Ventura	1/17/2016 1:45:20 PM
16-0005155	AIRSQ8, AIRSQ9, B10, B23, CRP61, CSTGRD, E25, E54, HARB10, LIFEGD, ME1, ME2, MED482, MT5, SAFETY, TR2, WR10, WR53	F3	WATER RESCUE	Ventura County Fire Department	3502 W Pacific Coast Hwy	Rincon Bluffs	1/17/2016 3:17:38 PM
16-0005408	HARB10, ME2, MED481	M5	UNKNOWN PROBLEM NON EMD	Ventura County Fire Department	E Harbor Bl / Spinnaker Dr	Ventura	1/18/2016 1:08:58 PM
16-0005675	HARB10, ME3, MED693	M7	FALLS NO CODE	Ventura County Fire Department	1215 Anchors Way	Ventura	1/19/2016 12:13:24 PM
16-0005770	AIRSQ9, B10, B23, CSTGRD, HARB10, LIFEGD, ME1, ME2, MED481, MT5, SAFETY, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	600 E Harbor Blvd	Ventura	1/19/2016 5:24:19 PM
16-0006856	AIRSQ9, B10, B15, CSTGRD, HARB10, LIFEGD, ME1, ME2, MED482, MT5, SAFETY, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	450 E Harbor Blvd	Ventura	1/23/2016 4:22:11 PM
16-0006920	HARB10, ME5, MED482	M5	UNCONSCIOUS/FAINT	Ventura County Fire Department	1559 Spinnaker Dr	Ventura	1/23/2016 9:15:13 PM
16-0006994	EMS48, EMS51, HARB10, ME2,	F4	TC	Ventura County Fire Department	E Harbor Blvd / Schooner Dr	Ventura	1/24/2016 8:38:35 AM

Attachment 2 - 911 Calls Dispatched/Notified

	MED481, MED502						
16-0007025	B10, BOAT17, HARB10, LIFEGD, ME2, MED481, MED482	F3	WATER RESCUE	Ventura County Fire Department	1603 ANCHORS WAY DR	Ventura	1/24/2016 11:29:31 AM
16-0007309	HARB10, ME2, MED691	F7	PUBLIC SERVICE	Ventura County Fire Department	1215 Anchors Way	Ventura	1/25/2016 2:30:57 PM
16-0007915	HARB10, ME2, MED663	M5	STROKE (CVA)	Ventura County Fire Department	1215 Anchors Way	Ventura	1/27/2016 7:04:04 PM
16-0007923	HARB10, ME5, MED481	M5	UNCONSCIOUS/FAINT NON EMD	Ventura County Fire Department	1559 Spinnaker Dr	Ventura	1/27/2016 8:13:16 PM
16-0007988	HARB10, ME5	F7	COMMERCIAL FIRE ALARM	Ventura County Fire Department	1050 Schooner Dr	Ventura	1/28/2016 7:06:55 AM
16-0008210	HARB10, ME2	F7	COMMERCIAL FIRE ALARM	Ventura County Fire Department	1050 Schooner Dr	Ventura	1/28/2016 8:18:45 PM
16-0008272	HARB10, ME2, MED481	M3	CONVULSIONS/SEIZURES HIGH	Ventura County Fire Department	1080 Navigator Dr	Ventura	1/29/2016 5:06:10 AM
16-0008402	AIRSQ8, B5, B9, CSTGRD, HARB10, LIFEGD, ME1, ME3, MED482, MED663, MRE23, MT5, SAFETY, TR2, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	600 E Harbor Blvd	Ventura	1/29/2016 1:27:02 PM
16-0008414	AIRSQ8, B1, B2, B9, CRP61, CSTGRD, E25, HARB10, LIFEGD, ME1, ME3, MED482, MRE23, SAFETY, TR3, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	3476 W PACIFIC COAST HWY	Rincon Bluffs	1/29/2016 1:39:57 PM
16-0008464	AIRSQ8, B10, B2, CSTGRD, HARB10, LIFEGD, ME3, ME5, MED482, MT5, SAFETY, WR10, WR53	F3	WATER RESCUE	Ventura County Fire Department	2904 Pierpont Blvd	Ventura	1/29/2016 3:26:42 PM
16-0008670	HARB10, ME2	F7	INVESTIGATION	Ventura County Fire Department	2904 Pierpont Blvd	Ventura	1/30/2016 12:17:21 PM
16-0009695	HARB10, ME2, MED481	M3	UNCONSCIOUS/FAINT HIGH	Ventura County Fire Department	1215 Anchors Way	Ventura	2/3/2016 4:12:55 AM
16-0010655	HARB10, ME2, MED661	M5	CONVULSIONS/SEIZURES	Ventura County Fire Department	1559 Spinnaker Dr	Ventura	2/6/2016 6:36:09 PM
16-0010762	HARB10, ME2	F7	COMMERCIAL FIRE ALARM	Ventura County Fire Department	1050 Schooner Dr	Ventura	2/7/2016 9:02:52 AM
16-0010807	HARB10, ME2, MED482	M3	UNCONSCIOUS/FAINT HIGH	Ventura County Fire Department	1567 Spinnaker Dr	Ventura	2/7/2016 12:41:42 PM
16-0011149	B10, EMS48, HARB10, ME1, ME2, MED481, MED482, MT5	F3	TC (HEAVY RESCUE)	Ventura County Fire Department	E Harbor Blvd / Schooner Dr	Ventura	2/8/2016 1:57:16 PM
16-0011258	HARB10, ME2, MED664	M3	BREATHING PROBLEMS HIGH	Ventura County Fire Department	1215 Anchors Way	Ventura	2/8/2016 6:23:18 PM
16-0011315	HARB10, ME2, MED482	M5	BEHAVIORAL EMERGENCY NON EMD	Ventura County Fire Department	1080 Navigator Dr	Ventura	2/8/2016 11:21:11 PM
16-0011446	HARB10, ME5, MED692	F4	TC	Ventura County Fire Department	E Harbor Blvd / Schooner Dr	Ventura	2/9/2016 1:36:08 PM
16-0012203	AIRSQ9, B10, B5, CSTGRD, HARB10, LIFEGD, ME2, ME5, MED483, MT5, SAFETY, WR10, WR53	F3	WATER RESCUE	Ventura County Fire Department	1400 Angler Ct	Ventura	2/12/2016 1:20:29 PM
16-0012242	AIRSQ9, B10, B54, CSTGRD, E25, HARB10, LIFEGD, ME1,	F3	WATER RESCUE	Ventura County Fire Department	3438 W Pacific Coast Hwy	Rincon Bluffs	2/12/2016 4:07:06 PM

Attachment 2 - 911 Calls Dispatched/Notified

	ME5, MED662, MT5, SAFETY, TR2, USAR154, WR10						
16-0012493	AIRSQ9, B10, B2, CSTGRD, HARB10, LIFEGD, ME2, ME5, MED481, MT5, SAFETY, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	600 E Harbor Blvd	Ventura	2/13/2016 3:41:09 PM
16-0012494	HARB10, ME5, MED481, MED662	M7	DIABETIC PROBLEMS NO CODE	Ventura County Fire Department	1400-1999 Spinnaker Dr	Ventura	2/13/2016 3:54:25 PM
16-0012579	HARB10, MED482	M7	UNKNOWN PROBLEM NON EMD	Ventura County Fire Department	1559 Spinnaker Dr	Ventura	2/13/2016 9:27:44 PM
16-0012671	AIRSQ9, B1, B10, B2, CSTGRD, E25, HARB10, LIFEGD, ME5, MED665, MT5, SAFETY, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	3476 W PACIFIC COAST HWY	Rincon Bluffs	2/14/2016 11:07:02 AM
16-0012794	HARB10, ME2, MED662	F4	TC	Ventura County Fire Department	1449 Spinnaker Dr	Ventura	2/14/2016 6:10:17 PM
16-0012809	HARB10, ME2, MED483	M3	CHOKING HIGH	Ventura County Fire Department	1215 Anchors Way	Ventura	2/14/2016 7:24:18 PM
16-0012928	AIRSQ9, B10, B5, CSTGRD, E25, HARB10, LIFEGD, ME1, ME2, MED662, MRE23, SAFETY, USAR154, WR10	F3	WATER RESCUE	Ventura County Fire Department	5101 W PACIFIC COAST HWY	Seacliff	2/15/2016 10:29:42 AM

VENTURA PORT DISTRICT
DEPARTMENTAL STAFF REPORT

Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Frank Locklear, Marina Manager
SUBJECT: Marina Report

I. Fish Pier

The surface of the fish pier has shown small areas of delamination in the previously applied top surface. Mr. Parsons arranged for the areas to be repaired. The Dockmaster staff will continue to inspect the surface for any areas that may need attention in the future.

II. Market Squid and Fish Off-loading

The January and February landings of market squid were minimal. Other west coast harbors continue to suffer and did no better. Approximately 60% of this season's squid quota remains uncaught. The industry hopes for productive squid landings in January and February, but they have not been realized. The current year's squid season will continue to March 31 or until the quota is caught. The next squid season will begin on April 1, 2016.

The shoaling of the harbor entrance resulted in the departure of several vessels engaged in fishing for other species to relocate to alternate harbors. As a result, the landings of that fish will be credited to those locations by Fish and Wildlife. That revenue for the fish offloaded will not be captured by Ventura Harbor and the loss is still being evaluated.

III. Ventura Harbor Village Marina Occupancy

Ventura Harbor Village slip occupancy exceeded 90% during the month of December to date. Most squid seiners and their accompanying light boats have remained in the harbor in anticipation of future productive landings of market squid.

Marketing/Ads/Events

Promotional Campaigns

Warm Yourself Seaside Campaign continues into February

- Weekly posts of Ways to Warm Yourself Seaside on social media channels
- Dedicated web site page/themed E-Newsletter

Valentine's Day – Love by the Sea

- Dedicated banner ads and Valentine Specials throughout the Harbor
- Sweet Treats by the Sea – banner on Home Page with tenant details
- Themed Enewsletter & Social Media boost ads to promote
- KHAY Radio ads week of February 9
- Timeout ½ page ad in Ventura County Star February 12 (circ. 46,000)



Event Production

- Ventura Harbor Cottontail Day spring festival/egg hunt in full-production for March 19
- Pirate Days 2016 – Review with Village tenants of date survey. Discussion at Tenant Meeting on February 3, the May 20 & 21 date was determined to move Pirate Days. However, reviewing major vendor conflict- Strawberry Festival same weekend in Oxnard.
- Music Line up for President's Day/ Valentine's Day weekend

New Revenues/On-Site Events

- Blackbeard's inquiries for January- February 16: 15 Call-Ins/ 17 Eventective Referrals. Resulted in 3 Rentals Booked/5 Pending Date Release (Note: Blackbeard's undergoing some construction & VPD releasing 30 days advanced bookings only.) Pop-Up Yoga continues weekly
- Film: Commercial Booked on February 26 in Ventura Harbor for Go-Go Scooter (Revenue:\$850)
- 15 Weddings Booked: Beach Rentals impacted by beach erosion & dredge activity in February
- Requested Event Application for June 26 Breathe of Life Triathlon on Spinnaker Drive

Media /Communications/Meetings

Upcoming Media Leads:

- The Log Newspaper Ambrosia Brody (Cottontail Festival Coverage & Dog Mascot Special Feature – Pitched Ventura Boat Rentals)
- Pitched Ventura Harbor events in January to the following outlets: Southern California Life Magazine/ Ventura Breeze/VC Reporter/Ventura County Star/The Acorn/Santa Clarita Valley Signal /Happenings
- Brie Grajkowski of Brigeeski (San Diego Adventure & Travel Show –Lead from Ventura Visitors & Convention Bureau)
- Katherine/Romeo Belarmino of Travel The World (San Diego Adventure & Travel Show – Lead from Ventura Visitors & Convention Bureau)
- NATJA (National Association of Travel Journalists of America) at Harbor Village- Planning for April 7 /Reviewing Post Tour options
- Pitched Ventura County West (Coast) for inclusion in Family Media Visit, scheduled for May/June 2016

Press Releases:

- February Wavelengths Media Newsletter/ March Mermaid Madness/Ventura Harbor Cottontail Day: Distributed to 575 California media outlets
- Created and Distributed Media Statement: "Business As Usual At Ventura Harbor and Ventura Harbor Village"
- Firefighters Brunch via The Greek Mediterranean Steak & Seafood/Channel Islands National Park Centennial Events – Distributed to regional media

Published Pieces:

- **The Lazy Man's Road Trip:** A scenic drive from LA to San Fran – Published on Yahoo.com (Result of Central Coast Tourism pitch)
- (circ. 21 million+/ Impressions: 53 million+/ Media Value= \$1 million) Mentions Brophy Brothers in article
- **Pasadena Magazine:** December 2015 Issue (Circ. 50,000) "Weekend Harbor"
- **Travel The World :** Blog – 10 Ideas for Unique California Getaways (Result of San Diego Adventure & Travel Show)
- **Walking The World Show Korea** (Impressions 15 million) Cooperative with Island Packers/ Ventura Visitors & Convention Bureau/Visit California
- Numerous articles regarding Harbor waterway closure & dredge in local/regional publications

Web Site Communications:

- Update Venturaharbor.com News section every 4-5 days on Harbor waterway entry & dredge status

Meetings with Tenants & Partners :

- Hosted Creative Strategy Meeting on February 3: 12 Businesses in attendance.
Discussed new date for Pirate Days, coop opportunities, upcoming promotions and feedback, 2016 Calendar of Events, brainstorm for weekday traffic with themed days
- Outreached to new Harbor retailers Island Creations & The December Store & More
- Attendance at Ventura Visitors & Convention Bureau Millennial Committee: January 26



Marketing Report January 2016

Website Analytics

VenturaHarbor.com



Top 4 Pages Visited (2016):

1. Tall Ships/ 2. Harbor Entry Status/ 3. Tall Ships Relocate/ 4. Harbor Patrol

Tall Ships received 13% of page views (Tall Ships only onsite for 5 days)

Harbor Entry Status received 6% of page views

VenturaHarborVillage.com



Top 4 Pages Visited (2016):

1. Dine/ 2. Tall Ships/ 3. Events Calendar/ 4. Shop

Tall Ships received 14% of page views (Tall Ships were only onsite for 5 days)

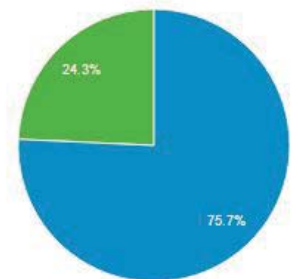
Acquisition of Views: Google & Organic Search/ Direct/ Referral

Top 5 Referral Sites to VenturaHarborVillage.com Website:

VenturaHarbor.com/ VenturaCountyWest.com/ Ventura Harbor Village E-Newsletter/
Camarillo.Macaronikid.com/ CityofVentura.net

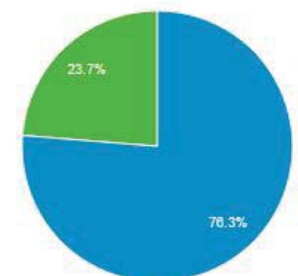
Data from Jan. 1 - Feb. 1, 2016

■ New Visitor ■ Returning Visitor



Data from Jan. 13 - Feb. 1, 2016

■ New Visitor ■ Returning Visitor



Marketing Report January 2016

Social Media Analytics

Instagram (3,321 Followers)

Tall Ships Instagram Contest (Jan 15th – Feb. 10th)

- 178 posts generated with 158 entries
- The dedicated web site page listing the contest and the **Grand Prize (\$50 Gift Certificate to Rhumb Line- The Sunset Restaurant)** was viewed **1,792 times** over the time period of the contest. (Tall Ships in only here 5 days, but we kept call for entries.)

Participants in the Tall Ships Ventura Contest included:

- Stacey Molter / LA Lifestyle Blogger (2,989 followers)
- Gobbell Media/ Cinematographer from Ojai (2,367 followers)
- Viva Ventura (2,122 followers)
- Jimmy the Tool Man (1,337 followers)
- Linda Beeson/ local photographer (1,747 followers)

Our handle, @venturaharbor, had an estimated new reach of 15,000 followers.

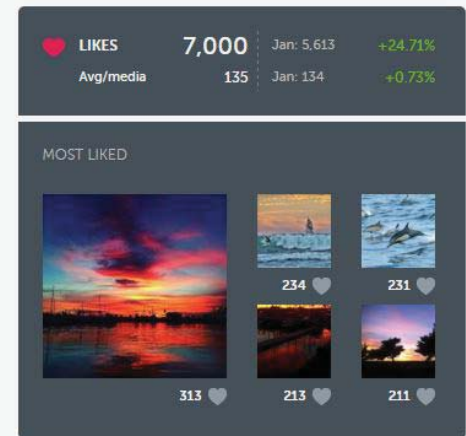


Your new followers increased by

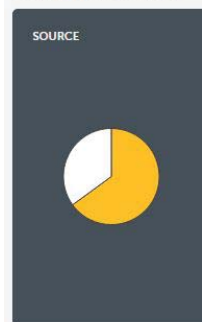
▲ **32%**

since last month

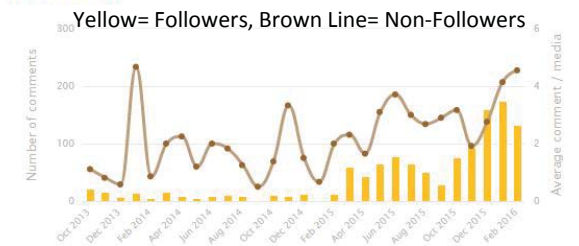
Engagement



Comment received



GROWTH HISTORY



Marketing Report January 2016

Social Media Analytics (Cont.)

Facebook (13,757 Likes)

Your new followers increased by

▲ **2.6%**
since last month

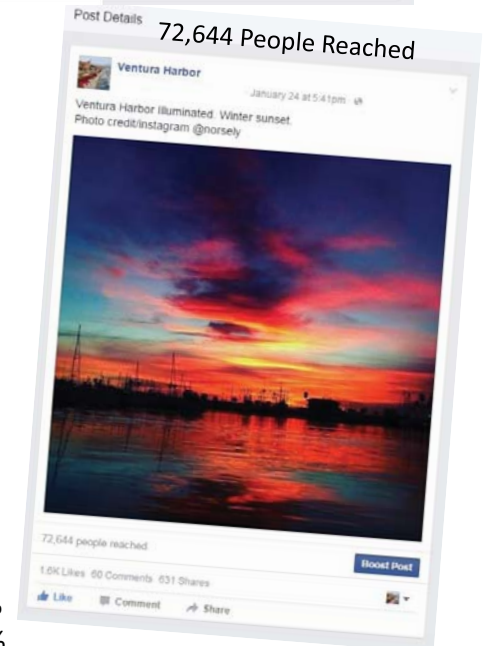


Twitter (3,314 Followers)

Your new followers increased by

▲ **3.5%**
since last month

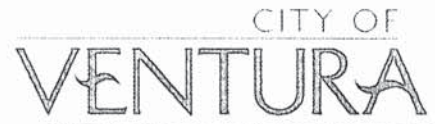
TWEETS 3,265 FOLLOWING 348 FOLLOWERS 3,314 LIKES 1,137



Ventura Harbor Village E-Newsletter

- January 13: "Tall Ships Are Almost Here!" Open Rate 17.4% / Click Rate 1.9%
- January 28: "20 Ideas to Get Cozy" Open Rate 18.2% / Click Rate 3.4%
- February 11: "Holiday Fun in the Sun" Open Rate 18.1% / Click Rate 2%

Marketing Report January 2016



February 9, 2016

Dear Oscar and Jennifer,

Thank you for serving on the City of Ventura's 150th Anniversary Celebration Committee. Your time was much appreciated and valued to assist with generating concepts and programs to enhance the community awareness and outreach.

The 150th Ridership program on the Downtown-Harbor Trolley in November and December was innovative and creative to kick off interest in the city-wide promotion and involve the local community to win prizes. Thank you to the Harbor businesses for their contribution.

We appreciate the enthusiasm to ensure that the 150th was integrated into the popular community 2015 Ventura Harbor Parade of Lights & Fireworks as part of the theme for the evening and the Boater's Award Brunch - "Surf, Sand & Santa – Celebrating 150 Years of Ventura."

Thank you for also featuring the 150th City of Ventura logo and links to the dedicated calendar on both the Ventura Harbor and Ventura Harbor Village web sites to enhance awareness through mid-2016.

We look forward to more collaboration in 2016.

Best regards,

Elena Brokaw
Director of Parks, Recreation, and Community Partnerships
City of Ventura

VENTURA PORT DISTRICT
DEPARTMENTAL STAFF REPORT

Meeting Date: February 24, 2016

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

I. Tenant Improvements Underway

- 1) *Wild Local Seafood Co.* - 1559 Spinnaker Drive, #105 – This project had some major setbacks at the beginning, but is now in full force. This project is almost complete, waiting on final approval from the City and obtain occupancy permit. Once received, remainder of equipment will be installed, stock inventory and hire staff. Estimated opening date is March 2016.
- 2) *The 805 Bar & Grilled Cheese and Copa Cubana* - 1575 Spinnaker Drive, #102 – The tenant has not completed improvements to the Copa Cubana space. Staff is in communication with the tenant to monitor when completion will occur. The liquor license was approved by the City on January 13, 2016. Tenant waiting on Gas Company to install meter, then final inspection can be executed by the City of Ventura. Estimated opening date is March 2016.
- 3) *Milano's Italian Restaurant* – 1575 Spinnaker Drive, #100 – Construction has begun in the interior patio and outside patio fireplace. Interior build out will occur next. Estimated remodeling shall be completed by first quarter in 2016.
- 4) *The Greek Mediterranean Steak & Seafood* – 1583 Spinnaker Drive #101 – The refurbished patio cover has been completed. We are working on a new redesign of existing bar area to open up out to the patio area. The contractor is working with the tenant's budget, phases and timeline. Once that is completed, we can move forward on completing final designs and project a start date for construction. Estimated completion by second quarter of 2016.
- 5) *Barefoot Boutique* – 1575 Spinnaker Drive, #106A&B – Drawings for expansion were approved by the City of Ventura. Construction has started on the expansion and moving along nicely. We already received electrical approvals, now the flooring and painting will began. Estimated completion first quarter in 2016.
- 6) *Harbor Wind & Kite* – 1575 Spinnaker Drive, #107 – This tenant recently vacated the premises. We have highlighted this space on multiple web advertising locations. We are also evaluating the option of splitting the space into two smaller spaces. We currently have a tenant interested in one of the spaces and I have been showing the second space to prospective tenants. There has been a lot of interest in the two new units.

II. Leasing

- 1) *December Store & More* – 1559 Spinnaker Drive, #103 -- Seasonal Holiday store through February 2016. They will be selling Holiday items and other special gifts. All these items are handmade by local Ventura artists.
- 2) *Tina O'Brien Fine Art* – 1559 Spinnaker Drive, #106 – This tenant has been a month to month tenant with a percentage rent structure since 2011. The tenant has decided to sign a full lease for one year that will have a base rent, cams, promo fee and percentage rent. This change will provide additional revenue to the Port District.
- 3) *Island Creations* – 1591 Spinnaker Drive, #113 -- This new tenant is relocating from Southern California. Ms. Hawthorne has had multiple different entities (i.e. Juice Bar, Retail, etc.). She will be opening up a Caribbean themed retail store that will consist of a variety of clothing that represents island attire (sundresses, sandals, handmade jewelry, reggae, etc.). Estimated opening date is March 2016.
- 4) Created a leasing packet, which can be printed or found on the website.
- 5) Posting ads online and in publications.
- 6) Overview of FY2015/2016 leasing strategy goals:
 - Obtain monthly, quarterly and annual data from real estate organizations and sources;
 - Procured Co-star for real estate analytics;

- Decrease vacancies consistent with (or better than) city averages in each leasing category and Harbor Village as a whole;
- Convert existing month-to-month tenancies to term tenancies with existing and/or new tenants with established annual rent escalators;
- Increase annual rental revenue to VPD at (or above) consumer price index;
- Attendance and participation with real estate, trade shows, webinars and networking events and others as applicable;
- Annual memberships with leasing, real estate and development organizations;
- Visit prospective tenant locations and meet with business owners.

III. Occupancy level at Harbor Village

CATEGORY	Harbor Vacancy Sq Ft	Harbor Vacancy %	Harbor Available Sq Ft	Harbor Available %	City * Vacancy %	City * Available %
Office	0	0%	0	0%	20.4%	23.1%
Retail	1,216	6%	3,163	16%	8.2%	14.8%
Restaurant	1,537	4.80%	1,537	4.80%	7.5%	12.8%

*Based on comparable square footage

IV. January Sales Report

The attached summary provides sales for three categories: restaurants, retail and charters. The reports compare the monthly sales for 2016 and 2015. They also include year-to-date comparisons.

The year-to-date sales for January 2016 were down 19.36% from the same time last year. This decrease was due to harbor closure which affected the retail, charters and restaurants.

Attachments

Attachment 1 – January Tenant Sales

**Ventura Harbor Village
Tenant Sales Summary**

Month of
January-2016

	<u>January-2016</u>	<u>January-2015</u>	<u>% Change</u>
Restaurants	\$ 906,958	\$ 997,290	-9.06%
Retail	\$ 132,883	\$ 160,070	-16.98%
Charters	\$ 85,198	\$ 237,720	-64.16%
Total	\$ 1,125,039	\$ 1,395,080	-19.36%

Year-to-date through January 2015

	<u>January-2016</u>	<u>January-2015</u>	<u>% Change</u>
Restaurants	\$ 906,958	\$ 997,290	-9.06%
Retail	\$ 132,883	\$ 160,070	-16.98%
Charters	\$ 85,198	\$ 237,720	-64.16%
Total	\$ 1,125,039	\$ 1,395,080	-19.36%

VENTURA PORT DISTRICT
DEPARTMENTAL STAFF REPORT

Meeting Date: February 24, 2016

TO: Board of Port Commissioners
CC: Oscar Peña, General Manager
FROM: Gloria Adkins, Accounting Manager
SUBJECT: Quarterly Treasurers Report

As of December 31, 2015, the District held cash and investments with a market value of \$9,649,885. Funds held in investments represent those not needed for general operating activities.

Local Agency Investment Fund (LAIF) holds 83% of the December 31, 2015 fund balance:

Enterprise (Operating) Fund	\$ 1,863,102
Dredging Reserve Fund	3,025,616
Capital Improvement Fund	3,105,383
Capital Improvement –Fisheries Fund	<u>25,068</u>
Total Funds	\$8,019,169

The District has \$1,496,161 invested in a stable money market and the Federal National Mortgage Association through Stifel Nicolaus. These funds had a net portfolio yield of 0.90%. There has been no activity change in this investment during this quarter.

The Investment Portfolio Report for December 31, 2015 attached herewith includes all of the District's Funds.

Submitted by: 

Gloria Adkins
Accounting Manager

Date: February 19, 2016

ATTACHMENTS:

Attachment 1 – Investment Portfolio Report for December 31, 2015

Attachment 2 - :LAIF Performance Report Quarter Ending December 31, 2015

ATTACHMENT 1

Ventura Port District Investment Portfolio Report 12/31/2015

<u>Security Type</u>	<u>Issuer</u>	<u>CUSIP Number</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Percent of Portfolio</u>	<u>Market Value</u>	<u>Market Value Source</u>
<u>Cash Investments</u>									
State Pool (LAIF)	LAIF-State Treasury		On Demand	0.37%	8,019,084	8,019,085	83%	8,019,169	LAIF
Total Cash Investments LAIF						\$ 8,019,085	83%	\$ 8,019,169	
<u>Cash Investments Stifel Nicolaus</u>									
Federal National Mortgage Association		3136G0Z61	11/14/2017	0.90%	1,500,000	1,500,000	16%	1,489,410	Stifel Nicolaus
Stifel Bank & Trust Money Market Funds				0.03%	6,751	6,751	0.1%	6,751	Stifel Nicolaus
		Stifel Nicolaus net portfolio yield							
Total Investments Stifel Nicolaus						\$ 1,506,751	16%	\$ 1,496,161	
<u>Cash Deposits</u>									
Demand Deposits- Main checking	Wells Fargo		On Demand	N/A	N/A	116,556	1%	116,556	Wells Fargo
Petty Cash	Ventura Port District		On Demand	N/A	N/A	1,324	0.01%	1,324	Ventura Port District
Total Cash Deposits						\$ 117,880	1%	\$ 117,880	
<u>Cash in County Treasurer's Pooled Investment Program</u>									
County Treasurer's Pool	Ventura County Treasury		On Demand	0.609%	16,674	16,674	0.17%	16,674	Ventura County Treasury
Total Cash in County Treasury						\$ 16,674	0.17%	\$ 16,674	
TOTAL ALL FUNDS						\$ 9,660,391	100%	\$ 9,649,885	

Notes:

I certify that this report accurately reflects all of the Districts investments, and is in conformance with the adopted District Investment Policy.
Furthermore, I certify to the best of my knowledge, sufficient investment liquidity and anticipated revenues are available to the meet the District's budgeted expenditure requirements for the next six months.

2/19/2016

Submitted by: Glenn Adkins

ATTACHMENT 2



JOHN CHIANG TREASURER STATE OF CALIFORNIA



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
12/31/15	0.43	0.38	179
01/01/16	0.43	0.43	178
01/02/16	0.43	0.43	178
01/03/16	0.43	0.43	178
01/04/16	0.44	0.43	185
01/05/16	0.44	0.43	184
01/06/16	0.44	0.43	184
01/07/16	0.44	0.44	185
01/08/16	0.45	0.44	186
01/09/16	0.45	0.44	186
01/10/16	0.45	0.44	186
01/11/16	0.45	0.44	184
01/12/16	0.45	0.44	184
01/13/16	0.45	0.44	183

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

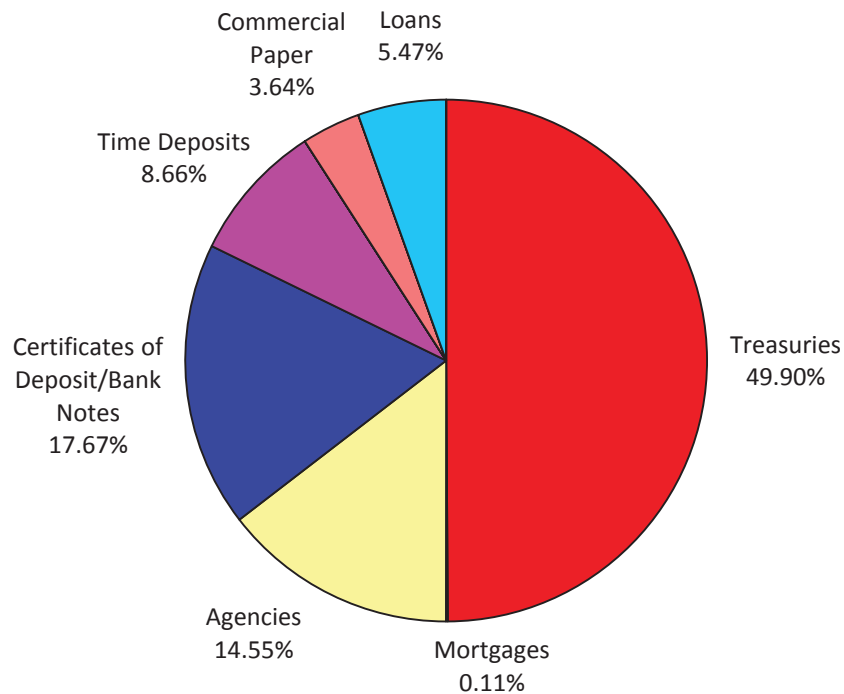
Quarter Ending 12/31/15

Apportionment Rate: 0.37%
 Earnings Ratio: 0.00001006140492611
 Fair Value Factor: 0.999186963
 Daily: 0.43%
 Quarter to Date: 0.38%
 Average Life: 179

PMIA Average Monthly Effective Yields

DEC 2015 0.400%
 NOV 2015 0.374%
 OCT 2015 0.357%

Pooled Money Investment Account Portfolio Composition 12/31/15 \$65.6 billion



FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

CONSENT AGENDA ITEM A

**AMENDMENT TO PROFESSIONAL SERVICES
AGREEMENT WITH RRM DESIGN GROUP**

VENTURA PORT DISTRICT

Board Communication

CONSENT ITEM A

Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Oscar Peña, General Manager
SUBJECT: Amendment to the Professional Service Agreement with RRM Design Group

RECOMMENDATION:

That the Board of Port Commissioners approve Amendment No. 1 to the Professional Service Agreement, dated February 12, 2014 with RRM Design Group in the amount of \$21,500.

SUMMARY:

On February 12, 2014, the Ventura Port District entered into a Professional Services Agreement to provide construction documents for Phase 1 of the Ventura Harbor Village Master Plan.

The proposed amendments include:

- A. Paragraph 3, TERM OF AGREEMENT shall be deleted in its entirety and the following inserted in its place:
 - 3. **TERM OF AGREEMENT.** The term of this Agreement shall commence on February 12, 2014, and shall terminate on or before June 30, 2017.
- B. Task D.01 – East Plaza Additional Improvements and Task D.02 – Staircase Replacement shall be added to the Scope of Work as set forth in “Exhibit A.”
- C. The Agreement requires an additional \$21,500 for project compensation, bringing the Agreement total to \$195,500 from \$174,000 as set forth in “Exhibit A.”
- D. Except for the amendments set forth above in this Amendment No. 1, and set forth in “Exhibit A,” the Agreement shall otherwise remain unchanged.

Staff recommends the continued use of RRM Design Group and the related amendments to the Professional Service Agreement.

BACKGROUND:

Upon the completion of a master planning process in 2013 designed to enhance the Harbor Village common area, RRM Design Group submitted a proposal to prepare construction documents for Phase 1 (the carousel plaza area) of that plan. In February of 2014, the District accepted RRM's proposal. In late 2014, the District shifted its attention at Harbor Village to ADA compliance matters and work on the carousel plaza area construction documents was temporarily suspended.

The District then proceeded in 2015 with the Phase 1 ADA parking lot improvements at Harbor Village prepared by Jensen Design and Survey and we are presently seeking competitive bids on the Phase 2 ADA improvements in portions of the Village common area. In mid 2015, RRM was asked to restart their effort on the carousel plaza area. The work in this area is now characterized as Phase 3 to avoid confusion with the previous phases. During RRM's development of the construction documents for the carousel plaza, it became apparent that the

plaza to the east, as well as a rotten wooden stairway from the second level of the 1567 building (Hats Unlimited) should be included in the improvements to effectively enhance the area.

RRM has indicated that their fee for this expanded scope of services is \$21,500. Funds are available in the District's current budget for this expense.

ATTACHMENTS:

Attachment 1 – RRM Design Group PSA, dated February 12, 2014

Attachment 2 – RRM Design Group PSA Amendment No. 1

ATTACHMENT 1



BOARD OF PORT COMMISSIONERS

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

Oscar Peña, General Manager

February 19, 2014

Jeff Ferber, Principal
RRM Design Group
3765 S. Higuera Street, Suite 102
San Luis Obispo, CA 93401

Subject: New Agreement Effective February 12, 2014

Dear Jeff,

Enclosed for your records please find one fully executed "original" of the professional services agreement for preparation of Phase I Construction Documents.

Sincerely,

A handwritten signature in cursive script that reads "P. J. Casey".

Pamela J. Casey
Administrative Assistant
And Clerk of the Board

Enclosure

c: Robin Baer

Ventura Port District

1603 Anchors Way Drive, Ventura, CA 93001-4229
805/642-8538 • FAX 805/658-2249
www.venturaharbor.com



VENTURA PORT DISTRICT
STANDARD FORM CONTRACT FOR
PROFESSIONAL SERVICES AGREEMENT
With
RRM DESIGN GROUP

THIS AGREEMENT, entered into this twelfth (12th) day of February, 2014, by and between the VENTURA PORT DISTRICT, an independent special district, hereinafter referred to as "DISTRICT" and RRM DESIGN GROUP, hereinafter referred to as "CONSULTANT."

DISTRICT AND CONSULTANT AGREE AS FOLLOWS:

1. **CONSULTANT'S SERVICES.** CONSULTANT agrees to perform during the term of this Agreement, the tasks, obligations, and services set forth in the "Ventura Harbor Village Phase 1 Construction Documents Scope of Services" attached to and incorporated into this Agreement as Exhibit "A."
2. **PAYMENT FOR SERVICES.** DISTRICT shall pay CONSULTANT for services performed by CONSULTANT pursuant to the terms of this Agreement set forth in Exhibit "A".
3. Omitted.
4. **TERM OF AGREEMENT.** The term of this Agreement shall commence February 3, 2014, and shall terminate on or before January 31, 2015.
5. **TIME FOR PERFORMANCE.** CONSULTANT shall not perform any work under this Agreement until CONSULTANT furnishes proof of insurance as required under paragraph 9 of this Agreement.
6. **STATUS OF CONSULTANT.** The DISTRICT and CONSULTANT agree that CONSULTANT, in performing the services herein specified, shall act as an independent contractor and shall have control of all work and the manner in which it is performed. CONSULTANT shall be free to contract for similar service to be performed for other persons or entities while under contract with DISTRICT. CONSULTANT is not an agent or employee of DISTRICT and is not entitled to participate in any pension plan, insurance, bonus or similar benefits DISTRICT provides for its employees.
7. **DESIGNATED REPRESENTATIVES:**
 - a) RRM DESIGN GROUP shall be the designated CONSULTANT Representative and shall be responsible for job performance, negotiations, contractual matters, and coordination with the DISTRICT Representative. CONSULTANT'S professional services shall be actually performed by, or shall be immediately supervised by, the CONSULTANT Representative.
 - b) Oscar F. Peña shall be the designated DISTRICT Representative.
8. **ASSIGNMENT.** This Agreement is for the professional services of CONSULTANT. Any attempt by CONSULTANT to assign the benefits or burdens of this Agreement without prior written approval of DISTRICT shall be prohibited and shall be null and void.

9. **RECORDS AND INSPECTIONS.** The CONSULTANT shall maintain full and accurate records with respect to all services and matters covered under this Agreement. The DISTRICT shall have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities.
10. **INSURANCE.** CONSULTANT shall procure and maintain insurance of the type, for the period, with the coverages and limits, and in accordance with the terms, conditions, and requirements (including , but not limited to the Proof of Insurance requirements) set forth in the attached Exhibit "B" and incorporated into this Agreement.
11. **HOLD HARMLESS.** CONSULTANT shall save harmless and indemnify, and, at the DISTRICT's request, defend the DISTRICT, its officers, officials, employees, agents, representatives, and volunteers from and against any and all claims, demands, actions, damages, expenses, suits, accidents, injuries, liabilities, or proceedings of any character whatsoever (including, without limitation, reimbursement of reasonable attorney's fees), arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of CONSULTANT or any of CONSULTANT's shareholders, officers, directors, agents, employees, representatives, sub-consultants, or subcontractors in connection with or in the performance of this Agreement."
12. **COVENANTS AND CONDITIONS.** Each term and each provision of this Agreement to be performed by CONSULTANT shall be construed to be both a covenant and a condition.
13. **TERMINATION.** At any time, with or without cause, the DISTRICT or CONSULTANT shall have the right to terminate this Agreement by giving written notice pursuant to Paragraph 20 of this Agreement. There shall be no period of grace after giving the notice of termination. Termination shall become effective immediately upon the giving of notice as provided in Paragraph 19 of this Agreement.
14. **EFFECT OF TERMINATION.** Upon termination as stated in Paragraph 13 of this Agreement, DISTRICT shall be required to compensate CONSULTANT only for work done by CONSULTANT up to and including the date of termination of this Agreement unless the termination is for cause, in which event CONSULTANT need be compensated only to the extent required by law.
15. **OWNERSHIP OF CONSULTANT'S WORK PRODUCT.** DISTRICT shall be the owner of any and all computations, plans, correspondence and/or other pertinent data and information gathered or prepared by CONSULTANT in performance of this Agreement and shall be entitled to possession of the same upon reasonable notice and upon completion of the work under this Agreement, or upon reasonable notice at any earlier or later time when the same may be requested by DISTRICT.
16. **TAXPAYER IDENTIFICATION NUMBER.** CONSULTANT shall provide DISTRICT with a complete Request for Taxpayer Identification Number and Certification, Form V-9 as issued by the Internal Revenue Service.
17. **NON-APPROPRIATION OF FUNDS.** Payments due and payable to CONSULTANT for current services are within the current budget and within an available, unexhausted

ATTACHMENT 1

and unencumbered appropriation of the DISTRICT. In the event the DISTRICT has not appropriated sufficient funds for payment of CONSULTANT services beyond the current fiscal year, this Agreement shall cover only those payments for services incurred up to the conclusion of the current fiscal year.

18. **MODIFICATION OF AGREEMENT.** The tasks described in this Agreement and all other terms of this Agreement may be modified only upon mutual written consent of DISTRICT and CONSULTANT.
19. **USE OF TERM "DISTRICT".** Reference to "DISTRICT" in this Agreement includes General Manager or any authorized representative acting on behalf of DISTRICT.
20. **NOTICES.** All notices given or required to be given pursuant to this Agreement shall be in writing and may be given by personal delivery or by mail. Notice sent by mail shall be addressed as follows:

TO DISTRICT: **Ventura Port District**
 Attention: General Manager
 1603 Anchors Way Drive
 Ventura, CA 93001-4229

CONSULTANT: **RRM DESIGN GROUP**
 Attention: Jeff Ferber
 RRM Design Group
 3765 S. Higuera Street, Suite 102
 San Luis Obispo, CA 93401

and, when addressed in accordance with this paragraph, shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices shall be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

21. **PERMITS AND LICENSES.** CONSULTANT, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.
22. **WAIVER.** A waiver by the DISTRICT of any breach of any term, covenant, or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement whether of the same or different character.
23. **GOVERNING LAW.** The terms of this Agreement shall be interpreted according to the laws of the State of California. Should litigation occur, venue shall be in the Superior Court of Ventura County.
24. **INTEGRATED AGREEMENT.** This Agreement represents the entire Agreement between the DISTRICT and the CONSULTANT and all preliminary negotiations and agreements are deemed a part of this Agreement. No verbal agreement or implied

ATTACHMENT 1

covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

25. **CUMULATIVE REMEDIES.** All right and remedies of either party hereto are cumulative of each other and of every other right or remedy such party may otherwise have at law or in equity, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent of subsequent exercise of other rights or remedies.
26. **SEVERABILITY.** If any term or provision of this Agreement shall be deemed invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and in force to the fullest extent permitted by law.
27. **CONFLICT.** Consultant hereby certifies that it has no business or contractual relationship with any current member of the DISTRICT'S Board of Port Commissioners:
Gregory Carson, Chairman
Jim Friedman, Vice Chairman
Everard Ashworth, Secretary
Robert Bravo, Commissioner
Bruce Smith, Commissioner

VENTURA PORT DISTRICT

By: _____

Oscar F. Peña, General Manager

RRM DESIGN GROUP

By: _____

Title: _____

By: _____

Title: _____

Exhibit A
Professional Services Agreement
Effective 02/3/2014 through 01/31/2015



VENTURA HARBOR VILLAGE PHASE 1 CONSTRUCTION DOCUMENTS

Scope of Services

October 23, 2013

PROJECT UNDERSTANDING

The Ventura Harbor District (District) wishes to prepare construction documents for Phase 1 of the recently completed Ventura Harbor Village Master Plan. The existing village features a cluster of buildings that includes retail shops, restaurants and office spaces. These buildings are connected by a series of pedestrian spaces, patio areas and walkways.

RRM Design Group understands the District's budget for Phase 1 improvements is approximately between \$1.5 and \$1.75 million. RRM will prepare a design to reflect this budget goal and will strive to include all of the Phase 1 design improvements featured in the Master Plan, however certain elements may be excluded due to cost. Some construction elements or features may be included as bid alternates.

The new design for Phase 1 will have the goal of generally including the following features and amenities:

- Entry plaza in front of the carousel building
- Paseo connecting entry plaza to harbor promenade
- Stage, walls and steps connecting paseo to harbor promenade
- New deck extending over revetment
- Lighting and other site furnishings

SUMMARY OF TASKS

Task A – Project Coordination and Meetings

- A.1 Project Management and Coordination
- A.2 Kickoff Meeting and Board Design Charrette
- A.3 Client Meetings

Task B – Design Development

- B.1 Soils Engineering Report
- B.2 Final Conceptual Design
- B.3 Design Development Package

Task C – Final Design: Plans, Specifications and Estimates (PSE)

- C.1 75% PSE Package
- C.2 95% PSE Package
- C.3 Bid-Ready PSE Package

San Luis Obispo
3765 S. Higuera St., Ste. 102
San Luis Obispo, CA 93401
P: (805) 543-1794 | F: (805) 543-4609

Santa Maria
1862 S. Broadway, Ste. 101
Santa Maria, CA 93454
P: (805) 349-7788 | F: (805) 354-7050

Santa Barbara
10 E. Figueroa St., Ste. 1
Santa Barbara, CA 93101
P: (805) 963-8283 | F: (805) 963-8184

San Clemente
232 Avenida Fabricante, Ste. 232
San Clemente, CA 92672
P: (949) 361-7950 | F: (949) 361-7955

www.rrmdesign.com

ARCHITECTS | ENGINEERS | LANDSCAPE ARCHITECTS | PLANNERS | SURVEYORS
A California Corporation | Viktor Montgomery, Architect #C11090 | Jerry Michael, PE #36895, LS #6276 | Jeff Ferber, LA #2844

SCOPE OF SERVICES

TASK A: PROJECT COORDINATION AND MEETINGS

Subtask A.1: Project Management and Coordination

RRM's project manager will coordinate with District staff, sub-consultants and other agencies as necessary on an on-going basis over the course of the project. This task includes internal QA/QC, day-to-day project coordination efforts, including general correspondence, telephone conferencing and updates likely to be required in supporting District staff as we move the plans through construction documentation.

Deliverables: Memos, meeting minutes and general correspondence for document control, compiled in a three-ring binder located in our office and available for access by District staff

Subtask A.2: Kickoff Meeting and Board Design Charrette

RRM team members will facilitate a working design charrette in Ventura as part of the project kickoff meeting. The design charrette will serve as an opportunity for RRM, the District and the Board members to gather together with the goal of gaining a clear direction and vision for the entry plaza design. The meeting will be based on the master plan and alternatives prepared for the project area.

Deliverables: Prepare for and attend kickoff meeting and design charrette

Subtask A.3: Client Meetings

RRM's project manager and appropriate team member(s), as the subject matter dictates, will prepare for and facilitate up to four (4) meetings, as necessary, with District staff. These meetings will provide an opportunity to review, discuss and clarify issues and plan review comments so that work may proceed in an efficient manner. The following is a list of suggested meeting times, but the specific timing is flexible and can be revised at the discretion of the District:

- 1) Final conceptual design review (also includes same-day meeting with the City Of Ventura and Coastal Commission staff in Ventura)
- 2) Design development review
- 3) 75% PSE submittal review
- 4) 95% PSE submittal review

Deliverables: Prepare for and attend up to four (4) meetings with District staff and/or other relevant parties

TASK B: DESIGN DEVELOPMENT

Subtask B.1: Soils Engineering Report

RRM's geotechnical engineering sub-consultant will prepare a soils engineering report for Phase 1 improvements. The report will address/include the following:

- Criteria for grading
- Seismic design parameters
- Vertical, lateral and bearing pressures for use in structural design of pile foundation systems
- Estimated total and differential settlements

Deliverables: Soils Engineering Report

Subtask B.2: Final Conceptual Design

RRM will take the ideas and loose designs generated from the Board Design Charrette, combined with the current master plan, and prepare a final conceptual design. This final conceptual design will be presented to the District and Board for their approval before RRM begins Design Development. This task may be partially concurrent with work done in Task B.3.

Deliverables: One (1) colored final design concept

Subtask B.3: Design Development Package

RRM's team will prepare a Design Development Package based on the approved Final Conceptual Design for District review. The design development task will build upon the final conceptual design, and provide more detail and definition of design features and spaces. RRM may do minor field survey work to supplement the existing topographic map before beginning this task.

The design development package will consist of:

- Preliminary site construction plan
- Preliminary grading plan
- Preliminary utility plan
- Preliminary structural details for deck concept
- Selected details
- Irrigation mainline routing plan
- Preliminary planting plan and plant list
- Preliminary cost estimate

Deliverables: Design Development Package (contents listed above)

TASK C: FINAL DESIGN: Plans, Specifications and Estimates (PSE)

RRM's team will prepare the following construction documents for the submittal levels listed below. The following is a description of the *Construction Document (PSE) Package* contents:

Title and Reference Sheets

RRM will prepare title sheets, as necessary, to convey all pertinent general project information. These sheets may include project name, location, approval blocks, agency contact information, USA alert, Basis of Survey statement, list of abbreviations, phasing and/or additive alternate instructions.

Demolition Plans

RRM will prepare demolition plans, at an appropriate scale, for all structures and elements requiring removal in order to implement Phase 1. The plans will locate, identify and describe the removal items and provide instructions for the safe disposal of the demolished work. Additionally, the plans will indicate items to salvage or stockpile, such as topsoil for later use in the planting area construction.

Construction Plans

RRM will prepare construction plans, at an appropriate scale, for the approved design. The plans will present the overall design layout with a keynoting system that identifies all construction items, references to appropriate details and drawing series directions.

Horizontal Control Plans

RRM will prepare horizontal control plans, at an appropriate scale, for the approved design. The plans will establish horizontal control for construction elements. The plans will also establish construction layout control points and a coordinate system for locating site elements, such as paths, walls, steps, etc.

Grading and Drainage Plans

RRM will prepare grading and drainage plans, at an appropriate scale, for the approved design. The plans will build on the topographic information prepared in the previous phase of the project and will show vertical control of the project elements, contour grading, spot elevations, and cut and fill estimates within the project site as deemed necessary by the project engineer. This task includes up to one (1) day of supplemental field survey work in the Phase 1 area. The plans will detail new drainage facilities within the Phase 1 development area, however, it is assumed that new construction will tie into existing storm drain facilities and that the existing facilities are adequate to serve the new construction. Hydraulic or hydrologic analysis of new or existing storm drain piping or structures, or the existing discharge piping is not included in this proposal.

Ventura Harbor Village Phase 1 Construction Documents
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October 23, 2013
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Site Utility Plans

RRM will provide utility plans identifying those utilities known around the project limits based on record information. This task will be limited to routing of new wet utilities (sewer and water) where existing utilities have been determined to be re-connected or re-routed as a result of the new construction. This scope assumes that the existing water, sewer laterals serving existing buildings have adequate capacity for the site development and that analysis or upgrades are not included in this proposal. Additional design to increase the capacity of the off-site utilities beyond the closest points of connections including fire flows are considered outside this scope. This task does not include identification or design of dry utilities (gas, power, phone etc.)

Site Electrical/Lighting Plans

RRM's team will prepare utility service distribution plans, circuiting, fixture schedules, panel schedules and electrical calculations as required to provide electrical service for site lighting, exterior electrical outlets, pumps and the irrigation system controller. Preparation of Title 24 Lighting compliance for exterior lighting is included.

Construction Details

As a companion to the construction plans, we will prepare details for all the construction items illustrated on the construction plans. The details will specify materials, dimensions, colors and finishes.

Structural Details

RRM's team will prepare structural engineering details and calculations, at an appropriate scale, for structural components such as the new deck.

Irrigation Plans and Details

RRM will prepare irrigation plans for the small planting areas within the plaza space in compliance with City water ordinances and State of California AB-1881. The plans will detail how to connect these spaces to the existing irrigation system layout, main line, automatic controller, piping, and filter and backflow device, if necessary. In support of the irrigation plans, RRM will prepare irrigation details that specify the method of construction and proper irrigation system component procedures.

Planting Plans and Details

RRM will prepare planting plans for all planting areas. The plans will show the layout of all planting areas, indicating plant species, quantity, size and location of all shrubs, ground cover and trees. In support of the planting plans, RRM will prepare planting details that specify the method of construction and proper planting procedures.

Specifications

RRM will prepare technical specifications (CSI format, Division 02 through 32, as applicable). This scope assumes the District will prepare all general provision specification sections related to this project and assemble the specifications book. 75% PSE package submittal (Task C.1) will include outline specifications only.

Construction Cost Opinions (95% and Bid-Ready submittals only)

RRM will estimate construction costs at the 95% and final Bid-Ready stage. The detailed Construction Cost Opinion will break out each component of the scope of service on a line item spreadsheet with item descriptions and unit costs. Due to many variables surrounding bidding and construction conditions, this opinion will not represent a guarantee that bids received or actual costs of construction will be equal to the opinion.

Water Quality Management Plan

Should it be determined that a Water Quality Management Plan (WQMP) for Phase 1 is required, RRM will prepare a plan in support of the proposed site improvements in conformance with the City of Ventura's TGM; addressing Assessment, Control Measures, Maintenance, etc.

The WQMP will identify those features on the site that will enhance stormwater runoff filtration and treatment prior to discharge. It will be utilized in preparation of the project Storm Water Pollution Prevention Plan (SWPPP) in conformance with the New General Permit 2009-009-DWQ and as amended by 2010-0014 & 2012-0006-DWQ.

Included as part of the SWPPP:

- Risk Level determination per the requirements of the General Permit
- SWPPP preparation in conformance with the requirements for the Risk Level determination
- Stormwater Monitoring Plan requirements
- WQMP and Site Plans
- Qualified SWPPP Developer Certification
- Uploading all required documentation to the SMARTS (Storm Water Multiple Application and Report Tracking System), as a data submitter

Subtask C.1: 75% PSE Package

Deliverables: 75% complete PSE package for review by District Staff (see package contents listed above)

Subtask C.2: 95% PSE Package

Deliverables: 95% complete PSE package for Building Department permit processing and review by District Staff (see package contents listed above)

Subtask C.3: Bid-Ready PSE Package

Deliverables: Bid-Ready PSE package (see package contents listed above)

Reimbursable Expenses

Incidental expenses incurred by RRM Design Group, or any subconsultant it may hire to perform services for this project, are reimbursed by the client at actual cost plus 10% to cover its overhead and administrative expenses. Reimbursable expenses include, but are not limited to, reproduction costs, postage, shipping and handling of drawings and documents, long-distance communications, fees paid to authorities having jurisdiction over the project, the expense of any additional insurance requested by client in excess of that normally carried by RRM Design Group or its subconsultants, travel expenses (transportation/automobile/lodging/meals), renderings and models. Reimbursable automobile travel mileage will be billed at the current IRS business standard mileage rate. RRM will not exceed the budget for reimbursable expenses without prior approval from the General Manager.

TASK AND FEE SUMMARY

TASK	DESCRIPTION	FIXED FEE (see fee footnote)
TASK A	PROJECT MANAGEMENT AND MEETINGS	
A.1	Project Management and Coordination	\$ 7,720
A.2	Kickoff Meeting and Board Design Charrette	\$ 1,520
A.3	Client Meetings	
A.3.1	Final Conceptual Design Review	\$ 1,180
A.3.2	Design Development Review	\$ 1,180
A.3.3	75% PSE submittal review	\$ 1,180
A.3.4	95% PSE submittal review	\$ 1,180
Task A Subtotal:		\$ 13,960
TASK B	DESIGN DEVELOPMENT	
B.1	Soils Engineering Report	\$ 8,030
B.2	Final Conceptual Design	\$ 11,050
B.3	Design Development Package – 30%-50%	\$ 33,000
Task B Subtotal:		\$ 53,080
TASK C	FINAL DESIGN	
C.1	75% PSE Package	\$ 55,072
C.2	95% PSE Package	\$ 33,710
C.3	Bid-Ready PSE Package	\$ 17,178
Task C Subtotal:		\$ 105,960
SUMMARY OF FEES:		\$ 172,000
Estimated Reimbursable Expenses:		\$ 2,000
ESTIMATED PROJECT TOTAL:		\$ 174,000

*Ventura Harbor Village Phase 1 Construction Documents
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Fee Footnotes

Fixed fee tasks will be billed as the work progresses until the task is completed and the total amount stated in the contract for the task is invoiced.

COMPENSATION

RRM's team will perform the above Tasks (A through C) for a fixed fee of \$174,000 (see footnote).

SERVICES AND/OR INFORMATION TO BE PROVIDED BY CLIENT

- General and special provisions (front-end specifications)
- Standard specifications for design team to reference, if available
- Standard details for design team to reference, if available
- Bid form preparation
- One contact person who will serve as the District's representative and will consolidate all Agency review comments into one list of official comments to which RRM can respond
- Bid and contract "boiler plate" documents, such as invitation, instructions, general and special conditions, contract forms, insurance, forms, etc.
- Document distribution for technical reviews, bidding and construction
- Bidding and construction management, inspection and testing

EXCLUSIONS

Please note that the tasks to be performed by the RRM team are limited purely to those outlined above. Substantive changes requested by the client or changes in the client's program or direction that are inconsistent with prior approvals are subject to additional services fees. Any additional services that RRM Design Group is asked to perform over and beyond those described above will be billed on a negotiated and client-approved, fixed-fee or hourly basis.

The following services or tasks are specifically excluded from the scope:

- Qualified SWPPP Practitioner service required during construction
- Addendums and/or revisions to the SWPPP during construction
- Hydraulic analysis of storm drains
- Utility analysis or improvement beyond Phase 1 development area
- Multiple bid packages (for phased construction)
- Permit fees
- Bidding assistance
- Construction administration and observation
- Record drawings
- Coastal Development Permit
- Tenant Improvement Plans for new retail space (1312089), under separate contract

Ventura Harbor Village Phase 1 Construction Documents
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If you have any questions or require clarification of the scope of services or fees outlined above please do not hesitate to call us. If this scope of services is acceptable, please sign below indicating mutual agreement of the terms of this proposal; return one set to RRM and retain one set for your records. Thank you again for this opportunity.

Sincerely,

RRM DESIGN GROUP

A handwritten signature in blue ink, appearing to read 'Jeff Ferber', is written over a horizontal line.

Jeff Ferber, ASLA
Principal
CA License No. 2844

ATTACHMENT 1

Exhibit B **Professional Services Agreement** **Effective 02/3/2014 through 01/31/2015**

INSURANCE AND REQUIREMENTS

RRM DESIGN GROUP

The Consultant shall procure and maintain for the duration of the term of the Agreement limits against claims for injuries to persons or damage to property which may arise from, or in connection with, the performance of the work covered by the Agreement by the Consultant, her/its employees, agents, representatives, sub-consultants or subcontractors. Evidence of adequate insurance coverage in the form of a Certificate of Insurance naming the Ventura Port District as additional insured on the policy(ies) of insurance which shall not be canceled without first giving the District ten (10) days' written notice. The actual policy(ies) shall have the following minimum limits of insurance:

<u>COVERAGE PER OCCURRENCE</u>	<u>COMBINED ISO FORM</u>	<u>SINGLE LIMIT</u> (Not less than)
Commercial General Liability	GL 00 02 01 73REV	\$1,000,000
Broad Form General Liability	GL 04 04 05 81	\$1,000,000
Business Auto	CA 00 01 01 87	\$1,000,000
Workers' Compensation		Statutory
Employers' Liability		\$1,000,000
Professional Liability/Errors and Omissions		\$1,000,000

Consultant shall provide certificates of insurance naming as additional insured the Ventura Port District ("District"), its officers, officials, employees and representatives.

VENTURA PORT DISTRICT

AMENDMENT NO. 1

**TO STANDARD FORM CONTRACT FOR
PROFESSIONAL SERVICES AGREEMENT
(Under \$25,000)**

WITH

RRM DESIGN GROUP

This AMENDMENT NO. 1 amends that certain agreement (the "Agreement") entered into on the twelfth (12th) day of February 2014, by and between the VENTURA PORT DISTRICT, an independent special district, hereinafter referred to as "DISTRICT" and RRM DESIGN GROUP, hereinafter referred to as "CONSULTANT."

RECITALS

1. The parties now desire to lengthen the term of the Agreement, revise the Scope of Work, and revise the project compensation.

NOW, THEREFORE, the parties agree as follows:

A. Paragraph 3, TERM OF AGREEMENT shall be deleted in its entirety and the following inserted in its place:

3. TERM OF AGREEMENT. The term of this Agreement shall commence on February 12, 2014, and shall terminate on or before June 30, 2017.

B. Task D.01 – East Plaza Additional Improvements and Task D.02 – Staircase Replacement shall be added to the Scope of Work as set forth in "Exhibit A."

C. The Agreement requires an additional \$21,500 for project compensation, bringing the Agreement total to \$195,500 from \$174,000 as set forth in "Exhibit A."

D. Except for the amendments set forth above in this Amendment No. 1, and set forth in "Exhibit A," the Agreement shall otherwise remain unchanged.

VENTURA PORT DISTRICT

RRM DESIGN GROUP

By: _____
Oscar F. Peña, General Manager

By: _____
Lief McKay, ASLA, LEED, AP, Principal

Date: _____

Date: _____

ATTACHMENT 2

AMENDMENT NO. 1

EXHIBIT "A"

REVISED SCOPE OF WORK WITH RATES AND TERMS

TASK AND FEE SUMMARY

TASK	DESCRIPTION	FIXED FEE (see fee footnote)	REVISIONS
TASK A	PROJECT MANAGEMENT AND MEETINGS		
A.1	Project Management and Coordination	\$7,720	
A.2	Kickoff Meeting and Board Design Charrette	\$1,520	
A.3	Client Meeting		
A.3.1	Final Conceptual Design Review	\$1,180	
A.3.2	Design Development Review	\$1,180	
A.3.3	75% PSE submittal review	\$1,180	
A.3.4	95% PSE submittal review	\$1,180	
	Task A Subtotal:	\$13,960	
TASK B	DESIGN DEVELOPMENT		
B.1	Soils Engineering Report	\$8,030	
B.2	Final Conceptual Design	\$11,050	
B.3	Design Development Package – 30%-50%	\$33,000	
	Task B Subtotal:	\$52,080	
TASK C	FINAL DESIGN		
C.1	75% PSE Package	\$55,072	
C.2	95% PSE Package	\$33,710 \$37,210	+ \$3,500
C.3	Bid-Ready PSE Package	\$17,178 \$18,678	+ \$1,500
	Task C Subtotal:	\$105,960 \$110,960	+ \$5,000
TASK D	EAST PLAZA IMPROVEMENTS		
D.01	East Plaza Additional Improvements	\$8,000	
D.02	Staircase Replacement	\$8,500	
	Task D Subtotal:	\$16,500	
	SUMMARY OF FEES:	\$172,000 \$193,500	
	Estimated Reimbursable Expenses:	\$2,000	
	ESTIMATED PROJECT TOTAL:	\$174,000 \$195,500	

TASK C – FINAL DESIGN

In order to bring the project compensation for the remaining uncompleted tasks up to current RRM bill rates, RRM proposed the above modifications to Task C.2 and C.3.

TASK D – EAST PLAZA IMPROVEMENTS

RRM's team will develop plans for accessibility modifications in the courtyard of building 1567 Spinnaker Drive and design staircase providing access to the 2nd floor.

Task D.01 – East Plaza Additional Improvements

The plaza area east of the Carousel (Area L of Draft Accessibility Plan) is currently under contract as part of Phase 2 Improvements. The Phase 2 Improvements for this area currently include the demolition plan and grading plan for purposes of accessibility improvements. In addition to these sheets listed, the Phase 3 Improvements for improvements going in adjacent to this area also include planting plans, irrigation plans, and electrical plans. As this area has now shifted over to be included as part of the Phase 3 Improvements, this task is provided in order to provide these additional components of the construction document package to this area. *(See attached map)*

Deliverables:

- *Planting, irrigation, and electrical plans for Eastern Plaza as part of Phase 3*

Fixed Fee:

- *\$8,000 (see footnote A)*

Task D.02 – Staircase Replacement

RRM will design and provide Construction Drawings for replacing the staircase adjacent to the hat shop located at 1567 Spinnaker Drive to meet 2013 CBC code requirements. The staircase will be constructed on new footings and will provide access to the two (2) second-floor doors to existing suites above Treasure Cove Gifts. The new staircase design will consist of new wooden exterior stairs with possible pre-cast concrete treads. The Construction Drawings, including plans, sections, and details, will be incorporated into the overall Construction Document package for Phase 3.

Deliverables:

- *Architectural sheet(s)*
- *Structural Plans, Calculations, Details, and General Notes*
- *Landscape revised plans to accommodate new staircase*

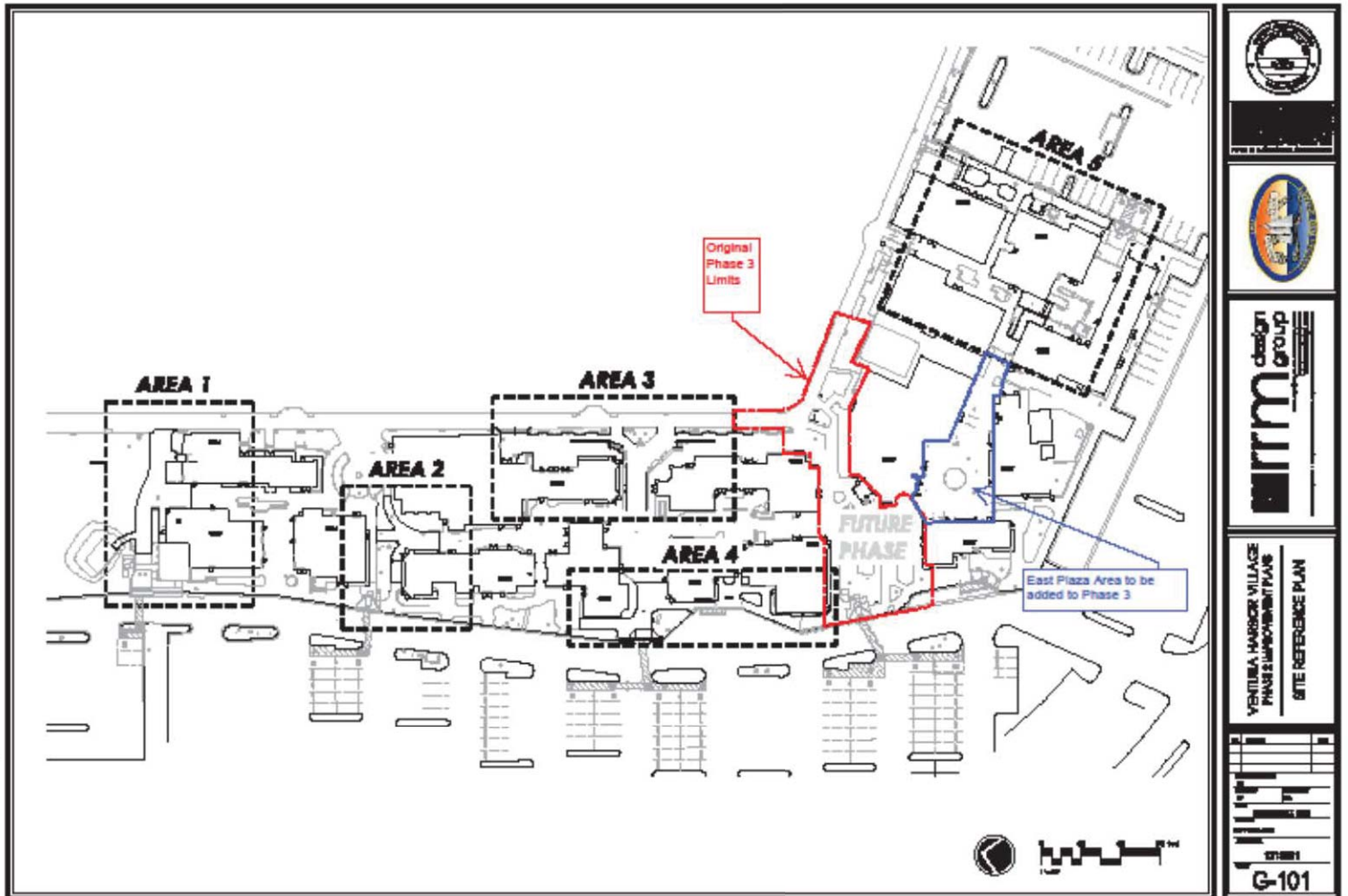
Fixed Fee:

- *\$8,500 (see footnote A)*

NOTE: *This amendment does not include other modifications to the building exterior.*

Fee Footnotes

- A. Fixed fee tasks will be billed as the work progresses until the task is completed and the total amount stated in the contract for the task is invoiced.



AMENDMENT NO. 1**Exhibit "B"**
Proof of Insurance Requirements**VENTURA PORT DISTRICT PROFESSIONAL SERVICES AGREEMENT**
WITH
RRM DESIGN GROUP

The Consultant shall procure and maintain for the duration of the term of the Agreement limits against claims for injuries to persons or damage to property which may arise from, or in connection with, the performance of the work covered by the Agreement by the Consultant, her/its employees, agents, representatives, sub-consultants or subcontractors. Evidence of adequate insurance coverage in the form of a Certificate of Insurance naming the Ventura Port District as additional insured on the policy(ies) of insurance which shall not be canceled without first giving the District ten (10) days' written notice. The actual policy(ies) shall have the following minimum limits of insurance:

<u>COVERAGE PER OCCURRENCE</u>	<u>COMBINED ISO FORM</u>	<u>SINGLE LIMIT</u> (Not less than)
Commercial General Liability	GL 00 02 01 73REV	\$1,000,000
Broad Form General Liability	GL 04 04 05 81	\$1,000,000
Business Auto	CA 00 01 01 87	\$1,000,000
Workers' Compensation		Statutory
Employers' Liability		\$1,000,000
Professional Liability/Errors and Omissions		\$1,000,000

Consultant shall provide certificates of insurance naming as additional insured the Ventura Port District ("District"), its officers, officials, employees and representatives.

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

CONSENT AGENDA ITEM B

APPROVAL OF PROFESSIONAL SERVICES

AGREEMENT WITH ALC CONSTRUCTION, LLC

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM B
Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Brian Pendleton, Business Operations Manager
SUBJECT: Approval of Professional Services Agreement with ALC Construction, LLC

RECOMMENDATION:

That the Board of Port Commissioners approve the Professional Services Agreement with *ALC Construction, LLC* in the amount of \$11,500.00 to provide architectural design consultant services for restroom accessibility improvements at Harbor Village.

SUMMARY:

Ventura Port District staff has determined the need to improve public restrooms at four locations in Harbor Village in order to meet current Americans with Disabilities Act (ADA) compliance, codes and specifications. These locations include 1559, 1575, 1583 and 1591 Spinnaker Drive.

BACKGROUND:

The purpose of the architectural design consultant services is to prepare plans and specifications for the restroom accessibility improvements. These plans and specifications will be used for cost estimation purposes and bid package development.

The specific restrooms to be improved include 1559 Spinnaker Drive (downstairs unisex, upstairs men's and women's); 1575 (men's, women's and unisex); 1583 Spinnaker Drive (The Greek); and 1591 (men's and women's).

Deliverables will include architectural drawings, plumbing and structural drawings where necessary. .

FISCAL IMPACTS:

While not specifically budgeted, \$11,500 in planning funds are available in the FY2015-16 accessibility improvements budget.

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

CONSENT AGENDA ITEM C

APPROVAL OF OUT OF TOWN TRAVEL REQUEST

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

CONSENT AGENDA ITEM C
Meeting Date: February 24, 2016

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

RECOMMENDATION:

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

- A) Marketing Manager, Jennifer Talt-Lundin travel to San Luis Obispo, CA to participate in the Central Coast Tourism Annual Board Retreat on March 14-16, 2016. This benefits the District by allowing Ms. Talt-Lundin to participate in planning for the year ahead and review current year projects. Estimated cost for the travel is as follows:

Registration	\$175.00
Lodging	\$438.06
Meals	\$ 20.00
Mileage	\$113.40
TOTAL	\$746.46

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM No. 1

PRESENTATION ON PACIFIC COAST SPORTS CENTER

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 1
Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Gary Young, Young & Company
SUBJECT: Presentation on Pacific Coast Sports Center

RECOMMENDATION:

That the Board of Port Commissioners receive a presentation from Gary Young, on his proposed Pacific Coast Sports Center.

ATTACHMENTS:

Attachment 1 – Executive Summary
Attachment 2 – Design Progress Views



Executive Summary

Gary Young
Young & Company
Young.ca@mac.com
(805) 710-0118



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Executive Summary

The Pacific Coast Sports Center is a multi-use facility that will allow Ventura to host regional sports and entertainment events that benefit residents and enhance quality of life.

The facility's domes are air-supported structure that has no internal posts. As a result, the interior is an entirely open, free span space. Combined, the two buildings have 256,000 square feet of floor space. This space will be used to accommodate 32 volleyball courts, 25 basketball courts, up to 16 futsal courts, and many more configurations.

The Pacific Coast Sports Center has a top-tier management team that has deep experience in their relative fields. Together, they are signed on to this project to provide support and guidance through the launch and establishment of long-term business operations.

Once constructed, the Pacific Coast Sports Center will be a regional attraction serving a broad range of sport and event interests. Located within this demographic service area there are no other facilities that offer more than 5 courts. Our targeted demographic service area is bordered on the north by Paso Robles and on the south by Sherman Oaks. The eastern borders would include Santa Clarita / Newhall and the greater Bakersfield area.

Over the first few years of operation, PCSC will aggressively market and promote the facility with both an aggressive marketing plan to build brand awareness and a direct sales team to build and leverage relationships with key decision makers. To reach the right audiences, PCSC's marketing efforts will be segmented by event type into two major categories- sports and other events.

Our assumption is the construction process will commence at the approval of the site agreement between the City and PCSC. Final design approval, construction and finishing work is conservatively estimated to take a total of 15 months. Sales and marketing teams will begin upon site approval.

Our financial assumptions that drive the top-line pro forma are derived from four categories (basketball, futsal, volleyball and other events) and their corresponding estimated ramp up process. The individual tournament fees per team were determined by surveying other sports venues offering the same type of facility we have proposed. Only one other facility, located in Anaheim California, offers the same number of courts and variety of uses.

The Concept: Pacific Coast Sports Center

The Pacific Coast Sports Center is a multi-use facility that will allow Ventura to host regional sports and entertainment events that benefit residents and enhance quality of life.

- The dome is an air-supported structure that has no internal posts. As a result, the interior is an entirely open, free span space.
- Combined, the two domed buildings have 256,000 square feet of floor space. This space will be used to accommodate 32 volleyball courts, 25 basketball courts, up to 16 futsal courts, and many more configurations.
- Part of the facility will include an 8,000 square foot state-of-the-art training facility.

A Partnership with the Local Community

- Revenues generated from the PCSC may go to support vital community services.
- Local youth sports, community events, and many others will benefit directly from this facility.
- Local businesses and hotels will see increased tourism dollars from out of town visitors, supporting our local economy.
- No taxpayer dollars will be spent on construction or operation of the facility. This project will be completely supported by revenue from tournaments and events held on site.





The PCSC Team

The Pacific Coast Sports Center has a top-tier management team that has deep experience in their relative fields. Together, they are signed on to this project to provide support and guidance through the launch and establishment of long-term business operations.

Gary Young – Owner/Developer

Gary has experience in residential and commercial real estate development for over 30 years. As the developer and owner, Gary is putting together the overall components of this project. Inspired as a volleyball dad on the Central Coast, Gary looks forward to bringing a regional solution to support our community's growing youth sports programs.

John Fourr– Chief Financial Officer

John Fourr has managed billions of dollars of assets for over 30 years as controller of several different companies. He comes to PCSC as our financial maven who will ensure stability through the startup phases and beyond.

Scott Young- Design Architect

Scott has over 28 years of experience as a licensed architect with an extensive background in real estate and business development. With his well-balanced design and technology skills he will bring forth a unique, state-of-the-art, multi use facility.

Seth Bowman- General Manager

Seth has broad experience implementing operations across different industries- from real estate to construction to live event production. He has a background in project design and management and will oversee the day-to-day operations of PCSC.

Craig Harris- Program Director

Craig has nearly a decade working in local government. Craig will be a valuable asset to PCSC in working on an ongoing basis as a community partner. Craig also has a depth of knowledge and experience from his time in college athletics and will bring his sports background to the management team.

Sascha Pack- Director of Athletics

Sascha currently owns and operates a local athletic training facility. As a strong manager in the athletic space, Sascha will bring contacts, experience and operational capacity to the team as the facility opens.



Chris Collier- Sales & Marketing Consultant

Chris and his firm bring nearly a decade of high-intensity consumer facing marketing and advertising campaigns to the PCSC team. Chris will oversee the efforts to exponentially increase outreach and brand awareness during the ramp up period and beyond.



Target Audience

To reach the right audiences, PCSC's marketing efforts will be segmented by event type into two major categories- sports and other events. In each of the two focus areas, we will break down our targeting into subgroups that will drive facility rental and attendance.

Our immediate geographic market would contain; Ventura, Los Angeles, Santa Barbara, San Luis Obispo, and Kern Counties. The size and appeal of our venue can ultimately lead to nationwide notoriety. Tournaments like the Nike: Tournament of Champions (who has agreed to hold multiple events per year at our location) draw premier teams from all 50 states, as well as, Canada.

The Pacific Coast Sports Center would initially target club level, CIF, AAU, Junior College and NAIA teams in volleyball and basketball for tournaments to be held in our venue. These types of events would predominately be weekend based. This affords the venue the opportunity to be filled mid-week with youth camps, weeklong tournaments to be held during the summer months, trade shows and venues.

Sporting Events

Sports are the primary target for PCSC. Tournaments and other events are often all-day and sometimes multi-day functions, securing the facility rental for the duration. With a broad range of indoor sports in need of regional space for tournaments and local teams looking for additional courts, PCSC is a well-positioned opportunity for a broad range of sporting and athletic events:

- Basketball, volleyball, futsal, training, gymnastics, wrestling, cheer
- As part of the marketing to sporting events, PCSC will engage several types of tournaments:
 - Internal PCSC tournaments- PCSC will hold its own regional tournaments for many different sports categories
 - External tournaments- existing local and regional club leagues are currently searching for additional court space to expand and grow their tournaments that PCSC will be able to provide
 - AAU- The Amateur Athletic Union has no facility on the West Coast and is looking to expand their base operations. PCSC has



been working with AAU to line up tournament opportunities in several sports categories

The Amateur Athletic Union (AAU) is one of the largest non-profit volunteer sports organizations in the United States. A multi-sport organization, the AAU is dedicated exclusively to the promotion and development of amateur sports and physical fitness programs. The AAU events have over 500,000 participants. <http://aausports.org>

- CIF- PCSC has approached CIF about the prospect of hosting regional high-school sporting events and tournaments

Sponsorships

As an additional revenue generator, once PCSC has secured the tournament at the facility, sponsorships will be available at many different levels.

Other Event Days

The Pacific Coast Sports Center's majority of revenue is stemmed from club-level sports tournaments held primarily on the weekend. A facility of this size allows for multiple other uses when not accommodating the sports tournaments. The VCLA (Ventura County Lodging Association) has expressed a great need for a facility that can host mid-week trade shows, conventions, and venues.

- ***Conferences /meetings / trainings-*** PCSC recognizes that corporate events and meetings offer an opportunity to increase facility rental and serve a need that will draw additional visitors to the Central Coast.
- ***Banquets*** – PCSC has an existing working relationship with Brighton Management, who manages a large network of hotels in West Ventura County, and will be able to host large banquets and dining events in conjunction with the Brighton team.
- ***Expos and Chamber Events-*** As part of its offering, PCSC can allow for expo space that gives local and regional businesses the opportunity to network and share ideas, ultimately improving the local business community.
- ***Entertainment venues-*** As an entertainment venue for a variety of low-impact entertainment events, PCSC can configure to accommodate a crowd to service this event type.



Sales & Marketing

Overview

Once constructed, the Pacific Coast Sports Center will be a regional attraction serving a broad range of sport and event interests. Over the first few years of operation, PCSC will aggressively market and promote the facility with both an aggressive marketing plan to build brand awareness and a direct sales team to build and leverage relationships with key decision makers.

Messages & Themes

To highlight the value and benefits of the facility, PCSC's marketing team will develop a variety of messaging themes:

- Central Location
- Easily Accessible
- Parking
- Weather
- Resort-like setting
- Personalized experience
- State of the Art
- Event Days and Sporting Events

Sales & Marketing Strategies

- Create a marketing platform for PCSC that builds awareness of the capabilities and offerings of the facility
- Develop messaging that leverages not only the facility's offerings but unique capabilities, and highlight the features of the City and the region that make PCSC attractive
- Ensure the message gets to the right place with an effective and comprehensive prospect targeting program
- Develop a sales program that leverages person-to-person contacts and works directly with prospects
- Work with existing tourism marketing resources like the Ventura County Lodging Association and the Ventura Visitors & Convention Bureau to cross promote events and the facility



Marketing Platform

PCSC's marketing efforts will take our crafted messages and place them strategically to raise awareness about the facility and its offerings. We will leverage a variety of marketing tools in our platform to ensure the broadest range of coverage.

Advertising

- Digital- a comprehensive digital campaign including paid banners in national (Google) platforms targeting our demographic in the region, as well as local placements in regional news sites and other regionally significant placements.
- Social- paid and promoted social media advertising targeted to sports teams, coaches, leagues, and other target audiences to drive awareness.
- Print- leveraging local publications and tourism publications that focus on sports and event marketing opportunities to drive awareness of the facility and its capabilities.

Public relations

- Local & Regional Press- Work with targeted authors in local publications to increase awareness of the facility and its offerings. Work to place articles about the regions growing tourism
- Tourism publications- Work with targeted authors in nationally important tourism publications to place articles and raise awareness of the facility and get in front of decision makers
- Trade Shows- attend sports marketing and tourism conventions to sell PCSC as a destination facility for out of area and out of regional teams and events
- Blog placements- PCSC will work with targeted content providers to place editorials about experiences and positive experiences of the PCSC to drive SEO and inbound lead traffic, both locally and in the tourism space.
- Social media- Our marketing team is responsible for designing, building and maintaining our social media presence. The social media exposure would immediately heighten our brand recognition, broaden our geographic market, and allow for improvements to our facility through customer insight and feedback.



Sales Program

PCSC will build a sales team and focus on direct client contact. Direct client contact would be obtained through our available database of over 3,000 club level and higher stature team representatives.

- Corporate Staff – in considering sales and marketing team members, PCSC plans to employ several direct sales reps to outreach and make one on one meetings and calls with prospects. Reps will focus on various areas:
 - AAU Rep.- Because of the large opportunity to service AAU on the West Coast, PCSC will employ an AAU rep who will work with the regional and local leagues to bring Amateur sporting events and tournaments to Ventura.
 - Sports- With a focus on local leagues, regional tournaments, and PCSC's own branded tournaments, a rep will specialize in the sports tourism capabilities of the facility.
 - Other events- Working with our strategic partner Brighton Management and other local hotel and CVB entities, a sales rep will work to drive conventions, corporate events and other non-sporting event days at the PCSC.
- Travel & Trade Shows- Attend targeted trade shows and drive person to person contact with key decision makers to influence placement of annual or long-term events at PCSC
- Personal contacts & existing relationships- leverage PCSC's extensive database and further build relationships in the hospitality industry to drive more RSVPs for sports and events

Construction Milestones & Assumptions

Our assumption is the construction process will commence at the approval of the site agreement between the City and PCSC. Final design approval, construction and finishing work is conservatively estimated to take a total of 15 months.

Month 1- Site Approval - Sign contracts for engineering, architect, designer, etc...

Month 2 – City review of design concept

Month 3 – Amending plans to meet City requirements

Month 7 – Pre construction – rough grading

Month 8 – Undergrounds & utilities

Month 9 – Final grading – Infrastructure sign off

Month 10 – Construction starts

Month 11- Order domes

Month 14 - Construction completed – Dome is inflated and ready

Month 15 – Facility opens

Sales & Marketing Milestones & Assumptions

Sales and marketing teams will begin upon site approval. Through the construction process, PCSC staff will develop sales so month 15, at the end of construction, the facility will open with a slate of events.

Our financial assumptions that drive the top-line pro forma are derived from four categories and their corresponding estimated ramp up process.

Volleyball

- We estimate that by month 15, we will start with 1 activity day per month
- By month 18, we will have secured 2 activity days per month
- By month 20: 4 activity days per month, and as a conservative estimate, our financial assumptions assume this remains constant going forward.
- This is based on conversations with AAU, CIF, and local private and recreational leagues

Basketball

- We estimate that by month 15, we will start with 1 activity day per month
- By month 18, we will have secured 2 activity days per month
- By month 20: 4 activity days per month, and as a conservative estimate, our financial assumptions assume this remains constant going forward
- This is based on conversations with AAU, CIF, and local private and recreational leagues

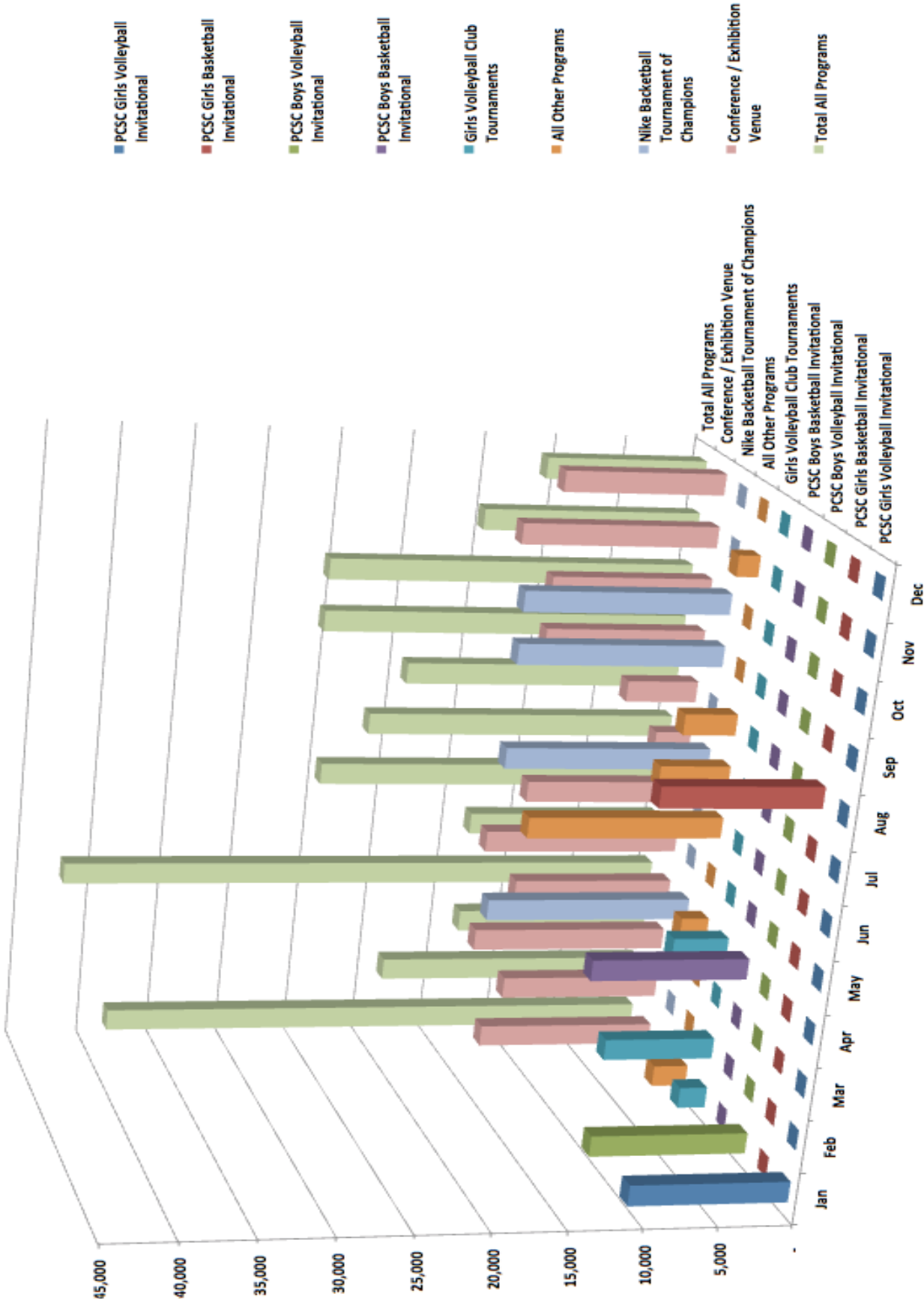
Futsal

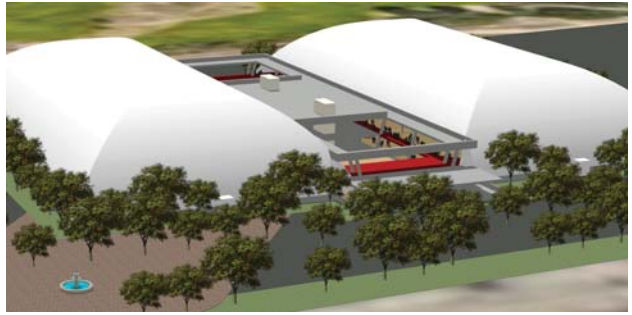
- We estimate that starting month 15, we will have 4 activity days per month reserved, that remains constant going forward
- This is based on our preliminary conversations with the local soccer community

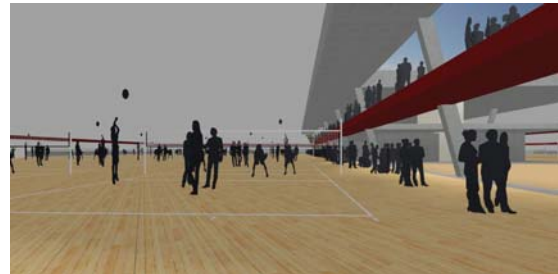
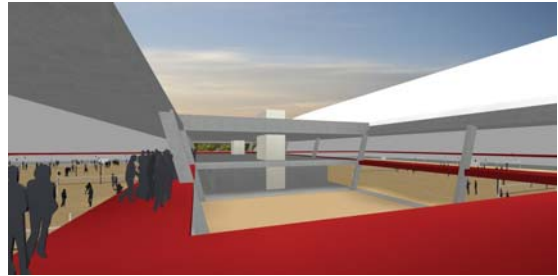
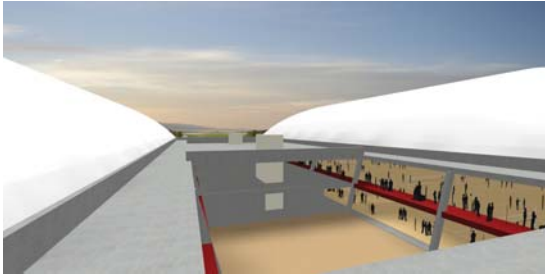
Other events

- We estimate that starting month 22, we will have 4 activity days per month reserved, that remains constant going forward
- By month 37, we have conservatively added a 5th activity day per month
- This is based on our conversations with local Visitor & Convention Bureaus and the VCLA and the need for convention space.

Weekday Attendees by Month by Program







FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 2

**APPROVAL OF FINANCIAL STATEMENTS AND CHECKS
FOR DECEMBER**

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 2
Meeting Date: February 24, 2016

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

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3297 to:

- a) Accept the following financial statements: December 2015; and
- b) Review the payroll and regular checks for December 2015

SUMMARY:

Attached for the Board's review are the financial statements for the fiscal period ending December 31, 2015 and the regular accounts payable checks for the month of December 2015.

BACKGROUND:

The December 2015 financial statements consist of Statement of Revenue and Expenses, Budget Analysis Notes, Balance Sheet, Cash Flow Statement, Distribution of Cash, Comparison of Lease Rent, and a Three Year Comparative Statement of Revenue and Expenses. (See Attachment 2)

Disbursements

The accounts payable check register for December 2015 is located after all the financial statement documents as Attachment 3. The register includes a brief description of the purpose for each check.

Also attached are the details reflecting the charges made through the District's Chase Bank credit cards for November and December 2015 (Attachments 4 & 5, respectively).

I have explained some of the major accounts payable check expenditures below. (Regular payments such as monthly service contracts, utilities, legal services, etc. are not shown below as they are recurring each month.):

December 2015 -

- RRM Design Group was paid \$32,616 on 12/3/15 and \$5,834 on 12/17/15 for continuing services pertaining to accessibility improvement planning in the Village.
- Wild Local Seafood Co. was paid \$14,600 on 12/03/15 for tenant improvements as per his tenant lease agreement.
- Dept. of Parks & Recreation was paid \$43,905 on 12/7/15 for the 2015 Summer Lifeguard services at Harbor Cove beach.
- Letner Roofing Co. was paid \$25,812 on 12/7/15 and \$95,949 on 12/30/15 as progress payments for the roof renovation project in the Village.
- Cushman Contracting Corporation was paid \$87,766 on 12/14/15 as a progress payment on the completion of the fish pier derrick crane.
- J & T Engineering & Construction was paid \$22,616 on 12/14/15 as a progress payment on accessibility improvements in the Village parking lot.

- The Greek Restaurant was paid \$16,280 on 12/14/15 for tenant improvements as per their tenant lease agreement.
- The Holly Workshop was paid \$20,100 on 12/17/15 for the installation and removal of Christmas decorations in the harbor.
- Ventura Port District (VPD) Grant Account was paid \$18,000 on 12/23/15 to establish the checking account to be used for the Aquaculture Fisheries Study Grant.
- Alliant Insurance Services was paid \$57,582 on 12/28/2015 for the annual premium for four Navigators Marine Insurance policies. This insurance covers all liability related to the patrol boats, the launch ramp, the District docks (including the Village) and the water area in the harbor.

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 payroll of \$158,402 for December 2015 reflects two regular pay periods and the quarterly payoff of accrued compensation hours for overtime and holiday pay.

Ventura Port District Aquaculture Fisheries Study Grant Fund

The checking account and financial statements have been established for the Aquaculture Fisheries Study Grant Fund. The financial statements for the Grant Fund are included here as Attachment 6. The District supplied the funds to open the checking account for the Grant Fund and begin the processing of payments to vendors. Requests for reimbursement through the grant must include proof of payment along with the vendor invoices. It is for this reason that the District will front funds as needed and will be reimbursed from the account as grant reimbursements are received.

FISCAL IMPACT:

The Statement of Income and Expenses reflects a decrease of \$121,301 in the 'Change in Net Position' for the period ended 12/31/15. This is considerably less than the 11/30/15 decrease of \$662,232. The District received their pro-rata share of the County property taxes in December which helped to offset some of the year to date expenditures.

ATTACHMENTS:

Attachment 1 – Resolution No. 3297

Attachment 2 – Statement of Income Expenses – Period Ended 12/31/15

Attachment 3 – Accounts Payable Check Register for November 2015

Attachment 4 – Chase Credit Card Charges November 2015

Attachment 5 – Chase Credit Card Charges December 2015

Attachment 6 – Aquaculture Fisheries Grant Fund Statement of Income Expenses 12/31/15

ATTACHMENT 1



RESOLUTION NO. 3297

**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 December 2015;
- B. The following Checks are hereby reviewed:
 - 1) Payroll Checks #9035-9069 and direct deposits inclusive in the amount of \$158,402 for December 2015 salaries.
 - 2) Regular Checks #43103-43342 in the amount of \$696,743 for December 2015 expenditures.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of the Ventura Port District held on February 24, 2016, Resolution No. 3297 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 December 31, 2015

	<----- Current period ----->			<----- Year-to-Date ----->		
	Budget	Activity	Favorable (Unfavorable)	Budget	Activity	Favorable (Unfavorable)
OPERATING REVENUES						
Parcel Lease Income	\$ 230,300	\$ 227,954	\$ (2,346)	\$ 1,475,800	\$ 1,477,609	\$ 1,809
Dry Storage Income	8,100	9,298	1,198	48,600	54,193	5,593
Fisherman's Storage	6,340	6,073	(267)	38,460	34,884	(3,576)
Parking Income	3,000	2,976	(24)	38,000	46,450	8,450
Miscellaneous Income/Rentals	29,700	31,836	2,136	55,400	56,701	1,301
Village Income						
Harbor Village Lease Income	177,500	178,639	1,139	1,225,000	1,240,888	15,888
Commercial Fishing	20,000	19,300	(700)	123,000	121,976	(1,024)
Miscellaneous Income	520	797	277	2,920	2,956	36
Harbor Event Fees	3,000	2,498	(502)	23,100	25,980	2,880
Marketing Booth/Vendor Income	100	2,447	2,347	3,580	8,904	5,324
Co-Op Advert/Sponsorship	10,200	9,485	(715)	13,100	12,485	(615)
Merchants Promo Fund	8,000	6,896	(1,104)	43,000	42,797	(203)
Slip Rentals	75,000	93,905	18,905	450,000	459,324	9,324
Dock Electrical Income	2,000	3,266	1,266	14,000	15,202	1,202
C A M Income	25,000	25,481	481	148,000	149,286	1,286
Total Oper. Revenues	\$ 598,760	\$ 620,851	\$ 22,091	\$ 3,701,960	\$ 3,749,635	\$ 47,675
OPERATING EXPENSES						
Personnel Expenses						
Salaries & Wages						
Regular Salaries	\$ 162,334	\$ 160,488	\$ 1,846	\$ 1,055,250	\$ 1,008,918	\$ 46,332
Part-time Help	5,960	7,644	(1,684)	38,670	37,696	974
Overtime Pay	21,115	19,414	1,701	38,770	38,153	617
Holiday Pay	10,000	11,006	(1,006)	20,000	17,346	2,654
Total Salaries & Wages	\$ 199,409	\$ 198,552	\$ 857	\$ 1,152,690	\$ 1,102,113	\$ 50,577
Other personnel expenses						
Retirement Contributions/Exp	\$ 39,540	\$ 39,572	\$ (32)	\$ 252,350	\$ 246,377	\$ 5,973
Payroll Taxes	4,675	4,394	281	22,985	20,628	2,357
Worker's Comp Ins.	20,790	20,540	250	170,740	170,740	0
OPEB Liability	10,325	10,315	10	61,950	61,890	60
Medical & Life Ins.	21,588	20,604	984	129,528	123,512	6,016
Optional Benefit Plan	16,338	15,414	924	98,030	96,423	1,607
Uniforms & Tool Allowances	2,812	2,804	8	18,772	17,718	1,054
Total - Other Personnel Expenses	\$ 116,068	\$ 113,643	\$ 2,425	\$ 754,355	\$ 737,288	\$ 17,067
Total Personnel Expenses	\$ 315,477	\$ 312,195	\$ 3,282	\$ 1,907,045	\$ 1,839,401	\$ 67,644

ATTACHMENT 2

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

	<----- Current period ----->			<----- Year-to-Date ----->		
	Budget	Activity	Favorable (Unfavorable)	Budget	Activity	Favorable (Unfavorable)
General Expenses						
Advertising	\$ 4,500	\$ 3,439	\$ 1,061	\$ 7,000	\$ 4,469	\$ 2,531
Advertising-Leasing & Real Estate	1,400	1,000	400	8,600	5,052	3,548
Auto Mileage & Allowance	1,125	769	356	6,750	4,774	1,976
Auto/Boat Equip & Maint	13,208	6,985	6,223	70,823	43,039	27,784
Bad Debt	0	0	0	0	425	(425)
Bank Fees & Other Misc	1,300	547	753	7,700	4,873	2,827
Building Maintenance	18,180	13,129	5,051	133,880	43,407	90,473
Bldg Maint-Tenant Improvmnts	20,000	17,729	2,271	248,500	176,289	72,211
Accessibility Improvements	10,000	6,645	3,355	310,000	293,655	16,345
Communications	3,600	4,780	(1,180)	21,600	25,999	(4,399)
Conferences & Training	2,750	477	2,273	30,000	8,433	21,567
Dock Maint. & Repair	4,500	1,458	3,042	24,000	9,552	14,448
Village Enhancements	3,000	0	3,000	18,000	0	18,000
Equipment Rental	4,555	3,975	580	8,160	7,668	492
General Insurance	26,500	26,500	0	159,000	159,000	0
Grounds Maintenance	33,115	35,728	(2,613)	68,750	69,030	(280)
General Harbor Maintenance	0	54	(54)	2,000	54	1,946
Janitorial Supplies	5,875	3,808	2,067	32,750	22,624	10,126
Land/Building Rental Expense	6,340	5,762	578	38,460	34,884	3,576
Marketing & Promotions	44,155	28,577	15,578	157,465	127,957	29,508
Memberships & Subscriptions	650	436	214	18,575	18,072	503
Office Supplies & Equipment	3,400	1,995	1,405	20,050	16,631	3,419
Computer Equip & Supplies	3,500	4,945	(1,445)	9,450	10,151	(701)
Operating Supplies	4,060	1,770	2,290	28,660	17,146	11,514
Other Equipment & Repairs	4,595	4,485	110	26,730	29,384	(2,654)
Professional Services - Legal	25,000	25,314	(314)	162,000	161,995	5
Professional/Outside Services	24,083	13,681	10,402	225,500	176,183	49,317
Utilities	47,505	34,942	12,563	207,380	170,621	36,759
Dredging Related Expenses	14,285	13,888	397	121,810	94,409	27,401
Total General Expenses	\$ 331,181	\$ 262,818	\$ 68,363	\$ 2,173,593	\$ 1,735,776	\$ 437,817
Total Operating Expenses	\$ 646,658	\$ 575,013	\$ 71,645	\$ 4,080,638	\$ 3,575,177	\$ 505,461
Oper. Income(Loss) Before Deprec	\$ (47,898)	\$ 45,838	\$ 93,736	\$ (378,678)	\$ 174,458	\$ 553,136
Depreciation	\$ 80,100	\$ 80,052	\$ 48	\$ 480,600	\$ 480,310	\$ 290
Operating Income (Loss)	\$ (127,998)	\$ (34,214)	\$ 93,784	\$ (859,278)	\$ (305,852)	\$ 553,426

ATTACHMENT 2

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

	<----- Current period ----->			<----- Year-to-Date ----->		
	Budget	Activity	Favorable (Unfavorable)	Budget	Activity	Favorable (Unfavorable)
NON-OPERATING REVENUES						
General						
Investment Income (Loss)	\$ 700	\$ (5,605)	\$ (6,305)	\$ 15,000	\$ 10,310	\$ (4,690)
Tax Income	<u>550,000</u>	<u>600,188</u>	<u>50,188</u>	<u>580,000</u>	<u>629,224</u>	<u>49,224</u>
Total General Non-Oper. Income	\$ 550,700	\$ 594,583	\$ 43,883	\$ 595,000	\$ 639,534	\$ 44,534
Special Funding						
DBAW Grants-Launch Ramp	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Special Funding	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL NON-OPER. REVENUES	<u>\$ 550,700</u>	<u>\$ 594,583</u>	<u>\$ 43,883</u>	<u>\$ 595,000</u>	<u>\$ 639,534</u>	<u>\$ 44,534</u>
NON-OPERATING EXPENSES						
Interest Expense	\$ 1,440	\$ 1,437	\$ 3	\$ 439,640	\$ 436,983	\$ 2,657
Transfer to Grant Fund	<u>0</u>	<u>18,000</u>	<u>(18,000)</u>	<u>0</u>	<u>18,000</u>	<u>(18,000)</u>
Total Non-Oper. Expenses	\$ 1,440	\$ 19,437	\$ (17,997)	\$ 439,640	\$ 454,983	\$ (15,343)
Non-Operationing Income (Loss)	<u>\$ 549,260</u>	<u>\$ 575,146</u>	<u>\$ 25,886</u>	<u>\$ 155,360</u>	<u>\$ 184,551</u>	<u>\$ 29,191</u>
CHANGES IN NET POSITION	<u><u>\$ 421,262</u></u>	<u><u>\$ 540,932</u></u>	<u><u>\$ 119,670</u></u>	<u><u>\$ (703,918)</u></u>	<u><u>\$ (121,301)</u></u>	<u><u>\$ 582,617</u></u>

ATTACHMENT 2

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

The December financial statements reflect the mid-year adjustments as appropriate.

Operating Income:

Parcel Lease Income – (exceeds budget \$1,809) This category reflects the cumulative balance for master tenants rents. The Sondermann Ring Partners rent budgeted in this category has been reduced to reflect only the option agreement fees as reflected in the mid-year budget adjustment.

Harbor Village Lease Income – (exceeds budget \$15,888) This category includes retail, restaurant, offices and charters located in the Village. The budget variance for this category is primarily in charter rents. The budget for charter rents was evaluated at midyear and it was determined that the budgeted amount is appropriate for the year.

Commercial Fishing – (under budget \$1,024) This category was adjusted to reflect the slow squid season as a result of the mid-year budget adjustment review.

Slip Rentals – (exceeds budget \$9,324) This variance is reasonable for the year. The actual rent received caught up to the budget in the month of December.

Operating Expenses:

Personnel Expenses – (under budget \$67,644)

- Salaries and wages are under budget thru December by \$50,577. This variance continues to reflect contingencies included for MOU obligations, vacation buyouts, shift coverages, etc. The contingencies are spread out equally over all the pay periods.
- The other personnel expenses are under budget by \$17,718. This variance is spread out over all the categories and is reasonable.

Auto/Boat Equip & Maint – (under budget \$27,784) This category was reviewed in the mid-year budget process and it was determined that the budgeted amount is appropriate for the year. Approximately \$15,000 of this variance is related to boat maintenance. There is \$65,000 budgeted for boat maintenance and repairs in FY15-16. This boat repair expense has been divided by twelve, distributed equally to each month. Patrol is currently working on the budgeted repairs.

Building Maint – (under budget \$90,473) This category was reviewed in the mid-year budget process and it was determined that the budgeted amount is appropriate for the year and will be utilized. This category is generally spread out equally over all the months.

Building Maint-Tenant Improvements – (under budget \$72,211) This category was reviewed in the mid-year budget process and it was determined that the budgeted amount is appropriate for the year and will be utilized. Tenants such as Wild Local Seafood, Milanos, Copa Cubana, the Greek, are still working on their tenant improvements. It was anticipated that these projects would be completed in the first half of the year.

Accessibility Improvements – (under budget \$16,345) This variance is reasonable for the year.

Conferences & Meetings – (under budget \$21,567) This category was reviewed in the mid-year budget process and it was determined that the budgeted amount is appropriate for the year and will be utilized. The category is allocated evenly over twelve months for the Administration department. The other departments are allocated as

ATTACHMENT 2

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

close to actual event schedules as possible. There are conferences coming up in March/April that will utilize these funds.

Village Enhancements – (under budget \$15,000) This category is allocated evenly over twelve months. There has been no activity in this category. It is anticipated that these funds will be used for awning replacements.

Marketing and Promotions – (under budget \$29,508) Marketing's monthly expenditures can vary greatly from the monthly budget distribution based on many factors. The timing of marketing expenses does not always correspond with monthly budget distribution.

Professional Services-Legal – This category was adjusted as a result of the mid-year budget adjustment review and is now in-line with the budget.

Professional/Outside Services – (under budget \$49,317) The month of December is under budget by \$10,402. The variance in this category reflects several primary factors –

- \$14,000 is for Lifeguard services that the State Parks & Recreation has not yet billed,
- \$10,000 is for boat salvage costs that have not happened yet. It is anticipated that Grant funds will be received to help mitigate these costs,
- \$28,000 has been budgeted to clean up Parcels 15,16,18 prior to Sondermann Ring taking possession.

Utilities - (under budget \$36,759) This category consists of water, electricity, gas and trash expenses. Usage of utilities is currently under budget due to conservation efforts and reduced activity related to fish offloading.

- Water is under budget by \$20,025,
- Electricity is under budget by \$6,882,
- Gas is under budget by \$1,880, and
- Trash is under budget by \$7,972 to date.

Dredging – (under budget \$27,401) It is anticipated that these funds will be used for regulatory testing during the dredging process.

ATTACHMENT 2

Ventura Port District Budget Analysis 50% Remaining For the Period Ended December 31, 2015

	Current Annual Budget	Current YTD Activity	Remaining Budget	% Remaining
INCOME				
Operating Income				
Parcel Lease Income	3,095,000	1,477,609	1,617,391	52
Dry Storage Income	97,000	54,193	42,807	44
Fisherman's Storage	76,500	34,884	41,616	54
Parking Income	65,000	46,450	18,550	29
Miscellaneous Income/Rentals	71,500	56,701	14,799	21
Village Income				
Harbor Village Lease Income	2,330,000	1,240,888	1,089,112	47
Commercial Fishing	215,000	121,976	93,024	43
Miscellaneous Income	6,000	2,956	3,044	51
Harbor Event Fees	40,500	25,980	14,520	36
Marketing Booth/Vendor Income	10,000	8,904	1,096	11
Co-Op Advert/Sponsorship	16,500	12,485	4,015	24
Merchants Promo Fund	90,000	42,797	47,203	52
Slip Rentals	900,000	459,324	440,676	49
Dock Electrical Income	26,000	15,202	10,798	42
C A M Income	295,000	149,286	145,714	49
Total Operating Income	\$ 7,334,000	\$ 3,749,635	\$ 3,584,365	49 %
Non-operating Income				
Investment Income	30,000	10,310	19,690	66
Tax Income	1,030,000	629,224	400,776	39
DBAW Grants-Misc	15,500	0	15,500	100
DBAW Grant-Equipment	59,500	0	59,500	100
City of Ventura	30,000	0	30,000	100
Total Non-Operating Income	\$ 1,165,000	\$ 639,534	\$ 525,466	45 %
TOTAL INCOME	\$ 8,499,000	\$ 4,389,169	\$ 4,109,831	48 %
EXPENSES				
Personnel Expenses				
Salaries & Wages	2,314,500	1,102,113	1,212,387	52
Retirement Contributions	506,500	246,377	260,123	51
Payroll Taxes	44,500	20,628	23,872	54
Worker's Comp Ins.	171,000	170,740	260	0
OPEB Liability	123,922	61,890	62,032	50
Medical & Life Ins.	262,500	123,512	138,988	53
Optional Benefit Plan	194,000	96,423	97,577	50
Uniforms & Tool Allowances	35,000	17,718	17,282	49
Total Personnel Expenses	\$ 3,651,922	\$ 1,839,401	\$ 1,812,521	50 %

ATTACHMENT 2

Ventura Port District Budget Analysis 50% Remaining For the Period Ended December 31, 2015

	Current Annual Budget	Current YTD Activity	Remaining Budget	% Remaining
General Expenses				
Advertising	27,000	9,521	17,479	65
Auto Mileage & Allowance	13,500	4,774	8,726	65
Auto/Boat Equip & Maint	201,500	43,039	158,461	79
Bad Debt	25,000	425	24,575	98
Bank Fees & Other Misc	15,500	4,873	10,627	69
Building Maintenance	243,000	43,407	199,593	82
Bldg Maint-Tenant Improvments	285,000	176,289	108,711	38
Accessibility Improvements	800,000	293,655	506,345	63
Communications	43,000	25,999	17,001	40
Conferences & Training	59,500	8,433	51,067	86
Dock Maint. & Repair	49,000	9,552	39,448	81
Village Enhancements	35,000	0	35,000	100
Equipment Rental	18,500	7,668	10,832	59
General Insurance	280,000	159,000	121,000	43
Grounds Maintenance	111,000	69,030	41,970	38
General Harbor Maintenance	4,000	54	3,946	99
Janitorial Supplies	60,500	22,624	37,876	63
Land/Building Rental Expense	76,500	34,884	41,616	54
Marketing & Promotions	291,500	127,957	163,543	56
Memberships & Subscriptions	21,500	18,072	3,428	16
Office Supplies & Equipment	38,000	16,631	21,369	56
Computer Equip & Supplies	12,500	10,151	2,349	19
Operating Supplies	69,500	17,146	52,354	75
Other Equipment & Repairs	46,000	29,384	16,616	36
Professional Services - Legal	245,000	161,995	83,005	34
Professional/Outside Services	413,000	176,183	236,817	57
Utilities	411,500	170,621	240,879	59
Dredging Related Expenses	335,000	94,409	240,591	72
Total General Expenses	\$ 4,231,000	\$ 1,735,776	\$ 2,495,224	59 %
Non-operating Expenses				
Interest Expense	648,560	436,983	211,577	33
Bond Issuance Cost	135,600	0	135,600	100
Transfer to Grant Fund	0	18,000	(18,000)	0
Total Non-Oper. Expenses	\$ 784,160	\$ 454,983	\$ 329,177	42 %
TOTAL EXPENSES	\$ 8,667,082	\$ 4,030,160	\$ 4,636,922	54 %

ATTACHMENT 2

Ventura Port District Budget Analysis 50% Remaining For the Period Ended December 31, 2015

	Current Annual Budget	Current YTD Activity	Budget Funds Remaining
CAPITAL IMPROVEMENT PROJECTS/EQUIPMENT			
Automotive	\$ 40,000	\$ 0	\$ 40,000
Assets -Fish Pier Crane/Hoist	102,000	90,165	11,835
Building Improve-Replace Window	90,000	0	90,000
Parking Lot Repairs	100,000	83,059	16,941
Assets Village roof system	630,000	445,594	184,406
Assets-Vlg Parkinglot Trash Enclos	0	1,314	(1,314)
Assets-1691 Elevator Refurbish	98,000	37,446	60,554
Assets-1691 Spinnaker Roof Repai	120,000	0	120,000
Village Landscaping	0	4,848	(4,848)
VHV Marina Part G&H Docks	50,000	0	50,000
Total Capital Improvements	\$ 1,230,000	\$ 662,426	\$ 567,574

ATTACHMENT 2

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

CURRENT ASSETS

Cash in Banks	2,003,064
Accounts Receivable	727,198
Notes Receivable	1,316
Taxes Receivable	618,603
Interest Receivable	9,368
Prepaid Expenses	191,502
Inventory of supplies	35,245
TOTAL CURRENT ASSETS	<u>\$3,586,296</u>

RESTRICTED ASSETS

Cash - Dredging	3,025,584
Cash - Improvement	3,105,350
Cash - Fisheries Complex	25,068
TOTAL RESTRICTED ASSETS	<u>\$6,156,002</u>

FIXED ASSETS

Land	2,342,629
Harbor Improvements	33,576,320
Equipment	1,504,333
	<u>37,423,282</u>
Accumulated depreciation	<u>(14,839,640)</u>
NET FIXED ASSETS	<u>\$22,583,642</u>

OTHER ASSETS

Investments-Unrestricted Reserves	1,489,410
TOTAL OTHER ASSETS	<u>\$1,489,410</u>

TOTAL ASSETS **\$33,815,350**

DEFERRED OUTFLOWS OF RESOURCES

Deferred amount on refundings	215,495
Deferred amount on pension plan	347,852
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$563,347</u>

**TOTAL ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES**

\$34,378,697

CURRENT LIABILITIES

Accounts Payable	94,194
Accrued Interest	373,390
Current Portion LT Debt	639,912
Current Portion OPEB Liability	11,856
Accrued Payroll	37,961
Employee Compensated Absences	230,666
TOTAL CURRENT LIABILITIES	<u>\$1,387,979</u>

LONG TERM DEBT

ltd - Notes Payable	13,018,637
TOTAL LONG TERM DEBT	<u>\$13,018,637</u>

OTHER LIABILITIES

OPEB Liability LT	454,688
Net Pension Liability	2,578,020
Unearned Revenue	207,333
Security Deposits	169,389
TOTAL OTHER LIABILITIES	<u>\$3,409,430</u>

TOTAL LIABILITIES **\$17,816,046**

EQUITY

Contributed Capital	4,632,128
Retained Earnings-Reserved	645,536
Retained Earnings- Unreserved	10,722,661
Current Year Retained Earnings	(121,301)
TOTAL EQUITY	<u>\$15,879,024</u>

DEFERRED INFLOW OF RESOURCES

Deferred amount from pension plan	683,627
TOTAL DEFERRED INFLOW OF RESOURCES	<u>\$683,627</u>

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

\$34,378,697

ATTACHMENT 2

Ventura Port District
Cashflow Statement
As of December 31, 2015

Enterprise Fund

Operating Income	3,749,635
Non-Operating Income	639,534
Total Income	<u>\$ 4,389,169</u>
Operating Expenses	4,055,487
Non-Operating Expenses	454,983
Total Expenses	<u>\$ 4,510,470</u>
Change in Net Position-Accrual Basis	\$ (121,301)
Cashflows for Capital and Financing Activities:	
Principle paid on debt	(639,912)
Deferred amount on refundings	8,622
Acquisitions/Retirements of Capital Assets	<u>(662,426)</u>
Net Cash provided (used) by Capital & Financing	\$ (1,293,716)
Operating Income Adjustments:	
Depreciation	480,310
(Increase)decrease in receivables	(459,972)
(Increase)decrease in prepaid Items	162,814
Increase(decrease) in payables	(11,744)
Increase(decrease) in unearned revenue	(48,444)
Increase (decrease) in tenant deposits	<u>5,625</u>
Net Cash provided by Operating Activities	\$ 128,589
NET Increase (Decrease) in Cash	\$ (1,286,428)
Add: Beginning Cash 7/1/15	\$ 10,934,904
Ending Cash at 12/31/15	\$ 9,648,476

ATTACHMENT 2

Ventura Port District Distribution of Cash as of December 31, 2015

<u>Enterprise Fund</u>	Current Balance
<u>Cash</u>	
Cash on Hand (undeposited)	1,324
Cash in Checking (Wells Fargo Bank)	115,232
Cash in County Treasury	<u>16,675</u>
Total Cash Available for Normal Operations	\$ <u>133,231</u>
 <u>Investments Unrestricted Reserves</u>	
Local Agency Investment Fund (LAIF)	1,863,082
Stifel Nicolaus	<u>1,496,161</u>
Total Investments Unrestricted Reserves	\$ <u>3,359,243</u>
 <u>Dredging Reserves</u>	
Local Agency Investment Fund (LAIF)	<u>3,025,584</u>
Total Dredging Reserves	\$ <u>3,025,584</u>
 <u>Capital Improvement Reserves</u>	
Local Agency Investment Fund (LAIF)	<u>3,105,350</u>
Total Capital Improvement Reserves	\$ <u>3,105,350</u>
 <u>Fisheries Complex Reserves</u>	
Local Agency Investment Fund (LAIF)	<u>25,068</u>
Total Fisheries Complex Reserves	\$ <u>25,068</u>
 TOTAL CASH AND INVESTMENTS	\$ <u><u>9,648,476</u></u>

ATTACHMENT 2

Ventura Port District Comparison of Lease Rent

	Year to Date Ended <u>12/31/2015</u>	Year to Date Ended <u>12/31/2014</u>	Increase (Decrease)	
Parcel Leases				
Ventura Harbor Marine Assoc	102,464	94,259	8,205	9%
Dave's Fuel Dock	7,094	5,597	1,497	27%
Sheraton 4 Points-Harbortown	239,074	223,313	15,762	7%
Harbortown Point	5,746	4,408	1,338	30%
Oceans West Marina	143,836	140,886	2,950	2%
Ventura Isle Marina	344,278	320,997	23,281	7%
Ventura Marina Mobile Park	217,573	214,051	3,522	2%
Ventura West Marina	247,607	246,059	1,548	1%
Ventura Yacht Club	59,443	58,277	1,166	2%
Vta Harbor Boatyard	70,494	71,950	(1,456)	-2%
Sonderman Ring	40,000	40,000	0	0%
Total Parcel Lease	<u>1,477,609</u>	<u>1,419,798</u>	<u>57,811</u>	4%
Fees & Reimbursements	<u>-</u>	<u>2,287</u>	<u>(2,287)</u>	
Total Parcel Leases	1,477,609	1,422,085	55,524	4%
Ventura Harbor Village				
Retail Rents	222,729	234,869	(12,140)	-5%
Restaurant Rents	506,371	479,439	26,932	6%
Office Rents	296,620	280,599	16,021	6%
Charters	215,168	204,791	10,377	5%
Total Village	<u>1,240,888</u>	<u>1,199,698</u>	<u>41,190</u>	3%
Commercial Fishing	121,976	166,568	(44,592)	-27%
TOTAL	2,840,473	2,788,351	52,122	2%

Monthly Report
(Unaudited)

ATTACHMENT 2

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

	Fiscal Year			Fiscal Year			% change FY14-15 to Current Yr
	2013-14	2014-15	Current	2013-14	2014-15	Current	
Operating Income							
Parcel Leases	211,246	220,502	227,954	1,361,086	1,422,085	1,477,609	4%
Dry Storage	7,735	7,031	9,298	46,998	42,236	54,193	28%
Other Operating	11,275	37,253	40,885	117,010	121,896	138,035	13%
Harbor Village Leases	165,072	165,076	178,639	1,170,604	1,199,698	1,240,888	3%
Commercial Fishing	23,483	29,158	19,300	253,796	166,568	121,976	-27%
Slips	74,234	73,008	93,905	463,784	426,732	459,324	8%
CAM	24,525	22,602	25,481	143,343	144,555	149,286	3%
Marketing	7,123	7,177	6,896	41,103	44,357	42,797	-4%
Electrical Slips	2,842	2,958	3,266	14,252	13,930	15,202	9%
Other Operating	14,082	11,954	15,227	48,845	48,913	50,325	3%
Total Operating Income	511,111	511,111	20,511	3,013,111	3,013,111	3,013,111	3%
Operating Expenses							
Harbor Patrol	80,807	86,515	114,897	478,981	581,620	641,151	10%
Maintenance	88,102	112,800	126,753	638,937	565,317	901,222	59%
Administration	134,112	111,942	145,445	815,069	880,230	946,517	8%
Marina	60,588	56,049	60,096	358,507	314,183	327,427	4%
CAM	63,904	62,162	68,195	362,794	378,431	433,286	14%
Marketing	63,821	56,682	45,739	234,277	239,276	231,165	-3%
Dredging	32,664	14,809	13,888	125,123	88,750	94,409	6%
Total Operating Expenses	523,111	500,111	550,111	3,013,111	3,013,111	3,511,111	17%
Operating Income	111,111	111,111	51,111	111,111	111,111	511,111	-70%
Non-Operating Income							
Interest	16,781	7,389	(5,605)	48,100	10,389	10,310	
Taxes	495,708	546,204	600,188	550,733	574,618	629,224	10%
Other	-	-	-	-	17,914	-	
Total Non-Operating Income	512,111	553,111	594,111	598,111	598,111	639,111	6%
Non-Operating Expenses							
Depreciation	74,779	82,308	80,052	447,643	489,609	480,310	
Debt Service	1,437	1,437	1,437	467,520	452,606	436,983	
Transfer to Grant Fund	-	-	18,000	-	-	18,000	
Other	-	-	-	-	-	-	
Total Non-Operating Expenses	76,216	83,745	99,489	915,163	942,215	935,293	-1%
Operating Income	3,233	3,233	5,000	3,233	3,233	5,000	
Operating Expenses	53,111	55,111	50,111	330,111	23,111	(121,301)	-150%

ATTACHMENT 3

Accounts Payable Check Register - December 2015

Ventura Port District
Wells Fargo Checking

2/11/2016

Check	Date	Payee	Name	Description	Amount	Voided Amount
43103	12/3/2015	1154	Alejandra's Nursery	Landscaping 1449 Spinnaker area	763.25	
43104	12/3/2015	1168	Amsterdam Printing	Advertising supplies	352.97	
43105	12/3/2015	1178	American Office Products	Office supplies	96.03	
43106	12/3/2015	1182	American Builders Supply	Village planters and landscaping	440.72	
43107	12/3/2015	1440	Beacon Marine Chandlery Inc	Operating supplies	65.84	
43108	12/3/2015	1725	CED (Consolidated Electrical Distrib)	Operating supplies	62.69	
43109	12/3/2015	1762	Canon Financial Services	Copier lease for VPD HDQ and Marketing office	795.50	
43110	12/3/2015	1915	Cintas Corp	Uniform rental/cleaning, door mats, rags	738.10	
43111	12/3/2015	2331	Dial Security Inc	Dockmaster/security coverage	500.00	
43112	12/3/2015	2604	E.J. Harrison & Sons Inc.	Trash service	4,435.45	
43113	12/3/2015	2980	Fausset Printing, LLC	Marketing-brochures	330.50	
43114	12/3/2015	2983	Federal Express Corporation	Package shipping	52.96	
43115	12/3/2015	2983	Federal Express Corporation	Package shipping	31.39	
43116	12/3/2015	3653	Henderson Marine	Electrical pedestal for Village Marina dock	1,562.00	
43117	12/3/2015	4057	Health & Human Resource Center	Employee Assistance Program (EAP)	177.14	
43118	12/3/2015	4293	Jennifer Talt-Lundin	Personal phone reimbursement	50.00	
43119	12/3/2015	4956	Lisa Kelly	Seasonal décor refurbishing	500.00	
43120	12/3/2015	5013	Los Angeles Magazine	Marketing-Advertising	2,239.00	
43121	12/3/2015	5016	Lowe's	Building and operating supplies	929.05	
43122	12/3/2015	5083	Oasis Technology Inc.	Microsoft exchange transformer	187.50	
43123	12/3/2015	5190	Matilija Water	Reverse osmosis water system October	45.00	
43124	12/3/2015	5210	McCormix Corp.	Fuel for maintenance vehicles	373.88	
43125	12/3/2015	6414	Oxnard Convention & Visitors B	Marketing-Advertising	625.00	
43126	12/3/2015	6440	Port Supply	Dock electrical parts and boat window accessories	217.09	
43127	12/3/2015	6687	RRM Design Group Inc.	Services for accessibility improvement planning	32,616.02	
43128	12/3/2015	6850	R P Barricade	Barricade 1449 Spinnaker parking lot	233.14	
43129	12/3/2015	6865	Rasmussen & Associates Inc	Village roof project	2,557.50	
43130	12/3/2015	7015	Rick Wilborn	Photos of harbor	85.00	
43131	12/3/2015	7210	SEIU Local 721	Union dues for Harbor Patrolmen	268.02	
43132	12/3/2015	7240	AT&T	Elevator emergency phone service	743.97	
43133	12/3/2015	7245	Santa Barbara Family Life	Marketing-Advertising	345.00	
43134	12/3/2015	7294	Service-Pro Fire Protection **Voided**	Voided to correct invoice amount		1,649.10
43135	12/3/2015	7296	Searle Creative Group	Website production/maintenance	3,412.50	
43136	12/3/2015	7299	Seaworthy Marina Products	Patrol boat operating supplies	1,180.12	
43137	12/3/2015	7410	Smith Pipe & Supply Inc.	Village landscape irrigation parts and lighting	905.16	

ATTACHMENT 3

Accounts Payable Check Register - December 2015

Ventura Port District
Wells Fargo Checking

2/11/2016

<u>Check</u>	<u>Date</u>	<u>Payee</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Voided Amount</u>
43138	12/3/2015	7434	Southern Calif. Edison ** Voided **	Check stub used to list invoices		-
43139	12/3/2015	7434	Southern Calif. Edison	Utilities	15,210.43	
43140	12/3/2015	7572	Standard Insurance Company	Group Term Life/Long-term Disability - November	3,152.84	
43141	12/3/2015	7593	Steve Martins Working Wildlife	Marketing Village entertainment	1,500.00	
43142	12/3/2015	7761	The Gas Company	Utilities	420.50	
43143	12/3/2015	7818	TOTALFUNDS By Hasler	Postage for postage machine	500.00	
43144	12/3/2015	8202	VCE Services, Inc.	Parking lot accessibility improvements	1,391.00	
43145	12/3/2015	8204	VACCO	Service AC unit 1603 VPD Headquarters	126.00	
43146	12/3/2015	8233	Venco Power Sweeping, Inc	Monthly Village parking lot / Fish Pier cleaning	545.38	
43147	12/3/2015	8239	Ventura County Reporter	Marketing-Advertising	325.00	
43148	12/3/2015	8241	Ventura County Star	Marketing-Advertising-Time-Out section of the Star	770.00	
43149	12/3/2015	8243	Ventura Harbor Boat Yard	Patrol boat parts	144.00	
43150	12/3/2015	8250	Ventura Visitors & Convention	Marketing-Advertising	600.00	
43151	12/3/2015	8251	Ventura Water	Utilities	612.92	
43152	12/3/2015	8263	Ventura Pest Control	Village service	335.00	
43153	12/3/2015	8453	Virtual Pacific Networks	IT Services	2,880.00	
43154	12/3/2015	8538	Wenches & Warriors/Angel Jones	Marketing Village entertainment	220.00	
43155	12/3/2015	12945	Assurant Employee Benefits	Dental Insurance Premiums	1,139.55	
43156	12/3/2015	17684	California State Disbursement	Employee deduction plan	317.07	
43157	12/3/2015	20021	Coastal View News	Marketing-Advertising	314.00	
43158	12/3/2015	20200	CoStar Realty Information, Inc	Leasing marketing data software	729.00	
43159	12/3/2015	46531	Troy LeDuc	Marketing-Event character	60.00	
43160	12/3/2015	48470	Lauren Yuncker	Personal phone reimbursement Nov	30.00	
43161	12/3/2015	51731	Marcos Ramos Painting	TI office suite Village 1575 Spinnaker, Ste 106A	3,000.00	
43162	12/3/2015	51751	Maria Schonder	Personal phone reimbursement Nov	30.00	
43163	12/3/2015	68561	Rachel Amanda Hwang	Marketing-Event character	60.00	
43164	12/3/2015	70335	Ron's Custom Upholstery	Patrol boat weatherproofing	1,624.98	
43165	12/3/2015	74343	Sommerville Associates	Marketing services	2,000.00	
43166	12/3/2015	75821	Steve Tipton	Marketing-Advertising	700.00	
43167	12/3/2015	85401	Wild Local Seafood Co,	Tenant Improvement as per lease	14,600.00	
43168	12/3/2015	Deposits	Jeffrey Urrea	Refund event deposit	250.00	
43169	12/3/2015	One time	Karen Sue, LLC	Refund a check sent to VPD in error by maker	6,649.22	
43170	12/3/2015	1182	American Builders Supply	Village planters and landscaping	124.65	
43171	12/3/2015	7294	Service-Pro Fire Protection	Village quarterly fire sprinkler inspection/maintenance	1,524.45	
43172	12/4/2015	5945	Office Depot Credit Plan	Marketing office supplies	304.69	

ATTACHMENT 3

Accounts Payable Check Register - December 2015

Ventura Port District
Wells Fargo Checking

2/11/2016

<u>Check</u>	<u>Date</u>	<u>Payee</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Voided Amount</u>
43173	12/7/2015	2287	Dept. of Parks and Recreation	Summer 2015 Lifeguard Services	43,905.21	
43174	12/7/2015	48911	Letner Roofing Co.	Progress payment on Village roofing project	25,812.00	
43175	12/11/2015	3155	Franchise Tax Board	Employee deduction plan	192.63	
43176	12/11/2015	17684	California State Disbursement	Employee deduction plan	317.07	
43177	12/14/2015	2096	Cushman Contracting Corporation	Progress payment on Derrick Crane replacement	87,765.75	
43178	12/14/2015	42271	J & T Engineering & Construct	Progress payment on accessibility parking lot improvements	22,615.93	
43179	12/17/2015	1036	Accurate First Aid Services	Replenish first aid stations	185.81	
43180	12/17/2015	1060	AFLAC	Salary reduction benefit	487.35	
43181	12/17/2015	1178	American Office Products	Office supplies	187.92	
43182	12/17/2015	1378	BC Tree Service Inc	Trim trees harbor entry feature and Village parking lot	4,000.00	
43183	12/17/2015	1679	Carpi, Clay & Smith	Washington lobbyist - November	5,000.00	
43184	12/17/2015	1915	Cintas Corp	Uniform rental/cleaning, door mats, rags	705.78	
43185	12/17/2015	1925	City Of S. Buenaventura	Trash service	100.00	
43186	12/17/2015	2069	Creative Resource Group	Marketing-Ad production	120.00	
43187	12/17/2015	2097	Custom awards & Engraving	Parade of Lights trophies	127.07	
43188	12/17/2015	2099	Custom Embroidery	Harbor Patrolmen uniforms	993.30	
43189	12/17/2015	2174	Dan Harding	Marketing-photographer	85.00	
43190	12/17/2015	2331	Dial Security Inc	Dockmaster/security coverage	900.00	
43191	12/17/2015	2446	DocuProducts	Copier maintenance fees	338.34	
43192	12/17/2015	2751	Empire Cleaning Supply	Janitorial supplies	1,800.35	
43193	12/17/2015	2935	Farmer Bros. Co	Coffee supplies	309.36	
43194	12/17/2015	2980	Fausset Printing, LLC	Marketing-brochures	228.45	
43195	12/17/2015	3328	George Kabris	Special smuggling training reimbursement	69.38	
43196	12/17/2015	3490	Grainger Inc.	Operating supplies	33.41	
43197	12/17/2015	3491	Greek At The Harbor	Tenant Improvement as per lease	16,280.00	
43198	12/17/2015	3592	Hansen's Plumbing, Inc.	Village Carousel bldg-replace rusted cast-iron piping	670.00	
43199	12/17/2015	3752	HLI Systems	Website service/maintenance	900.00	
43200	12/17/2015	3781	The Holly Workshop	Harbor seasonal décor setup/take down	20,100.00	
43201	12/17/2015	4247	Jani-King of CA Inc.	Janitorial Service in Village	5,025.56	
43202	12/17/2015	4293	Jennifer Talt-Lundin	Personal phone reimbursement	150.00	
43203	12/17/2015	4295	Jensen Design & Survey Inc.	Parking lot accessibility services	972.50	
43204	12/17/2015	4418	Jonathan Stanger	Marketing Village entertainment	325.00	
43205	12/17/2015	4742	Kratos Construction	Electrical repairs docks and Village & T1 1583 #215	3,550.00	
43206	12/17/2015	4852	Lagerlof Senecal Gosney	Legal services	25,083.00	
43207	12/17/2015	4897	PORAC Legal Defense Fund	Salary reduction benefit	183.60	

ATTACHMENT 3

Accounts Payable Check Register - December 2015

Ventura Port District
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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>
43208	12/17/2015	5210	McCormix Corp.	Fuel for maintenance vehicles	369.83	
43209	12/17/2015	5625	ReadyRefresh	Bottled water service	153.65	
43210	12/17/2015	6178	PERS Long Term Care Program	Salary reduction benefit	164.98	
43211	12/17/2015	6201	Pamela Griffin	Wellness program instructor	160.00	
43212	12/17/2015	6245	Patrick Burdick	Marketing Village entertainment	200.00	
43213	12/17/2015	6245	Patrick Burdick	Marketing Village entertainment	800.00	
43214	12/17/2015	6283	Petty Cash Fund	Replenish petty cash fund-operating supplies	339.94	
43215	12/17/2015	6284	Peace Officers Research Assoc.	Salary reduction benefit	138.00	
43216	12/17/2015	6440	Port Supply	Operating supplies	136.23	
43217	12/17/2015	6470	LegalShield	Salary reduction benefit	166.40	
43218	12/17/2015	6687	RRM Design Group Inc.	Services for accessibility improvement planning	5,833.60	
43219	12/17/2015	7210	SEIU Local 721	Union dues for Harbor Patrolmen	385.27	
43220	12/17/2015	7294	Service-Pro Fire Protection	Fire extinguisher servicing	156.46	
43221	12/17/2015	7299	Seaworthy Marina Products	Patrol boat operating supplies	28.14	
43222	12/17/2015	7346	Shell Fleet Plus	Fuel for patrol vehicles	660.40	
43223	12/17/2015	7410	Smith Pipe & Supply Inc.	Landscape irrigation parts	482.33	
43224	12/17/2015	7434	Southern Calif. Edison	Utilities	21.54	
43225	12/17/2015	7588	Stock Building Supply	Hoist operating parts	311.85	
43226	12/17/2015	7719	Teamsters Local No. 186	Union dues for Dockmasters	159.00	
43227	12/17/2015	7762	The Home Depot	Village planters	77.73	
43228	12/17/2015	8202	VCE Services, Inc.	Accessibility improve. and derrick crane install oversight	5,517.00	
43229	12/17/2015	8228	Ventana Monthly	Marketing-Advertising	285.00	
43230	12/17/2015	8239	Ventura County Reporter	Marketing-Advertising	400.00	
43231	12/17/2015	8244	Ventura Harbor Storage	Fishermen's storage/net repair area	5,762.10	
43232	12/17/2015	8250	Ventura Visitors & Convention	Marketing-Advertising & conference fee	625.50	
43233	12/17/2015	8251	Ventura Water ** Voided **	Check stub used to list invoices		-
43234	12/17/2015	8251	Ventura Water	Utilities	27,062.90	
43235	12/17/2015	8260	Verizon Wireless	Cell phones/services	126.79	
43236	12/17/2015	8260	Verizon Wireless	Cell phones/services	886.17	
43237	12/17/2015	8266	Ventura Harbor Marine Fuel	Operating supplies	13.17	
43238	12/17/2015	8267	Ventura Harbor Marina & Yacht	Patrol Boat B-19 repairs	2,854.10	
43239	12/17/2015	8500	Warren Takahashi	Marketing Village entertainment	150.00	
43240	12/17/2015	8530	White Nelson Diehl Evans LLP	Progress payment on financial audit services	2,500.00	
43241	12/17/2015	8531	Whisenhunt Communication	Public relations services	1,760.00	
43242	12/17/2015	8552	Village Carousel	Marketing-Event production	100.00	

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Check	Date	Payee	Name	Description	Amount	Voided Amount
43243	12/17/2015	8713	Zambelli Fireworks	Marketing Parade of Lights event production	3,750.00	
43244	12/17/2015	11461	AllCal Equipment Services Inc,	Crane inspection/certification	700.00	
43245	12/17/2015	11541	ALC Construction LLC	Village restroom accessibility improve. pre-design plan	2,554.80	
43246	12/17/2015	11901	American Foothill Publishing	Harbor Views Winter Newsletter publications	1,430.00	
43247	12/17/2015	12300	AT&T Business Services	Fiber/Wi-Fi services VPD HDQ	1,388.34	
43248	12/17/2015	12856	Arkadin, Inc.	Conference call service	61.72	
43249	12/17/2015	14221	Batteries Plus - Ventura	Operating supplies	53.64	
43250	12/17/2015	20021	Coastal View News	Marketing-Advertising	578.00	
43251	12/17/2015	32841	Gayle Phelps	Marketing Village entertainment	375.00	
43252	12/17/2015	42471	JaniTek Cleaning Solutions	Janitorial service for National Park Service Offices	1,046.00	
43253	12/17/2015	42911	Jeff Lee	Marketing Village entertainment	375.00	
43254	12/17/2015	46101	Keene Music Services, LLC	Marketing Village entertainment	475.00	
43255	12/17/2015	48470	Lauren Yuncker	Personal phone reimbursement Dec	30.00	
43256	12/17/2015	51731	Marcos Ramos Painting	TI office suite Village 1583 Spinnaker, Ste 215	1,025.00	
43257	12/17/2015	51751	Maria Schonder	Personal phone reimbursement Dec	30.00	
43258	12/17/2015	68561	Rachel Amanda Hwang	Marketing-Event character	90.00	
43259	12/17/2015	70361	Robert Duarte	Marketing-Event character	100.00	
43260	12/17/2015	70361	Robert Duarte	Marketing-Event character	100.00	
43261	12/17/2015	75712	Stacey Reed	Marketing-event staff assistance	195.00	
43262	12/17/2015	76012	Sunbelt Rentals, Inc.	Equipment rental beach/sand erosion repair	650.09	
43263	12/17/2015	77751	The Salty Suites	Marketing Village entertainment	300.00	
43264	12/17/2015	82351	Ventura Breeze	Marketing-Advertising	625.00	
43265	12/17/2015	Deposits	Alicia Rodriguez	Refund event deposit	250.00	
43266	12/17/2015	Deposits	Letty Banuelos	Refund event deposit	250.00	
43267	12/17/2015	Deposits	Rabbi Dov Muchnik	Refund event deposit	250.00	
43268	12/17/2015	Deposits	William Jennings	Refund event deposit	250.00	
43269	12/17/2015	PM OneTime	Eric Berfield	Refund key deposit	25.00	
43270	12/17/2015	PM OneTime	Interaero, Inc.	Refund key deposit	25.00	
43271	12/17/2015	1058	Advantage Telecom Inc	District phone system/internet	1,271.91	
43272	12/17/2015	7299	Seaworthy Marina Products	Patrol boat operating supplies	130.33	
43273	12/23/2015	82823	VPD-Grant Account	Initial balance to open Shellfish Initiative grant checking acct	18,000.00	
43274	12/23/2015	6409	Plauche & Carr	Services on Ventura Shellfish Enterprise study	440.00	
43275	12/28/2015	7032	Alliant Insurance Services	Annual Premium-Navigators Marine Insurance	57,582.00	
43276	12/30/2015	1060	AFLAC	Salary reduction benefit	487.35	
43277	12/30/2015	1731	C.A.H.M.P.C.	Annual membership	300.00	

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Accounts Payable Check Register - December 2015

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Check	Date	Payee	Name	Description	Amount	Voided Amount
43278	12/30/2015	1762	Canon Financial Services	Copier lease for VPD HDQ and Marketing office	795.50	
43279	12/30/2015	1915	Cintas Corp	Uniform rental/cleaning, door mats, rags	745.10	
43280	12/30/2015	2099	Custom Embroidery	Dockmaster uniform	125.58	
43281	12/30/2015	2174	Dan Harding	Marketing-Parade of Lights photos	1,406.00	
43282	12/30/2015	2331	Dial Security Inc	Dockmaster/security coverage	800.00	
43283	12/30/2015	2336	Diamond Darren Dive Service	Patrol boat repair	45.00	
43284	12/30/2015	2604	E.J. Harrison & Sons Inc.	Trash service	4,230.35	
43285	12/30/2015	2751	Empire Cleaning Supply	Janitorial supplies	2,527.80	
43286	12/30/2015	2936	Fast Signs	Marketing-Event production	143.22	
43287	12/30/2015	2980	Fausset Printing, LLC	Marketing-brochures	85.00	
43288	12/30/2015	2986	Ferguson Enterprises Inc.	Plumbing hardware-Harbor Cove restrooms	244.61	
43289	12/30/2015	3328	George Kabris	EMT recertification reimbursement	88.00	
43290	12/30/2015	3491	The Greek Mediterranean Steak	Marketing-Event production	210.00	
43291	12/30/2015	3609	Hathaway Perrett Webster Inc.	Legal services	1,885.00	
43292	12/30/2015	3752	HLI Systems	Website service/maintenance	150.00	
43293	12/30/2015	4057	Health & Human Resource Center	Employee Assistance Program (EAP)	177.14	
43294	12/30/2015	4418	Jonathan Stanger	Marketing Village entertainment	325.00	
43295	12/30/2015	4742	Kratos Construction	Village exterior building repair	1,350.00	
43296	12/30/2015	4956	Lisa Kelly	Seasonal décor refurbishing	370.00	
43297	12/30/2015	5016	Lowe's	Building and operating supplies	2,194.49	
43298	12/30/2015	5190	Matilija Water	Reverse osmosis water system October	45.00	
43299	12/30/2015	5210	McCormix Corp.	Fuel for maintenance vehicles	914.21	
43300	12/30/2015	5231	Mendez Roofing Inc	Emergency roof tile repair at 1691 Spinnaker	400.00	
43301	12/30/2015	5505	Muzicraft Inc.	Ambient music in Village - Jan	329.50	
43302	12/30/2015	5946	Office Max	Office supplies	169.57	
43303	12/30/2015	6178	PERS Long Term Care Program	Salary reduction benefit	329.96	
43304	12/30/2015	6361	Pitney Bowes	Postage meter lease/Vlg office	34.63	
43305	12/30/2015	6440	Port Supply	Operating supplies	5.33	
43306	12/30/2015	6850	R P Barricade	Marketing-Fireworks display	76.12	
43307	12/30/2015	6865	Rasmussen & Associates Inc	Village roof project	2,677.50	
43308	12/30/2015	7232	Sage CRE Forms	Office supplies-tax forms	223.89	
43309	12/30/2015	7240	AT&T	Elevator emergency phone service	575.16	
43310	12/30/2015	7354	SSD Systems	Key card lock system for 1449 Spinnaker building	1,577.20	
43311	12/30/2015	7410	Smith Pipe & Supply Inc.	Landscape irrigation parts	331.58	
43312	12/30/2015	7411	Smogies Smog Shop	bi-annual vehicle smog recertification	195.00	

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Accounts Payable Check Register - December 2015

Ventura Port District
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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>
43313	12/30/2015	7434	Southern Calif. Edison ** Voided **	Check stub used to list invoices		-
43314	12/30/2015	7434	Southern Calif. Edison	Utilities	12,880.07	
43315	12/30/2015	7572	Standard Insurance Company	Group Term Life/Long-term Disability - December	3,152.84	
43316	12/30/2015	7761	The Gas Company	Utilities	730.95	
43317	12/30/2015	7768	ThyssenKrupp Elevator Corp	Quarterly elevator inspection/service	3,734.49	
43318	12/30/2015	8204	VACCO	Service AC unit 1603 VPD Headquarters	103.50	
43319	12/30/2015	8233	Venco Power Sweeping, Inc	Monthly Village parking lot / Fish Pier cleaning	415.38	
43320	12/30/2015	8239	Ventura County Reporter	Marketing-Advertising	1,050.00	
43321	12/30/2015	8241	Ventura County Star	Subscription	60.95	
43322	12/30/2015	8251	Ventura Water	Utilities	340.86	
43323	12/30/2015	12300	AT&T Business Services **Voided**	Corrected amount see chk#43342		2,776.68
43324	12/30/2015	12945	Assurant Employee Benefits	Dental Insurance Premiums	1,170.01	
43325	12/30/2015	17684	California State Disbursement	Employee deduction plan	317.07	
43326	12/30/2015	19252	City of Ventura	Marketing-Entertainment permit	297.92	
43327	12/30/2015	25351	Dudek	Services on Ventura Shellfish Enterprise study	938.26	
43328	12/30/2015	28641	Eugene Meyer	Marketing Village entertainment	300.00	
43329	12/30/2015	48911	Letner Roofing Co.	Progress payment on Village roofing project	95,949.00	
43330	12/30/2015	51731	Marcos Ramos Painting	Village walkway bridge between 1575 and 1583 Spinnaker	1,850.00	
43331	12/30/2015	75712	Stacey Reed	Marketing-event staff assistance	45.00	
43332	12/30/2015	76012	Sunbelt Rentals, Inc.	Rental of light towers for parade of lights	165.99	
43333	12/30/2015	82351	Ventura Breeze	Marketing-Advertising	550.00	
43334	12/30/2015	82471	Ventura Rental Party Center	VPD equipment rental for Parade of Lights party	555.09	
43335	12/30/2015	PM OneTime	PETER MELCHER	Refund key deposit	50.00	
43336	12/30/2015	POL	Janet Lawson	Parade of Lights winner	175.00	
43337	12/30/2015	POL	Lindsay Timpson	Parade of Lights winner	500.00	
43338	12/30/2015	POL	Nicholas Atchley	Parade of Lights winner	175.00	
43339	12/30/2015	POL	Richard Knuppel	Parade of Lights winner	150.00	
43340	12/30/2015	POL	Steve Linn	Parade of Lights winner	175.00	
43341	12/30/2015	3155	Franchise Tax Board	Employee deduction plan	129.89	
43342	12/30/2015	12300	AT&T Business Services	Fiber/Wi-Fi services VPD HDQ	1,388.34	
Total Check Register					696,743.25	4,425.78

ATTACHMENT 4

Ventura Port District Chase Business Credit Card Charges November 2015

Chase Credit Card holders

Oscar Pena, General Manager
 Brian Pendleton, Business Operations Manager
 Jessica Rauch, Administrative Assistant/Clerk
 Robin Baer, Property Manager
 Joe Gonzalez, Facilities Manager
 Frank Locklear, Marina Manager
 Jennifer Talt-Lundin, Marketing Manager
 John Higgins, Harbormaster

<u>Staff/Consultant</u>	<u>Trans Date</u>	<u>Vendor</u>	<u>Category</u>	<u>Description</u>	<u>Amount</u>
Oscar Pena	11/5/2015	LAZY DOG RESTAURANT	Business meal	Meeting with Commissioner Ashworth	37.64
Oscar Pena	11/12/2015	GREEK AT THE HARBOR IN	Business meal	Meeting with staff	48.37
Oscar Pena	12/2/2015	PAYPAL *LIEBERTCASS	Conference	Webinar - 2016 Legislative Update - LCW	60.00
Oscar Pena	11/21/2015	BATTERIES PLUS #32	Offices supplies	Office supplies	25.79
Total General Manager's Expenses					171.80
Brian Pendleton	11/18/2015	TWO TREES CAFE	Business meal	Meeting with Comm Carson; General Manager	48.89
Total Business Operations Manager's Expenses					48.89
Jessica Rauch	11/24/2015	CALIFORNIA ECONOMIC FO	Conference	Econ. Forecast Conference Fee - Pendleton	125.00
Jessica Rauch	11/18/2015	MUNICIPAL MANAGEMENT ASSO	Membership	Municipal Mgt Assoc. of So. CAL - Pendleton	75.00
Total Administrative Assistant's Expenses					200.00
Robin Baer	11/25/2015	LOOPNET INC	Leasing advertising	Website leasing advertisement	111.00
Robin Baer	11/27/2015	LOOPNET INC	Leasing advertising	Website leasing advertisement	159.95
Robin Baer	11/10/2015	FRY'S ELECTRONICS # 44	Office supplies	Printer toner	64.79
Robin Baer	11/11/2015	NEOPLEXONLINE.COM	Operating supplies	July 4th Flags	489.30
Robin Baer	11/4/2015	NOVELTY LIGHTS, INC.	Holiday décor	Promenade lights	872.40
Robin Baer	11/6/2015	TBR*STAR SHOWER	Holiday décor	Holiday lights - laser	216.48
Total Property Manager's Expenses					1,913.92
Joe Gonzalez	11/18/2015	Business-in-a-box		Software upgrade/Joe's computer	99.95
Total Facilities Manager's Expenses					99.95

ATTACHMENT 4

<u>Staff/Consultant</u>	<u>Trans Date</u>	<u>Vendor</u>	<u>Category</u>	<u>Description</u>	<u>Amount</u>
Frank Locklear	11/5/2015	FRY'S ELECTRONICS # 44	Office supplies	Cables, batteries, flash drives	36.69
Frank Locklear	11/9/2015	GOTOCITRIX.COM	Office supplies	Go To Meeting Teleconference Account (Monthly)	49.00
Total Marina Manager's Expenses					85.69
Jennifer Lundin	11/14/2015	CTC*CONSTANTCONTACT.COM	Advertising	Harbor Views Newsletters	20.00
Jennifer Lundin	11/20/2015	FS *AngelCam	Event production	Web Site CAM - front of harbor	20.00
Jennifer Lundin	11/21/2015	MAILCHIMP	Advertising	Enewsletter host	75.00
Jennifer Lundin	11/25/2015	VISTAPR*VistaPrint.com	Advertising	Winter Wonderland/POL Rack Cards	270.32
Jennifer Lundin	11/30/2015	FACEBK *TUFKP82TY2	Advertising	Paid Ad boosts	81.94
Jennifer Lundin	11/4/2015	VENTURA CHAMBER OF COMMER	Conference	Connection breakfast meeting	28.00
Jennifer Lundin	11/24/2015	EB CREATING A REVENUE	Conference	CCTC Workshop	110.00
Jennifer Lundin	11/9/2015	ROSS STORES #159	Event production	Photoshoot	46.40
Jennifer Lundin	11/20/2015	VENTURA VILLAGE CAROUSEL	Event production	Press visit	13.00
Jennifer Lundin	11/25/2015	ORIENTAL TRADING CO	Event production	Winter Wonderland supplies	157.04
Jennifer Lundin	11/25/2015	TRADER JOE'S #059 QPS	Event production	Winter Wonderland supplies	174.94
Jennifer Lundin	12/2/2015	PAPER DIRECT	Event production	Boater brunch invites	25.94
Total Marketing Manager's Expenses					1,022.58
John Higgins	11/2/2015	SOUNDOWN CORPORATION	Boat maintenance	Fireboat sound mitigation	1,974.00
John Higgins	11/6/2015	DESTIN THOMAS COMMUNICATI	Operating supplies	Radio license fee	640.00
John Higgins	12/3/2015	COSTCO.COM *ONLINE	Office equipment	Harbormaster desktop office computer	683.06
Total Harbormaster's Expenses					3,297.06
					<u>\$ 6,839.89</u>

ATTACHMENT 5

Ventura Port District Chase Business Credit Card Charges December 2015

Chase Credit Card holders

Oscar Pena, General Manager
 Brian Pendleton, Business Operations Manager
 Jessica Rauch, Administrative Assistant/Clerk
 Robin Baer, Property Manager
 Joe Gonzalez, Facilities Manager
 Frank Locklear, Marina Manager
 Jennifer Talt-Lundin, Marketing Manager
 John Higgins, Harbormaster

<u>Staff/Consultant</u>	<u>Trans Date</u>	<u>Vendor</u>	<u>Category</u>	<u>Description</u>	<u>Amount</u>
Oscar Pena	12/3/2015	BOATYARD CAFE INC	Business meal	Staff Meeting	43.67
Oscar Pena	12/18/2015	SMARTNFINAL39010103901	Office supplies	Office supplies	12.87
Oscar Pena	12/30/2015	WOOD RANCH VENTURA	Miscellaneous	Gift Certificates - staff	100.00
Oscar Pena	12/30/2015	GREEK AT THE HARBOR IN	Miscellaneous	Gift Certificates - staff	150.00
Total General Manager's Expenses					306.54
Brian Pendleton	12/9/2015	FOUR POINTS BY SHERATON	Business meal	VPD Commission Closed Session meeting	181.86
Brian Pendleton	12/9/2015	LURE FISH HOUSE	Business meal	Project Updates w/Chairman; General Manager	62.86
Brian Pendleton	12/22/2015	BUILDING SAFETY CTY SAN	Project management	Phase II Accessibility Improvements Plan Check Fee	75.00
Total Business Operations Manager's Expenses					319.72
Jessica Rauch	12/3/2015	SQ *THE SUGAR LAB	Business meal	Staff Meeting	32.00
Jessica Rauch	12/11/2015	ACT*California Marine	Conference	CMANC Winter Mtg Reg - Carson/Parsons	770.00
Jessica Rauch	12/3/2015	ICSC	Conference	Exchange Reg - Baer/Pendleton	350.00
Jessica Rauch	12/4/2015	LAKESHORE LEARNING #38	Operating supplies	Parade of Lights Party	19.32
Jessica Rauch	12/17/2015	PARTY CITY	Operating supplies	Parade of Lights Party	30.22
Jessica Rauch	12/17/2015	PARTY CITY	Operating supplies	Parade of Lights Party	35.54
Jessica Rauch	12/17/2015	PARTY CITY	Operating supplies	Parade of Lights Party	50.00
Jessica Rauch	12/17/2015	PARTY CITY	Operating supplies	Parade of Lights Party	39.93
Jessica Rauch	12/17/2015	SMARTNFINAL39010103901	Operating supplies	Parade of Lights Party	60.16
Jessica Rauch	12/17/2015	SQ *THE SUGAR LAB	Operating supplies	Parade of Lights Party	72.00

ATTACHMENT 5

<u>Staff/Consultant</u>	<u>Trans Date</u>	<u>Vendor</u>	<u>Category</u>	<u>Description</u>	<u>Amount</u>
Jessica Rauch	12/17/2015	VONS Store00021642	Operating supplies	Parade of Lights Party	38.27
Jessica Rauch	12/18/2015	PARTY CITY	Operating supplies	Parade of Lights Party - return	(50.00)
Total Administrative Assistant's Expenses					1,447.44
Robin Baer	12/26/2015	LOOPNET INC	Leasing advertising	Website leasing advertisement	111.00
Robin Baer	12/27/2015	LOOPNET INC	Leasing advertising	Website leasing advertisement	159.95
Robin Baer	12/30/2015	VERIZON WIRELESS 16595	Operating supplies	Replace broken cell phone	343.75
Total Property Manager's Expenses					614.70
Joe Gonzalez	12/10/2015	LANDSCAPE LIGHTING WORLD	Grounds maintenance	Low Voltage lighting for VHV planters	398.62
Total Facilities Manager's Expenses					398.62
Frank Locklear	12/9/2015	GOTOCITRIX.COM	Communications	Go To Meeting Teleconference Account (Monthly)	49.00
Frank Locklear	12/4/2015	AMAZON MKTPLACE PMTS	Office equipment	Harbor entrance security camera (1)	130.31
Frank Locklear	12/6/2015	AMAZON MKTPLACE PMTS	Office equipment	Internet nanostation antennas (4)	366.34
Frank Locklear	12/19/2015	TEK-MICRO.COM	Office equipment	Microsoft Office 2010 product license key	68.99
Frank Locklear	12/21/2015	OFFICE DEPOT #931	Office equipment	New printer - Dockmasters office	149.60
Frank Locklear	12/31/2015	WWW.SOFTWAREEMPIRE.COM	Office supplies	Microsoft Office Professional License	79.99
Total Marina Manager's Expenses					844.23
Jennifer Lundin	12/14/2015	CTC*CONSTANTCONTACT.COM	Advertising	Harbor Views Newsletters	20.00
Jennifer Lundin	12/21/2015	MAILCHIMP	Advertising	Enewsletter host	75.00
Jennifer Lundin	12/2/2015	COFFEE DOCK & POST	Advertising	Journalist visit with coffee	22.55
Jennifer Lundin	12/2/2015	COFFEE DOCK & POST	Advertising	Journalist visit to Ventura Harbor/ Gift	11.50
Jennifer Lundin	12/2/2015	BROPHY BROS RESTAURANT	Advertising	Journalist visit to dine on own	50.00
Jennifer Lundin	12/4/2015	VENTURA CHAMBER OF COMMER	Advertising	Publicity on Harbor December Events	28.00
Jennifer Lundin	12/13/2015	BROPHY BROS RESTAURANT	Advertising	Visit Canadian Journalist TV	90.53
Jennifer Lundin	12/20/2015	FS *AngelCam	Advertising	Web Site CAM - front of harbor	20.00
Jennifer Lundin	12/23/2015	COFFEE DOCK & POST	Advertising	Journalist Visit LA Times	21.75
Jennifer Lundin	12/23/2015	BOATYARD CAFE INC	Advertising	Journalist Visit LA Times	28.96
Jennifer Lundin	12/30/2015	VISTAPR*VistaPrint.com	Advertising	Tall Ship	209.58
Jennifer Lundin	12/30/2015	VISTAPR*VistaPrint.com	Advertising	Tall Ship	29.56
Jennifer Lundin	12/31/2015	FACEBK *TUFKP82TY2	Advertising	Paid Ad boosts	139.00
Jennifer Lundin	12/3/2015	STU*SHINDIGZ DECORATIO	Event production	Event Banners	105.66
Jennifer Lundin	12/4/2015	AMAZON MKTPLACE PMTS	Event production	Winter Wonderland	71.22
Jennifer Lundin	12/4/2015	PAPER DIRECT	Event production	POL Awards Brunch Invitations	71.02

ATTACHMENT 5

<u>Staff/Consultant</u>	<u>Trans Date</u>	<u>Vendor</u>	<u>Category</u>	<u>Description</u>	<u>Amount</u>
Jennifer Lundin	12/4/2015	AMAZON MKTPLACE PMTS	Event production	Winter Wonderland	23.74
Jennifer Lundin	12/4/2015	AMAZON MKTPLACE PMTS	Event production	Winter Wonderland	142.49
Jennifer Lundin	12/15/2015	AMAZON MKTPLACE PMTS	Event production	Winter Wonderland	71.22
Jennifer Lundin	12/15/2015	AMAZON MKTPLACE PMTS	Event production	Winter Wonderland	71.22
Jennifer Lundin	12/15/2015	AMAZON MKTPLACE PMTS	Event production	Winter Wonderland	5.14
Jennifer Lundin	12/16/2015	STU*SHINDIGZ DECORATIO	Event production	Event Banners	73.73
Jennifer Lundin	12/17/2015	COFFEE BEAN STORE	Event production	POL Judging	47.85
Jennifer Lundin	12/17/2015	PARTY CITY	Event production	POL - Balloons for 150th Anniversary	64.74
Jennifer Lundin	12/17/2015	AARON BROTHERS82	Event production	POL Award Frames - return	(21.75)
Jennifer Lundin	12/18/2015	WEST MARINE #17	Event production	POL Award - return	(3.93)
Jennifer Lundin	12/18/2015	WEST MARINE #17	Event production	POL Award	5.03
Jennifer Lundin	12/18/2015	WEST MARINE #17	Event production	POL Award	3.96
Jennifer Lundin	12/18/2015	SMARTNFINAL39010103901	Event production	POL Supplies	93.52
Jennifer Lundin	12/18/2015	DOLRTREE 4315 00043158	Event production	Candy Canes- Winter Wonderland	20.00
Jennifer Lundin	12/18/2015	AARON BROTHERS82	Event production	POL Award Frames	88.62
Jennifer Lundin	12/18/2015	TARGET 00002980	Event production	Event Supplies	21.55
Jennifer Lundin	12/18/2015	TARGET 00002980	Event production	Event Supplies	12.23
Jennifer Lundin	12/18/2015	IN THE MIX EVENTS INC	Event production	POL Award Brunch	350.00
Jennifer Lundin	12/18/2015	PAYPAL *KARLA ROSS	Event production	Winter Wonderland Entertainment	2,340.00
Jennifer Lundin	12/19/2015	MILANOS ITALIAN RESTAURAN	Event production	POL staff dinner	37.99
Jennifer Lundin	12/20/2015	GREEK AT THE HARBOR IN	Event production	Admin Judging for POL	53.75
Jennifer Lundin	12/20/2015	LE PETIT CAFE BAKERY I	Event production	POL Judging	38.70
Jennifer Lundin	12/27/2015	BIG 5 SPORTING GOODS 061	Event production	Cottontail Day Supply	14.22
Total Marketing Manager's Expenses					4,548.35
John Higgins	12/14/2015	MICROSOFT *STORE	Office equipment	Windows 10 Pro	99.99
John Higgins	12/22/2015	MILANOS ITALIAN RESTAURAN	Operating supplies	POL Harbor Patrol staff dinner	106.02
John Higgins	12/27/2015	BLINQ	Operating supplies	Emergency Strobe Lights	80.95
John Higgins	12/28/2015	THE GPS STORE	Operating supplies	Batteries for radios	94.85
John Higgins	12/16/2015	CPRTRAININGSB.COM	Training	CPR Training	53.00
John Higgins	12/21/2015	PAYPAL *LIEBERTCASS	Training	Online Seminar Work Comp	55.00
John Higgins	12/23/2015	CALIFORNIA PEACE OFFICER	Training	Law Enforcement Training	220.00
Total Harbormaster's Expenses					709.81
Total Chase Credit Card Expenses					<u>\$ 9,189.41</u>

ATTACHMENT 6

Ventura Port District
Aquaculture Fisheries Study Grant Fund
Statement of Income, Expense and Change in Net Position
For the Period Ended December 31, 2015

INCOME

Transfer in from Enterprise Fund	18,000
Total Income	<u>18,000</u>

EXPENSES

Professional Services	10,425
Total Expenses	<u>10,425</u>

CHANGE IN NET POSITION

7,575

ATTACHMENT 6

Ventura Port District
Aquaculture Fisheries Study Grant Fund
Balance Sheet
For the Period Ended December 31, 2015

CURRENT ASSETS

Cash in Banks	18,000
Accounts Receivable	0
TOTAL CURRENT ASSETS	\$18,000

CURRENT LIABILITIES

Accounts Payable	10,425
Accrued Interest	0
TOTAL CURRENT LIABILITIES	\$10,425

LONG TERM ASSETS

Long Term Assets	0
TOTAL LONG TERM ASSETS	0

EQUITY

Current Year Retained Earnings	7,575
TOTAL EQUITY	\$7,575

TOTAL ASSETS	\$18,000
---------------------	-----------------

TOTAL LIABILITIES AND EQUITY	\$18,000
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FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 3

UPDATE ON EMERGENCY CONDITIONS AT

1691 SPINNAKER DRIVE

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 3
Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Richard Parsons, Consultant
SUBJECT: Update on Emergency Condition at 1691 Spinnaker Drive

RECOMMENDATION:

That the Board of Port Commissioners determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

SUMMARY:

The dangerous condition at 1691 Spinnaker Drive still exists. The high winds at the end of January have caused more problems at 1691. The purchase order with Letner Roofing Company for emergency tile roof work was sent January 27, 2016. Letner has mobilized their equipment and material for replacing the tile roof on February 18th. Weather permitting; they will commence work on February 22nd.

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 4

**EXTENSION OF OPTION WITH
SONDERMANN-RING PARTNERS**

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 4
Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Brian D. Pendleton, Business Operations Manager
SUBJECT: Extension of Option with Sondermann-Ring Partners

RECOMMENDATION:

That the Board of Port Commissioners authorize the General Manager to execute the attached Eleventh Amendment to Option Agreement between Ventura Port District ("the Port") and Sondermann-Ring Partners ("SRP").

BACKGROUND:

On September 5, 2002, the Port and SRP entered into an Option Agreement for SRP to lease certain real property owned by the Port. The Option Agreement has since been amended ten times and, under the terms of the Tenth Amendment, the Option Term was extended through February 29, 2016 in exchange for SRP's payment of \$5,000 per month to the Port.

SRP has requested additional time to complete all necessary permits and approvals from the City for construction of the improvements, including obtaining financing commitments. The District recommends that the Board approve the Eleventh Amendment to the Option Agreement. If approved, the amendment shall become effective March 1, 2016 and expire June 30, 2016. The option payment shall continue at a rate of \$5,000 per month for the six month extension.

We are grateful to Michael Sondermann for diligently pursuing the Entitlement process over the last thirteen years. District staff continues to work collaboratively with the City of Ventura, California Coastal Commission and other regulatory bodies as Mr. Sondermann pursues all necessary project approvals.

A draft of the proposed Eleventh Amendment to Option Agreement is attached for the Board's consideration. Legal Counsel for both the Port and SRP have reviewed and approved the form of the Eleventh Amendment.

ATTACHMENT:

Attachment 1 – Eleventh Amendment

ELEVENTH AMENDMENT TO OPTION AGREEMENT

This Eleventh Amendment to Option Agreement (this Amendment) is entered into and effective as of March 1, 2016, by and between VENTURA PORT DISTRICT, a port district formed under and pursuant to Part 4 of the Harbors and Navigation Code of the State of California ("Port") and Sondermann-Ring Partners-Ventura Harbor, a California limited partnership ("SRP").

RECITALS

A. SRP and Port previously entered into that certain Option to Lease (the "Option Agreement") dated September 5, 2002, relating to certain real property in the County of Ventura defined in the Option Agreement as the "Premises". (Any capitalized terms in this Amendment not otherwise defined herein shall have the meaning ascribed to such terms in the Option Agreement).

B. The Option Agreement has since been amended ten (10) times and, under the terms of the Tenth Amendment, dated September 1, 2015, the Option Term was extended through February 29, 2016.

C. SRP and the Port mutually desire to amend the Option Agreement by agreeing to further extend the Option Term through June 30, 2016, on the terms and conditions set forth herein.

AGREEMENTS

Port and SRP hereby agree as follows:

1. Extension of Option Term.

- a. Section 6.7 of the Option Agreement is hereby deleted and the following inserted in place thereof:

"6.7 In the event that the Option Term expires without the Option granted herein being effectively exercised pursuant to Article 12 hereof, SRP shall have the right nevertheless to obtain monthly extensions of the Option Term through June 30, 2016, by delivering a written Notice of Extension to Port pursuant to Section 18.3 not less than three (3) days prior to the expiration of the Option Term, and, thereafter, prior to the expiration of any extension of the Option Term, enclosing a payment in the amount of \$5,000 for each month, or a portion of a month, during the period from March 1, 2016 through June 30, 2016.

SRP may obtain multiple monthly extensions of the Option Term by specifying the extension period in the Notice of Extension and paying the

ATTACHMENT 1

extension fee for the multiple month period. Once the Option Term has expired, however, it may not be reinstated or revived without the express prior agreement of Port. Payments made pursuant to this Section 6.7 shall not be credited against the Holding Fee, nor shall any payments under this Section 6.7 be credited against percentage rent obligations under the Lease.”

- b. Nothing in this Eleventh Amendment to Option Agreement is intended to, shall operate to, or shall give SRP the option or right to, extend the Option Term beyond the expiration date of June 30, 2016.

In the event of a conflict or inconsistency between the terms and provisions of this Eleventh Amendment and the Option Agreement as previously amended, the terms and provisions of this Amendment shall govern and control.

[SIGNATURES APPEAR ON NEXT PAGE]

ATTACHMENT 1

IN WITNESS WHEREOF, Port and SRP have entered into this ELEVENTH AMENDMENT TO OPTION AGREEMENT as of the day and year first written above.

SONDERMANN-RING PARTNERS-VENTURA,
a California limited partnership

By: Sondermann Enterprises, Inc.
a California corporation, its General Partner

By: _____
Michael B. Sondermann
President

VENTURA PORT DISTRICT,
a California Port District

By: _____
Oscar F. Peña
General Manager

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 5

**APPROVAL OF NOTICE OF PROPOSED ORDINANCE FOR
THE DEL MAR SEAFOODS, INC. NEW LEASE**

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 5
Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Oscar Peña, General Manager
SUBJECT: Approval of Notice of Proposed Ordinance for the Del Mar Seafoods, Inc. New Lease

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3298 authorizing the Ventura Port District to publish a Notice of Proposed Ordinance for the Del Mar Seafoods, Inc. new Lease in a newspaper of general circulation.

SUMMARY:

Del Mar Seafoods, Inc. is entering into a new lease for 1449 Spinnaker Drive, Suites C, E and G. This lease includes the premises, including equipment provided by the tenant to operate a first class fish off-loading facility and a 20 ton ice plant facility to be operated on a daily on-call basis to fisherman within the Ventura Harbor Village Complex.

BACKGROUND:

This tenant has been in operation since November 2003 and has been successful in providing fish off-loading services. This proposed lease is for a term of ten (10) years plus a ten (10) year option and the tenant has agreed to:

- Annual rent of \$79,980 with annual adjustment of approximately 4% per year;
- Fish off-loading fee of \$7.26 per ton with annual adjustments;
- Tenant shall be responsible to maintain and/or replace any equipment related to the off-loading facility and ice plan operation at its sole expense during the term of the lease.

Since this lease term exceeds ten (10) years, the Board of Port Commissioners is required, pursuant to the California Harbors and Navigations Code Section 6270, to authorize and direct staff to publish a notice of its intent to adopt an Ordinance authorizing execution of the lease in the form attached here to. A copy of the Notice of Proposed Ordinance is attached hereto for the Board's consideration.

Assuming that the Board is satisfied with the lease agreement and adopts Resolution No. 3298 to move forward with the publication, the District will publish the Notice of Proposed Ordinance in a newspaper of general circulation. The Board may then adopt the Ordinance on March 24, 2015, and the lease will become effective 30 days from adoption.

ATTACHMENTS:

Attachment 1 – Resolution No. 3298

ATTACHMENT 1



RESOLUTION NO. 3298

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS
OF THE VENTURA PORT DISTRICT TO CONDITIONALLY ADOPT
THE LEASE AGREEMENT BETWEEN VENTURA PORT DISTRICT
AND DEL MAR SEAFOODS, INC.**

WHEREAS, the Ventura Port District ("District") is considering entering into a certain lease agreement with Del Mar Seafoods, Inc., with a commencement date of February 1, 2016 ("Lease"), for the leasing of a fish off-loading facility, commonly known as 1449 Spinnaker Drive, Suites C, E and G, Ventura, California;

WHEREAS, the Lease is for a period of ten (10) years plus a ten (10) year option period;

WHEREAS, pursuant to the California Harbors and Navigation Code section 6270, a lease of District property for a period of more than ten (10) years must be authorized by ordinance and published in a newspaper of general circulation in Ventura County at least once before final passage (Exhibit A);

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the Ventura Port District hereby authorizes and directs District staff to publish a notice of its intent to adopt an ordinance authorizing execution of the Lease in the form attached hereto as Exhibit B, to comply with Harbors and Navigation Code section 6270.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Port Commissioners of Ventura Port District held this 24th day of February, 2016, adopted by the following vote:

AYES:
NOES:
Absent:
Abstain:

Chairman

Attest:

Secretary

(Seal)



“EXHIBIT A”

**NOTICE OF PROPOSED ORDINANCE
OF THE VENTURA PORT DISTRICT**

(California Harbors and Navigation Code section 6270)

NOTICE IS HEREBY GIVEN that on March 24, 2016, at 7:00PM, a meeting of the Board of Port Commissions of the Ventura Port District will be held at the District office located at 1603 Anchors Way Drive, Ventura, California.

Said meeting of the Board of Port Commissions is, in part, for the purpose of considering the adoption and passage of the following ordinance:

“ORDINANCE NO. 50”

**AN ORDINANCE OF THE BOARD OF PORT COMMISSIONERS
OF VENTURA PORT DISTRICT AUTHORIZING
EXECUTION OF THE LEASE AGREEMENT WITH
DEL MAR SEAFOODS, INC.**

(California Harbors and Navigation Code section 6270)

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

The General Manager of the Ventura Port District is authorized and directed to execute the Lease Agreement between Ventura Port District, d.b.a. Ventura Harbor Village, and Del Mar Seafoods, Inc., with a commencement date of February 1, 2016.”

A copy of the proposed lease agreement is available for inspection during regular business hours at the District Office located at 1603 Anchors Way Drive, Ventura, California.

If the foregoing ordinance is adopted upon the majority vote of the Board of Port Commissioners of the Ventura Port District, said ordinance will become effective thirty (30) days after final passage.

This Notice is published at the direction of the Board of Port Commissioners pursuant to Resolution No. 3298 duly adopted at the regular meeting of the Board of Port Commissioners of the Ventura Port District held on February 24, 2016.

Oscar Peña, General Manager
Ventura Port District

EXHIBIT B

VENTURA PORT DISTRICT LEASE

DEL MAR SEAFOODS, INC.
1449 SPINNAKER DRIVE #C/#E/#G
VENTURA, CA 93001

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EXHIBIT B

VENTURA PORT DISTRICT

LEASE

In consideration of the rents and covenants hereinafter set forth, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord the following described Premises upon the following terms and conditions:

ARTICLE 1

FUNDAMENTAL LEASE PROVISIONS:

- 1.1 Date of Lease: February 1, 2016
- 1.2 Landlord: Ventura Port District, doing business as "Ventura Harbor Village"
- 1.3 Tenant: Del Mar Seafoods, Inc.
- 1.4 Tenant's Trade Name: Del Mar Seafoods, Inc. (Section 8.1 and Exhibit "B")
- 1.5 Premises: Commercial space in Ventura Harbor Village, commonly known as 1449 Spinnaker Drive, # C, E & G, Ventura California 93001. (Article 3 and Exhibits "A," "A-1," and "B")
- 1.6 Lease Term: Ten (10) years, commencing on February 1, 2016 (the "Commencement Date") and expires January 31, 2026, plus one ten (10) year option (see Exhibit H)
- 1.7 Minimum Monthly Rentals: See Article 1A (Section 5.1)
- 1.8 Fish Off-Loading Fees: See Article 1B (Section 5.6)
- 1.9 Permitted Use: Commercial Fish Off-loading and Ice Production for the Commercial Fishing Industry (Section 8.1 and Exhibit "B")
- 1.10 Addresses for Notices:
 - To Landlord:
Ventura Port District
1603 Anchors Way Drive
Ventura, California 93001
 - To Tenant:
Del Mar Seafoods, Inc.
331 Ford St.
Watsonville, California 95076
- 1.11 Security Deposit: Six Thousand Dollars (\$6,000.00) (Article 34)
- ~~1.12 Proration Factor for Tenant's Share of Common Area Charges: See Article 1A (Article 20.4)~~

All references in this Article 1 to other Articles are for the purposes of convenience and to designate the principal other Articles in which the matters summarized under the particular Fundamental Lease Provision are dealt with in detail. Each reference in this Lease to any of the Fundamental Lease Provisions contained in this Article 1 shall be construed to include all of the terms provided for under each such Fundamental Lease Provision or incorporated therein by reference. In the event of any apparent conflict between any Fundamental Lease Provision and specific clauses contained within the balance of the Lease, the latter shall control.

ARTICLE 1A**Minimum Monthly Rent**

Year 1	\$6,665.00 per month
Year 2	\$6,907.00 per month
Year 3	\$7,161.00 per month
Year 4	\$7,427.00 per month
Year 5	\$7,752.00 per month
Year 6	\$8,090.00 per month
Year 7	\$8,445.00 per month
Year 8	\$8,815.00 per month
Year 9	\$9,203.00 per month
Year 10	\$9,649.00 per month

New Minimum Monthly Rent Schedule if Option is Properly Exercised by Tenant:

In the event Tenant properly exercises its option pursuant to the terms and conditions set forth in Exhibit "H" of the Lease, the Lease Term shall be extended by an additional ten (10) years, and the Minimum Monthly Rent amounts set forth above shall be replaced with the following amounts:

Year 1	\$6,665.00 per month
Year 2	\$6,907.00 per month
Year 3**	\$8,361.00 per month
Year 4	\$8,627.00 per month
Year 5	\$8,952.00 per month
Year 6	\$9,290.00 per month
Year 7	\$9,645.00 per month
Year 8	\$10,015.00 per month
Year 9	\$10,403.00 per month
Year 10	\$10,849.00 per month

EXHIBIT B

**** Note:** The rental rate for the expansion area south of the fisheries building is \$1,200.00 per month, which was added to the rental rate for years 3 – 10. In the event Tenant properly exercises the Option (pursuant to the terms and conditions set forth in Exhibit "H") in years 1 or 2, the minimum monthly rental rate for each of those years shall be increased on a pro rata basis by an additional \$1,200.00 per month as set forth in Exhibit H, Section C.(z). Pursuant to Exhibit H, Section C.(z), the revised Minimum Monthly Rent schedule shall take effect immediately upon Tenant's completion of the Option Period Improvements, provided, however, in the event Tenant has not completed such improvements by January 31, 2018, such revised Minimum Monthly Rent Schedule shall take effect immediately on February 1, 2018. This means that if Tenant properly exercises its option by March 31, 2016, and completes the Option Period Improvements by September 31, 2016, the minimum monthly rent for the remainder of year 1 shall be \$7,865.00 per month, and the minimum monthly rent for year 2 shall be \$8,107.00. If Tenant properly exercises its option by July 31, 2017, and completes the Option Period Improvements by November 30, 2017, the minimum monthly rent for the remainder of year 2 shall be \$8,107.00. The previous examples are used for illustration purposes only.

Years 11-20 The Minimum Monthly Rent during this period shall be subject to an annual rental adjustment as set forth in Section 5.13 of the Lease.

EXHIBIT B

ARTICLE 1B

VENTURA HARBOR VILLAGE

FISH OFFLOADING FEES

Section I. Wet Fish Offloading Fee (Squid, Sardines & Mackerel)

Yr 1	--	\$ 7.26 per short ton
Yr 2	--	\$ 7.99 per short ton
Yr 3	--	\$ 8.50 per short ton
Yrs 4 & 5	--	\$ 9.00 per short ton
Yrs 6 & 7	--	\$ 9.90 per short ton
Yr 8	--	\$10.90 per short ton
Yr 9	--	\$11.90 per short ton
Yr 10	--	\$13.00 per short ton

The foregoing offloading fees under this Section I shall be subject to a rental adjustment each February 1st during the option period of the Lease Term (if such option is properly exercised by Tenant pursuant to this Lease), in such amounts as determined in Landlord's sole discretion, as approved at a public meeting of the Ventura Port District's Board of Port Commissioners (the "Board"), with an opportunity for public comment prior to the Board taking action on the matter at such public meeting; provided, however, Landlord shall be required to provide Tenant with at least thirty (30) days' prior written notice of such public hearing, and the proposed rate adjustments for such offloading fees shall be posted on Landlord's website at least sixty (60) days' prior to such public meeting.

EXHIBIT B

Section II.	<u>Other Fish Offloading Fee</u>	<u>CENTS PER POUND</u>
-------------	----------------------------------	------------------------

Species

Crab	.03
Cucumber (net 200 lb. per barrel)	.03
Rockfish, Halibut, Bass, Sheephead, White Fish, Sculpin, Shark, Opah	.03
Salmon, Albacore, Lobster, Shrimp, Swordfish, Ahi Tuna, Mahi-Mahi	.05
Urchins	.03

The foregoing offloading fees under this Section II shall be subject to a rental adjustment each February 1st during the option period of the Lease Term (if such option is properly exercised by Tenant pursuant to this Lease), in such amounts as determined in Landlord's sole discretion, as approved at a public meeting of the Ventura Port District's Board of Port Commissioners (the "Board"), with an opportunity for public comment prior to the Board taking action on the matter at such public meeting; provided, however, Landlord shall be required to provide Tenant with at least thirty (30) days' prior written notice of such public hearing, and the proposed rate adjustments for such offloading fees shall be posted on Landlord's website at least sixty (60) days' prior to such public meeting.

EXHIBIT B

ARTICLE 2 EXHIBITS

The following special provisions are attached hereto as Exhibits and made a part of this Lease:

2.1 Exhibit "A" - General Site Plan of the integrated retail/commercial complex known as "Ventura Harbor Village" on approximately thirty-six (36) acres of land and water within the Ventura Port District, located at the City of San Buenaventura, County of Ventura, State of California, which land is bounded by Spinnaker Drive, the Ventura Yacht Club, the Ventura Harbor Basin, and the Ventura Isle Marina, and is hereinafter referred to as the "Complex." Said site plan shows, among other things, the principal improvements and uses which comprise the Complex. Tenant acknowledges that Landlord may change shape, size, location, number, and extent of the improvements shown thereon and eliminate or add any uses or improvements to any portion of the Complex, provided that Landlord shall not change the size or location of Tenant's Premises without Tenant's consent.

2.2 Exhibit "A-1" - Approximate location, configuration and dimensions of Tenant's Premises

2.3 Exhibit "B" - Description of the Premises, authorized use, and Tenant's trade name

2.4 Exhibit "C" - Tenant improvements

2.5 Exhibit "D" - Tenant's certificate

2.6 Exhibit "E" - Guaranty

2.7 Exhibit "F" - Signs

2.8 Exhibit "G" - Parking rules and regulations

2.9 Exhibit "H" - Option to extend

2.10 Exhibit "I" - Relocation of Premises

ARTICLE 3 PREMISES

Landlord leases to Tenant and Tenant hereby leases from Landlord, for the term, at the rent, and upon the covenants and conditions hereinafter set forth, the commercial space referred to herein as the "Premises," as depicted on the attached Exhibit A-1 as "Exclusive Areas" and as further described on Exhibit "B" in its **present "As Is"** condition. Any statement of square footage set forth in this Lease or its attachments is an approximation which Landlord and Tenant agree is reasonable, and the rent is not subject to revision whether or not the actual square footage is more or less.

The Premises have undergone inspection by a Certified Access Specialist (CASp) pursuant to Civil Code Section 1938, and have been determined to not meet all applicable construction-related accessibility standards pursuant to Civil Code Section 55.53. Notwithstanding the foregoing, Tenant acknowledges, understands, and agrees that: (a) it has operated a fish off-loading facility from the Premises since November 2003; (ii) it is familiar with the Premises and improvements now existing thereon, and takes and accepts its leasehold interest in the Premises in their **PRESENT "AS IS"** condition and with all faults; (iii) it has been given an opportunity to inspect and measure the Premises; (iv) it has been advised by Landlord to satisfy itself with respect to the size and condition of the Premises (including, but not limited to, the electrical, HVAC and fire sprinkler systems, if any, security, environmental aspects, and compliance with any and all building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances, and the Americans with Disabilities Act of 1990 and any corresponding laws of the State of California), and their suitability for Lessee's intended use; (v) it has made such investigation as it deems necessary with reference to such matters, and assumes all responsibility therefor, at its sole cost and expense, as the same relate to its occupancy and use of the Premises, including, but not limited to, making any necessary corrective work thereto that may be required for Tenant's use and occupancy of the Premises, and/or to ensure compliance with all building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances, and the Americans with Disabilities Act of 1990 and any corresponding laws of the State of California; and (vi) the square footage of the Premises was not material to Tenant's decision to lease the Premises and pay the rent stated herein.

EXHIBIT B

ARTICLE 4 TERM

4.1 Setting Term. The obligations of Landlord and Tenant under this Lease shall begin as of the date stated in Section 1.1 hereof and shall continue thereafter during the Lease Term specified in Article 1 hereof, and shall end on the last day of the last full calendar month of the Lease Term, unless extended or sooner terminated as hereinafter provided in this Lease. The Lease Term shall begin on the Commencement Date set in Section 1.6.

4.2 Delivery of Possession. Landlord shall deliver to Tenant and Tenant shall accept from Landlord, possession of the Premises in its **present "As Is"** condition.

4.3 INTENTIONALLY OMITTED.

4.4 Acceptance of Premises. Upon the Commencement Date, Tenant shall be deemed to have satisfied itself with respect to the condition of the Premises and the present and future suitability of the Premises for Tenant's intended use. Tenant shall be responsible for making such investigation as it deems necessary, and Tenant shall not rely on any oral or written representations or warranties made with respect to the Premises by Landlord or its employees, agents, or contractors, except as set forth in this Lease and its attachments.

4.5 Tenant's Certificate. Within ten (10) days after the Commencement Date specified in Section 1.6, Tenant shall execute and deliver to Landlord a certificate substantially in the form of the attached Exhibit "D," indicating thereon any exceptions thereto which may exist at that time. Failure of Tenant to execute and deliver such certificate shall constitute an unqualified acceptance of the Premises and an acknowledgment by Tenant that the statements included in Exhibit "D" are true and correct, without exception. If requested by Landlord in writing, Tenant shall give similar certificates from time to time during the term of this Lease in the manner hereinabove provided.

ARTICLE 5 RENT

Tenant shall pay to Landlord as rent for the use and occupancy of the Premises, at the times and in the manner hereinabove provided, the following sums of money:

5.1 Minimum Monthly Rent. The Minimum Monthly Rent specified in Section 1.7 hereof shall begin on the Commencement Date; and it shall be payable in monthly installments during the Lease Term, in advance, on the first day of each calendar month, without offset or deduction. If the rent payment period commences on a day of the month other than the first day of such month, the rent for the first fractional month shall be computed on a daily basis for the period from the date of commencement to the end of such calendar month and in an amount equal to one-thirtieth (1/30) of the said Minimum Monthly Rent for each such day, and shall be paid together with the rent for the first full calendar month.

5.2 Additional Rent to Landlord - Fisheries Improvement Fund. Upon the full execution of the Lease by the parties, Tenant shall pay as additional rent to Landlord the sum of One Hundred Thousand Dollars (\$100,000.00), and in the event Tenant exercises its option, Tenant shall pay as additional rent to Landlord the additional sum of One Hundred Thousand Dollars (\$100,000.00), toward the Fisheries Improvement Fund, as provided in Section 5.2.1, below; provided, however, Tenant understands, acknowledges, and agrees that Ten Thousand Dollars (\$10,000.00) of the initial One Hundred Thousand Dollar (\$100,000.00) obligation shall be applied towards the Landlord's attorneys' fees and costs incurred in connection with the negotiation and drafting of this Lease, and the balance applied towards the Fisheries Improvement Fund. This fund shall be utilized for improvements, maintenance, and/or repair to the Fisheries Complex (as such Fisheries Complex is depicted on the diagram attached hereto as Exhibit A-1), as determined by Landlord in its sole discretion, to include, but not limited to, the exterior portion of the buildings located on or about the Premises, the commercial fish pier, related equipment and the non-exclusive common areas as depicted on Exhibit A-1. Payment shall be made as follows:

5.2.1 Concurrently with Tenant's execution of the Lease, Tenant shall pay Landlord the sum of Fifty Thousand Dollars (\$50,000.00) (of which Ten Thousand Dollars (\$10,000.00) shall be applied towards the Landlord's attorneys' fees and costs and the balance applied towards the Fisheries Improvement Fund as described in Section 5.2 above), with the remaining balance of Fifty Thousand Dollars (\$50,000.00) paid each month in equal installments over a period of seventy-two (72) months commencing February 1, 2017. The amortized monthly amount of such remaining balance shall be Six Hundred Ninety-Four Dollars and

EXHIBIT B

44/00 Cents (\$694.44), and shall be due and payable at the same time as Tenant's Minimum Monthly Rent obligation is due and payable. In the event Tenant exercises its option, Tenant shall pay to Landlord the sum of Fifty Thousand Dollars (\$50,000.00) upon the commencement of the option period (which shall commence on February 1, 2026), with the remaining balance of Fifty Thousand Dollars (\$50,000.00) paid each month in equal installments over a period of sixty (60) months commencing on February 1, 2026. The amortized monthly amount of such remaining balance during the option period shall be Eight Hundred Thirty Three Dollars and 33/00 Cents (\$833.33), and shall be due and payable at the same time as Tenant's Minimum Monthly Rent obligation is due and payable during such option period.

5.3 Taxes. In addition to the Minimum Monthly Rent provided for in Section 5.1 above, Tenant shall pay to Landlord, as additional rent, on demand not later than ten (10) days before the taxing authorities' delinquency date each year or partial year of the Lease Term, beginning on the Commencement Date, its proportionate share of all taxes and general and special assessments levied upon the Complex and the underlying realty of which the Premises are a part, including all applicable possessory interest taxes. For purposes of this Section 5.3, Tenant's proportionate share shall be the ratio of the total real property taxes levied and assessed against the Complex and the underlying realty of which the Premises are a part that the total number of square feet in the Premises bears to the total number of leasable square feet in the Complex. If at any time during the Lease Term, the State of California or any political subdivision of the state, including any county, city, public corporation, district, or any other political entity or agency of the state, levies or assesses against Landlord a tax, fee, or excise: (1) on rents, (2) on the square footage of the Premises, (3) on the act of entering into this Lease, (4) on the occupancy of Tenant, or (5) any other tax, fee, or excise, including, without limitation, a so-called value added tax as a direct substitute in whole or in part for, or in addition to, any real property taxes, Tenant shall pay, upon demand before delinquency that tax, fee, or excise on rents. Tenant's share of any such tax, fee, or excise, shall be substantially the same as Tenant's proportionate share of real property taxes as provided in this Lease.

5.4 Assessments. If any general or special assessment is levied and assessed against the Complex and the underlying realty of which the Premises are a part, Landlord can elect to either pay the assessment in full or allow the assessment to go to bond. If Landlord pays the assessment in full, Tenant shall pay to Landlord each time a payment of real property taxes is due a sum equal to that which would have been payable (as both principal and interest) had Landlord allowed the assessment to go to bond.

5.5 Proration of Taxes. Tenant's liability to pay real property taxes and other taxes pursuant to Section 5.2 shall be prorated on the basis of a 360-day year to account for any fractional portion of a fiscal year included in the Lease Term at its commencement and expiration.

5.6 Insurance Expense. In addition to the Minimum Monthly Rent provided for in Section 5.1 above, and Section 5.2 above, and in addition to the payment of taxes as provided for in Section 5.3, Tenant shall pay to Landlord, as additional rent, on demand, during each year or partial year of the Lease Term beginning on the Commencement Date, its proportionate share of all insurance premiums paid by Landlord with respect to the Complex, including but not limited to the premiums for that insurance obtained under Article 10 of this Lease. Tenant's proportionate share of such insurance premiums shall be determined in the manner provided in Section 5.5 for the determination of Tenant's proportionate share of real property taxes.

5.7 Fish Off-Loading Fees. In addition to the rent and fees as described above, Tenant shall pay to Landlord, as additional rent, on a monthly basis, in arrears, within the time specified in Article 5.9, below, without deduction or offset, an amount for commercial fishing activities and/or wet fish off-loading activities transacted from the Premises, Ventura Harbor, and/or the non-exclusive common areas depicted in Exhibit A-1 and as further referred in the attached Exhibit B, as specified in Article 1B (the "Fish Off-Loading Fees") of the Lease, attached hereto and incorporated herein by reference, and subject to adjustment as provided in Article 1B.

5.8 INTENTIONALLY OMITTED.

5.9 Statement of Fish Off-Loading Fees. Tenant shall furnish or cause to be furnished to Landlord a statement of commercial fishing activities and wet fish off-loading activities transacted from the Premises, Ventura Harbor, and/or the non-exclusive common areas depicted in Exhibit A-1 and as further referred to in the attached Exhibit B within twenty (20) days after the close of each calendar month, and an annual statement of commercial fishing activities and wet fish off-loading activities within one hundred twenty (120) days after the close of each calendar year, which statements shall certify the accuracy of the paid fees and charges, as well as the poundage of

EXHIBIT B

squid and all other commercial fish species offloaded in the prior month or the prior twelve (12) month period, whichever is applicable, and with each monthly statement the Tenant shall pay Landlord the amount of the Fish Off-Loading Fees, if any, which is payable to Landlord for the prior month, as calculated in Article 5.7, above. Such statements shall be in a form acceptable to Lessor, and shall be certified as correct under penalty of perjury by Tenant's Chief Executive Officer or Chief Financial Officer, or by a certified public accountant employed by Tenant. Tenant shall keep full and accurate books of account, records and other pertinent data on the commercial fishing activities, wet fish off-loading activities, and Fish Off-Loading Fees, pursuant to this Article 5.9 and Article 7.1, below. Such books and records shall be kept for a period of five (5) years after the close of each calendar year. The receipt by Landlord of any statement of commercial fishing activities and/or wet fish off-loading activities or any payment of Fish Off-Loading Fees for any period shall not bind it as to the correctness of the statement or the payment. At any time within three (3) years after the receipt of any statement, Landlord shall be entitled to an audit of such statements or Fish Off-Loading Fees conducted by Landlord or by a certified public account to be designated by Landlord. Landlord may require Tenant to submit copies of the California Fish and Game tickets for the audit period, which, shall be conducted during normal business hours either at the Landlord's offices located at 1603 Anchors Way Drive, Ventura, California, or the principal place of business of Tenant. If it shall be determined as a result of such audit that there has been a deficiency in the payment of Fish Off-Loading Fees, then such deficiency shall become immediately due and payable with interest at the maximum legal rate from the date when said payment should have been made. In addition, if Tenant's statement for the pertinent calendar year shall be found to have understated Fish Off-Loading Fees by more than three percent (3%) and Landlord is entitled to any additional fees as a result of said understatement, then Tenant shall pay all of Landlord's reasonable costs and expenses connected with the audit, including any legal and other consulting fees. Any information gained from such statements or inspection shall be confidential and shall not be disclosed other than to carry out the purposes of this Lease or to meet the disclosure requirements of governing public bodies, public entities, or public agencies, or if otherwise required by legal proceedings. Landlord shall also be permitted to divulge the contents of any such statements and any information gained from such statements or inspection in connection with any financing arrangements or assignments of Landlord's interest in the Premises or in connection with any administrative, judicial, or legal proceedings in which Landlord is involved, whether as a party, nonparty, or otherwise, and where Landlord may be required or compelled to divulge such information, in which event, Landlord agrees to provide Tenant with copies of any notices received by Landlord to disclose such information in connection with any such administrative or judicial proceedings. Tenant shall comply with the Wet Fish Off-Loading Procedures set forth in Exhibit "B" as such procedures may be modified from time to time by Landlord in its sole discretion.

5.10 Designation as Additional Rent. Tenant shall pay, as additional rent, all sums of money required to be paid pursuant to the terms of this Article 5, the sums to be paid pursuant to Articles 8, 9, 13, 18, 19, 20 of this Lease, and all other sums of money or charges required to be paid by Tenant under this Lease, whether or not the same be designated "additional rent." If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless be collectible as additional rent with the installment of Minimum Monthly Rent thereafter falling due, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charges at the time the same becomes due and payable hereunder, or limit any other remedy of Landlord.

5.11 Interest and Late Charges. If Tenant shall fail to pay, when the same is due and payable, any rent or any additional rent, or amounts of charges of the character described in this Article 5, such unpaid amounts shall bear interest at the maximum legal rate, from the date due to the date of payment. In addition to such interest, if Tenant shall fail to pay the Minimum Monthly Rent, additional rent, and charges described in this Lease, a late charge shall be payable pursuant to Section 22.3. All rent called for in this Lease shall be payable in lawful money of the United States. The interest and late charge provisions contained herein are in addition to and do not diminish or represent a substitute for any or all of Landlord's rights under Article 22 hereof.

5.12 Address for Payment of Rent. All rent and other payment shall be paid by Tenant to Landlord at the following address: 1603 Anchors Way Drive, Ventura, California 93001, or at such other place as may from time to time be designated by Landlord in writing at least ten (10) days prior to the next ensuing payment date.

5.13 Cost of Living Adjustment. The Minimum Monthly Rent to be paid pursuant to the terms of Sections 1.7 and 5.1 shall be subject to a CPI adjustment (as calculated in the manner set forth in Section 5.13.1 below), or a three percent (3%) increase, whichever is greater, commencing as of the first anniversary of the

EXHIBIT B

Commencement Date during the option period of the Lease Term (which such anniversary date being February 1, 2026), if such option is properly exercised by Tenant pursuant to this Lease, and on each subsequent anniversary of the Commencement Date during the option period of the Lease Term, with each anniversary of the Commencement Date during such option period referred to hereafter as an "Adjustment Date."

5.13.1 Computation. The base for computing the CPI adjustment is the Consumer Price Index- All Urban Consumers (Los Angeles - Long Beach - Anaheim) published by the United States Department of Labor, Bureau of Labor Statistics (the "Index") which is published for the twelve months prior to the then applicable Adjustment Date of the Lease Term (the "Beginning Index"). If the Index published for the month prior to the then applicable Adjustment Date (the "Extension Index") has increased over the Beginning Index, the Minimum Monthly Rent for the following twelve (12) months (until the next rent adjustment) shall be set by multiplying each of the Minimum Monthly Rent by a fraction, the numerator of which is the Extension Index and the denominator of which is the Beginning Index; however, if the fraction would result in a more than six percent (6%) increase for the following twelve (12) months, then the Minimum Monthly Rent shall increase for the following twelve (12) months by a maximum of six percent (6%).

5.13.2 Changed Index. If the Index is changed so that the base year differs from that used as of the month in which the Lease Term commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Lease Term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

~~ARTICLE 6 - INTENTIONALLY LEFT BLANK DEFINITION OF "ADJUSTED GROSS SALES"~~

~~Each reference to the term "Adjusted Gross Sales" of Tenant in this Lease, shall include or exclude the following:~~

~~6.1 — Inclusions. Sale transactions included within gross receipts shall be:~~

~~6.1.1 — The sale or lease price of all goods, wares, merchandise or products (including those held for sale on consignment) sold, leased, or delivered on or from the Premises, whether sold, leased, or delivered, including exchange or barter transactions, by Tenant, its agents, subtenants, concessionaires, or licensees before deducting trade-in allowances, and regardless of whether for cash or on credit, and, in case of sales on credit, of whether payment is actually made or not. For the purpose of the foregoing, each transaction on credit or in installments shall be treated as a transaction for the full price in the month in which the sales are made, irrespective of whether paid for within that month.~~

~~6.1.2. — All charges made by Tenant, its agents, subtenants, concessionaires or licensees for the sale, lease, or rendition of services on or from the Premises of any nature or kind whatsoever, whether for cash or on credit and, in the case of credit, whether payment is actually made or not.~~

~~6.1.3. — All rent, admission, entry and other fees and charges relating to use of or activity on the Premises of any nature or kind charged to others on the Premises by Tenant, its agents, subtenants, concessionaires and licensees, or charged by Tenant to its agents, subtenants, concessionaires, and licensees, except percentage rent paid by them to Tenant.~~

~~6.1.4. — All non-refundable and forfeited deposits received by Tenant, its agents, subtenants, concessionaires, or licensees in connection with any transaction conducted or occurring in, at, upon, or from the Premises.~~

~~6.1.5. — Gross receipts from coin-operated or other vending devices on the Premises, including telephones, video games, etc.~~

~~6.1.6. — The amount received under any rental insurance policy maintained by Tenant, its agent, subtenants, concessionaires, or licensees.~~

~~6.1.7 — The fair market value of all consideration passing to Tenant from its agents, subtenants, concessionaires, and licensees, except percentage rent paid by them to Tenant.~~

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~~6.1.8. All gross income or gross receipts of Tenant, its agents, subtenants, concessionaires, or licensees from any operation, in, at, upon or from the Premises which are neither specifically included in nor excluded from the definition of Adjusted Gross Sales pursuant to other provisions of this Lease.~~

~~6.2. Exclusions. Excluded from gross receipts, or subtracted if previously included, shall be:~~

~~6.2.1 All sums collected and paid out for sales taxes, luxury taxes, excise taxes, and similar taxes required by law (whether now or hereafter in force) to be added to the total purchase price, collected from customers, and paid over to the applicable taxing authority by Tenant, its agents, subtenants, concessionaires, or licensees.~~

~~6.2.2 Merchandise returned to shippers or manufacturers.~~

~~6.2.3 All credits, and cash refunds, and refundable deposits made on any sale that took place on or from the Premises, provided that the sale price was previously included in Adjusted Gross Sales.~~

~~6.2.4 All cash credit received in settlement of any claims for loss of or damage to merchandise or insurance proceeds received on account of damages to the Premises.~~

~~6.2.5 Any refundable deposit received by Tenant, its agents, subtenants, concessionaires, or licensees; provided, however, that in the event that Tenant, its agents, subtenants, concessionaires, or licensees become entitled to any or all of said deposits by reason of any act of the depositor, the amounts to which Tenant, its agents, subtenants, concessionaires, or licensees become entitled shall be included in gross income.~~

~~6.2.6 Merchandise transferred or exchanged between their stores or warehouses owned by or affiliated with Tenant, its agents, subtenants, concessionaires, or licensees, if those transfers or exchanges are made solely for convenient operation of such business and not for the purpose of consummating a sale previously made on or from the Premises or for the purpose of depriving Landlord of the benefit of a sale that otherwise would be on or from the Premises.~~

~~6.2.7 Bulk sales made by Tenant, its agents, subtenants, concessionaires, or licensees not in the ordinary course of business.~~

~~6.2.8 Any income, revenue, or receipts that, under generally accepted accounting principles, are derived from the sale or disposal of any capital assets, or from the retirement of any indebtedness, or from the investment by Tenant or its agents, subtenants, concessionaires, or licensees of any funds invested in (i) the Premises or (ii) the operation of Tenant's business or the business of its agents, subtenants, concessionaires, or licensees within the Premises.~~

~~6.2.9 That portion of the gross income of all coin-operated devices including pay telephones, video games, and other similar devices, that Tenant, must, by contract concerning them, turn over to a person, firm, or corporation in which they have no direct or indirect financial interest.~~

~~6.2.10 Any charges or monies received by Tenant from any of its agents, subtenants, concessionaires, or licensees, as and for rentals to be paid by them to Tenant, except with respect to any such persons who conduct no business activity resulting in gross income for which percentage rent is payable.~~

~~6.2.11 The amounts of tips or gratuities included in credit charges made by Tenant, its agents, subtenants, concessionaires, or licensees to customers of any permitted restaurant and bar.~~

~~6.3. No Deductions. There shall be no deduction from gross receipts for any overhead or similar costs or expenses of operation, such as, but without limitation, salaries, wages, costs of goods, interest, debt amortization, discount, collection, credit card and bad debt charges, insurance and taxes except as provided for in this Lease.~~

~~6.4. Transactions Related to Premises. As used in this Article 6, the term "gross receipts" shall also include all orders secured or received by telephone, mail, house to house, or other canvass by personnel operating from, reporting to or under the supervision of any employee or representative located at or operating out of the Premises, or which Tenant, in the customary course of Tenant's operation would be attributable to Tenant's business on the Premises whether or not sold or delivered elsewhere. Gross receipts shall also include all fees for catering services, banquet supplies, and related activities, whether or not conducted on the Premises or elsewhere.~~

ARTICLE 7 RECORDS AND ACCOUNTING

EXHIBIT B

7.1 Basic Records. Tenant shall keep, or cause to be kept, full, complete, and proper books, records, and accounts of all Fish Off-Loading Fees paid to Landlord. The records must be supported by source documents such as California Fish & Game fish tickets, purchase invoices, or other pertinent documents. Said books, records, and accounts shall include any income tax returns and sales tax reports that Tenant, its agents, subtenants, concessionaires or licensees may be required to furnish to any government or governmental agency.

~~7.2 Cash Registers. All sales shall be recorded by means of cash registers of a type which publicly display the amount of each sale and automatically issue a customer's receipt. Said cash register shall in all cases have locked-in sales totals and transaction counters which are consistently accumulating and which cannot, in any case, be reset and, in addition thereto, a tape located within the register on which the transaction numbers and sales details are imprinted. Beginning and ending cash register readings shall be made a matter of daily record. As a condition of this Lease, Tenant agrees to record all transactions encompassed within the definition of Adjusted Gross Sales contained in Article 6 of this Lease by means of a cash register.~~

ARTICLE 8 POSSESSION AND USE

8.1 Permitted Use. Possession of the Premises shall be delivered to Tenant free of liens and encumbrances, except those as may be specified in Article 11 hereof. Tenant shall use the Premises solely for the purposes and under the trade name specified on Exhibit "B". Tenant shall not use or permit the Premises to be used for any other purposes or under any other trade name whatsoever without the prior written consent of Landlord. Tenant shall not, without the prior written consent of Landlord, sell merchandise from vending machines or allow any coin operated vending or gaming machines on the Premises. Tenant will not use or suffer or permit any person or persons to use the Premises or any part thereof for conducting therein auction, distress or fire sale, or for any use or purpose in violation of the laws of the United States of America, or the laws, ordinances, regulations and requirements of the state, county, and city where the Complex is situated, or other lawful authorities including Landlord. During the Lease Term, the Premises and off-loading area shall be kept by the Tenant in a clean and wholesome condition, free of any objectionable noises, odors, water pollutants or nuisances; and all health and police regulations shall, in all respects and at all times, be fully complied with by Tenant.

8.2 Restrictions Outside of Premises. Tenant shall not, without first obtaining, in each instance, the advance written consent of Landlord, sell any products, display portable signs, or allow storage bins, equipment or any other objects to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises. In addition, Tenant shall not solicit in any manner in any of the automobile parking and common areas of the Complex. No aerial or antenna shall be erected on the roof or exterior walls of the Premises without first obtaining, in each instance, the advance written consent of Landlord. Any aerial or antenna so installed without such consent shall be subject to removal without notice at any time.

8.3 Deliveries. Tenant shall use its best efforts to complete, or cause to be completed, all deliveries, loading, unloading, and provision of services to the Premises prior to 10:00 A.M. of each day. Tenant may utilize the loading dock at the south side of the building, on a non-exclusive basis (as depicted on Exhibit A-1), for deliveries of equipment and supplies; however, Tenant must coordinate with any fish companies during squid season so that any deliveries do not interfere with the off-loading process of other tenants. ~~Tenant shall not permit delivery trucks or other vehicles servicing the Premises to park or stand in front of, or at the rear of, the Premises from 10:00 A.M. to 5:00 P.M. of each day.~~ Landlord reserves the right to further regulate the activities of the Tenant in regard to deliveries and servicing of the Premises, and Tenant agrees to abide by such further regulations of Landlord.

8.4 INTENTIONALLY OMITTED.

8.5 Prohibitions on Smoking. In accordance with the governing laws and ordinances, smoking is prohibited inside the buildings and other indoor areas of the Complex, including the Premises and within 25 feet of any occupied building. Tenant shall enforce these prohibitions on smoking inside the Premises and shall familiarize itself with the outdoor areas where smoking is permitted within the Complex so Tenant is able to monitor and enforce the smoking prohibitions with respect to its employees, independent contractors, and suppliers. Tenant shall hold Landlord harmless from any civil or criminal penalties for violations of the smoking prohibition by its employees, independent contractors and suppliers.

EXHIBIT B

ARTICLE 9 UTILITIES SERVICES

9.1 Facilities Provided. Landlord shall initially cause to be made available to Tenant facilities for the delivery to the Premises of water, drainlines (which shall not be used by Tenant for the removal of sewage), electricity, telephones, and other like common utilities. Tenant agrees that any authorized utility company (including those that provide water, removal of sewage, electricity, telephone, internet, and other like common utilities) has the right, subject to Landlord's written approval, to run utility lines, cables, pipe, conduits or duct-work where necessary or desirable through the Premises in a manner which will not unreasonably interfere with Tenant's use of the Premises. Tenant hereby agrees to waive and hold Landlord free and harmless from any and all claims of Tenant, its agents, sublessees, licensees, and concessionaries for loss or damage as a result of any negligent act or omission of a utility company in the exercise of any rights granted to it by Landlord. Tenant shall have the responsibility to continue or to connect the utilities provided to or located within or outside the Premises to its facilities, and to furnish, install and maintain, at its own expense, all necessary ducts, pipes, wiring, electrical lines, meters and conduits to service adequately its own installations and to relocate at its cost and expense all existing utilities required to be relocated by reason of Tenant's use and occupancy of the Premises, and any operations conducted thereon. All utilities shall be carried underground.

9.2 Payment for Utilities. Tenant shall, at its own expense, pay for all water, gas, electricity, and all other similar utilities used by Tenant on the Premises from and after the delivery of possession thereof by Landlord.

9.3 Landlord's Utility Charge. In addition to the Minimum Monthly Rent specified in Articles 1 and 5, Tenant shall pay periodically an additional sum, in advance, as a utility charge to reimburse Landlord for the utilities furnished by Landlord, if any, to the Premises. Said utility charge shall be determined from time to time by Landlord and shall be initially based on a typical layout comparable to Tenant's proposed use of the Premises, but the utility charge shall be subject to adjustment at the end of each calendar quarter or partial calendar quarter during the term of this Lease based upon an equitable formula determined by Landlord. Landlord agrees, however, that the utility charge to Tenant for utilities furnished by Landlord shall not exceed those which the applicable local public utility company would charge if its services were furnished directly to Tenant. In the event that Tenant fails to pay any such amount to Landlord within ten (10) days after receipt by Tenant from Landlord of a bill therefore, or upon failure of Tenant to pay any other sums required under this Lease within ten (10) days from the date such payments are due, and until such amounts are paid in full, Landlord may terminate, without further notice to Tenant, any such utility service furnished to the Premises by Landlord.

9.4 Landlord's Exemption from Liability. Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to withhold any sum or terminate this Lease. In the event that Landlord elects to discontinue furnishing any such utility service to the Premises for reasons other than the non-payment by Tenant of any utility charge or other rent payment required hereunder, Tenant shall have the right to use appropriate existing conduits and facilities situated in the Premises to obtain proper utility services from the suppliers.

ARTICLE 10 INDEMNITY - INSURANCE - WAIVER OF SUBROGATION

10.1 Indemnity for Landlord. Except for Landlord's sole and active negligence, Tenant shall indemnify, protect, defend, and hold harmless the Premises, the Complex, Landlord and its officers, elected officials, agents, attorneys, and employees from and against any and all claims, loss of rents and/or damages, costs, liens, judgments, penalties, loss of permits, attorneys' and consultants' fees, expenses and/or liabilities (each a "Claim" or collectively the "Claims") arising out of, involving, or in connection with, the occupancy and/or use of the Premises by Tenant, the conduct of Tenant's business, both on and outside the Premises, including, but not limited to, the use of any hoist or other equipment utilized by Tenant in its off-loading operations on and/or outside the Premises, and/or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, any act, omission or neglect of Tenant, its agents, contractors, employees or invitees, or any Default or Breach by Tenant in the performance of any obligation, condition, or covenant on Tenant's part to be performed under this Lease. Notwithstanding anything contained in the foregoing to the contrary, Lessee's obligations under this Section 10.1 shall extend to any and all Claims made against Lessor, its officers, elected officials, agents, attorneys, and

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employees that the Premises and/or the improvements thereon violate or do not comply with the Americans with Disabilities Act of 1990 and/or any corresponding laws of the State of California. Lessee's obligations under this Section 10.1 shall include, but not be limited to, the defense or pursuit of any Claims or any action or proceeding involved therein, and whether or not (in the case of Claims made against Landlord) litigated and/or reduced to judgment. In case any action or proceeding be brought against Landlord by reason of any of the foregoing matters, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Landlord need not have first paid any such Claim in order to be so indemnified.

10.2 Waiver of Subrogation. Landlord and Tenant waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises, or its contents, or to other portions of the Complex, arising from any risk generally covered by fire and extended coverage insurance, vandalism, malicious mischief and sprinkler leakage; and the parties each, on the behalf of their respective insurance companies insuring the property of the Landlord or Tenant against any such loss, waive any right of subrogation that it may have against Landlord or Tenant, as the case may be, if such waiver of subrogation is available, Tenant, on behalf of its insurance companies insuring the Premises, its contents, Tenant's other property or other portions of the Complex, waives any right of subrogation which such insurer or insurers may have against any of the other tenants located in the Complex. The effect of such waivers of subrogation shall not be limited by the amount of insurance carried or required or by any deductible applicable thereto. Landlord and Tenant agree to have their respective insurance companies issuing property damage insurance waive any right of subrogation that such companies may have against Landlord or Tenant, as the case may be, so long as the insurance is not invalidated thereby.

10.3 Tenant's Insurance. Tenant further covenants and agrees that from and after the date of delivery of the Premises from Landlord to Tenant, Tenant shall carry and maintain, at its sole cost and expense, the following types of insurance, in the amounts specified, and in the form hereinafter provided for:

10.3.1 Public Liability and Property Damage. Tenant shall procure and maintain in full force and effect bodily injury liability and property damage insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence insuring against any and all liability of the insured with respect to the Premises, and/or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, or arising out of the maintenance, use, or occupancy thereof, and Two Million Dollars (\$2,000,000) combined single limit coverage. All such bodily injury liability insurance and property damage liability insurance shall specifically include, in addition to the above, contractual liability insurance covering the insuring provisions of this Lease, the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property contained in this Article 10. Landlord shall be added as named insured to Tenant's liability policy described in this Paragraph 10.3.1. These requirements are subject to change every five (5) years from the Commencement Date of this Lease as determined in Landlord's sole discretion, as approved at a public meeting of the Ventura Port District's Board of Port Commissioners (the "Board"), with an opportunity for public comment prior to the Board taking action on the matter at such public meeting; provided, however, Landlord shall be required to provide Tenant with at least thirty (30) days' prior written notice of such hearing.

10.3.2 INTENTIONALLY OMITTED.

10.3.3 INTENTIONALLY OMITTED.

10.3.4 Equipment. Tenant shall procure and maintain in full force and effect insurance covering all Tenant's equipment, fixtures, and personal property in, on, under, upon, or outside the Premises, and/or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, in an amount not less than eighty percent (80%) of their full replacement cost during the term of this Lease, providing protection against perils included with the classification "fire and extended coverage," together with insurance against sprinkler leakage, vandalism, and malicious mischief. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article 19 hereof.

10.3.5. Workers' Compensation Insurance. Tenant shall procure, at its own expense, and shall keep in force during the Lease Term, adequate insurance against liability arising on account of injuries or death to workers or employees on the Premises, and/or the non-exclusive common areas depicted in the attached Exhibit A-1

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and generally referred to in the attached Exhibit B, or any installation or other improvement of Tenant. Such workers' compensation insurance shall be in amounts at least equal to the maximum liability of Tenant and its agents, and contractors under the Workers' Compensation Insurance and Safety Act of the State of California.

10.4 Insurance Policies. Tenant shall deposit with Landlord, at or before the times at which they are required to be in effect, copies of each policy or policies necessary to satisfy the insurance requirements of the Lease and to keep such policies on deposit with Landlord during the entire Lease Term. Insurance policies required hereunder shall be issued by companies licensed to do business in the State of California maintaining a "General Policyholder Rating" of at least A- and a financial rating of not less than Class VII in accordance with the most recent Best's Insurance Guide, or if Best's is no longer published, comparable ratings from a service acceptable to Landlord. Such insurance, in addition to the multiple additional named insured endorsements set forth above, shall be commercial general liability insurance in the amounts set forth above, and shall contain additional endorsements as follows: (i) Providing blanket contractual liability coverage for Tenant's indemnification obligations to Landlord and others pursuant to the Lease; (ii) Providing that the insurance may not be canceled or reduced until thirty (30) days after Landlord has actually received written notice of such cancellation or reduction; (iii) Providing that any other insurance maintained by Landlord or any other named insured is excess insurance, and not contributing insurance with the insurance required herein of Tenant. Nothing contained in the insurance requirements shall be construed as limiting the extent of Tenant's responsibility for payment of greater damages resulting from its occupancy and use of the Premises, or its use of the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B.

10.5 Adjacent Premises. Since the Premises are part of a group of buildings owned by Landlord which are adjacent to the Premises, Tenant shall pay for any increase in the premiums for the property insurance for such buildings if said increase is caused by Tenant's acts, omissions, use, or occupancy of the Premises, or its use of the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, as determined in Landlord's reasonable judgment.

10.6 Exemption of Landlord from Liability. Landlord shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Tenant, Tenant's employees, subtenants, licensees, invitees, customers, or any other person in or about the Premises, or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water, rain, or mold, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, air-conditioning or lighting fixtures, or from any other cause, whether said injury or damage results from conditions arising upon the Premises, and/or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is accessible or not. Landlord shall not be liable for any damages arising from any act or neglect of any other tenants of Landlord. Notwithstanding Landlord's negligence or breach of this Lease, Landlord shall under no circumstances be liable for injury to Tenant's business or for any loss of income or profit therefrom, or any other form of actual, special, incidental, or consequential damages.

ARTICLE 11 TITLE OF LANDLORD

Landlord covenants that as of the date hereof there are no liens upon its ownership of the Complex other than (i) the effect of covenants, conditions, restrictions, easements, trust deeds, and rights of way of record; (ii) the effect of any zoning or other land use laws of Landlord, City of San Buenaventura, California Coastal Commission, and State of California, and (iii) general special taxes not delinquent. Tenant agrees that, as to its leasehold estate, it and all persons in possession or holding under it, shall conform to and will not violate the terms of the matters referred to in the preceding sentence.

ARTICLE 12 TENANT'S RIGHT TO MAKE ALTERATIONS

12.1 Authorized Tenant Improvements on Premises. Tenant shall, at its sole cost and expense, have the responsibility of performing and constructing all of the leasehold improvements described in Exhibit "C."

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12.2 Allowed Alterations. Tenant may, at its own expense and after giving Landlord advance notice in writing of its intention to do so, from time to time during the Lease Term, make alterations, additions, and changes in and to the interior of the Premises (except those of a structural nature) as it may find necessary or convenient for its purposes, provided that the value of the Premises is not thereby diminished. No alterations, additions or changes costing in excess of One Thousand Dollars (\$1,000.00) may be made without first procuring the approval in writing of Landlord. In the event Tenant is required to obtain Landlord's prior written approval under this Section 12.1, Tenant shall pay all of Landlord's out-of-pocket costs and expenses that may be incurred in connection with the processing of said request for approval, including, but not limited to, the cost of retaining planning, engineering, and design consultants to assist Landlord in said process. Approval of Landlord does not constitute a permit from those governmental agencies having jurisdiction; and Tenant shall obtain all necessary permits and inspections as may be required by those agencies.

12.3 Destruction. No alterations, additions or changes shall be made to any storefront, the exterior walls or roof of the Premises; nor shall Tenant erect any mezzanine or increase the size of same, if one has been initially constructed, unless and until the written consent and approval of Landlord shall first have been obtained. In no event shall Tenant make or cause to be made any penetration through the roof of the Premises without the prior written approval of Landlord. Tenant shall be directly responsible for any and all damages resulting from any violation of the provisions of this Article 12. All alterations, additions, or changes to be made to the Premises which require the approval of Landlord shall be under the supervision of a competent architect or competent licensed structural engineer and made in accordance with plans and specifications with respect thereto, approved in writing by Landlord before the commencement of work where such approval is required pursuant to the provisions of this Article 12.

12.4 Quality of Work. All work with respect to any improvements, alterations, additions, and change by Tenant must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Any such improvements, changes, alterations and improvements shall be performed and done strictly in accordance with all applicable codes, ordinances, regulations and requirements, including but not limited to the requirements of Landlord, relating thereto. Tenant shall obtain all necessary permits for the work from the appropriate government bodies. In performing the work of any such improvements, alterations, additions, or changes, Tenant shall have the work performed in such a manner as not to obstruct the access to the Premises of any other tenant in the Complex. Tenant agrees to immediately record a notice of completion in the Recorder's Office of the County of Ventura upon completion of any alteration, addition, or change to the Premises and shall provide Landlord with "as-built" drawings for all such improvements. In the event that Tenant shall make any permitted alterations, additions, or improvements to the Premises under the terms and provisions of this Article 12, Tenant agrees to furnish Landlord such cost figures as may be required to reasonably determine insurable value on any such alterations, additions or improvements.

12.5 Ownership. Such improvements, alterations, additions, or changes shall be considered as improvements and shall not be removed by Tenant but shall immediately become a part of the Premises.

ARTICLE 13 MECHANICS' LIENS

13.1 Lien Protection. Tenant shall pay or cause to be paid all costs for work done by it or caused to be done by it on the Premises, and Tenant shall keep the Premises free and clear of all mechanics' liens and other liens on account of work done for Tenant or persons claiming under it. Tenant shall indemnify and hold Landlord free and harmless against liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of lien of laborers or material men or others for work performed or materials or supplies furnished for Tenant or persons claiming under it.

13.2 Contests. If Tenant shall desire to contest any claim of lien, it shall first furnish Landlord adequate security having a value in the amount of the claim, plus estimated costs and interest, or a bond from a responsible corporate surety in such amount conditioned on the discharge of the lien. If a final judgment establishing the validity or existence of a lien for any amount is entered, Tenant shall pay and satisfy the same at once.

13.3 Landlord Action. If Tenant shall be in default in paying any charge for which a mechanics' lien claim and suit to foreclose the lien shall have been filed, and Tenant shall not have given Landlord security or bond to protect the property and Landlord against such claim of lien, then Landlord may (but shall not be so required to) pay

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the said claim and any costs; and the amount so paid, together with reasonable attorneys' fees incurred in connection therewith, shall be immediately due and owing from Tenant to Landlord and Tenant shall pay the same to Landlord with interest at the maximum legal rate from the dates of Landlord's payments.

13.4 Notice of Claims. Should any claims of lien be filed against the Premises or any action affecting the title to such property be commenced, the party receiving notice of such lien or action shall forthwith give the other party written notice thereof.

13.5 Landlord Inspections and Notices. Landlord or its representatives shall have the right to go upon and inspect the Premises, at all reasonable times, and shall have the right to post and keep posted thereon notices of non-responsibility, or other notices which Landlord may deem to be proper for the protection of Landlord's interest in the Premises. Tenant shall, before the commencement of any work which might result in any such lien, give to Landlord written notice of its intention to do so in sufficient time to enable Landlord to file and record such notices.

ARTICLE 14 ADVERTISING SIGNS

14.1 Landlord Approval. All signs shall be designed, constructed, and located in accordance with the criteria established by Landlord set forth in "Exhibit F" and attached hereto, and shall be subject to approval of Landlord. Tenant shall not affix or maintain upon the exterior walls of the Premises, any signs, advertising placards, names, insignia, trademarks, descriptive material, or any other such like item or items except as shall have first received the written approval of Landlord as to type, color, location, copy, nature, and display qualities.

14.2 Prohibited Advertising. No advertising medium, noise, or sound shall be utilized by Tenant which can be heard or experienced outside Tenant's Premises, including, without limiting the generality of the foregoing, flashing lights, searchlights, loudspeakers, phonographs, radios, or television. Tenant shall not display, paint, or place or cause to be displayed, painted, or placed, any handbills, bumper stickers, or other advertising devices on any vehicle parked in the parking area of the Complex, whether belonging to Tenant, or to Tenant's agents or employees, or to any other person, nor shall Tenant distribute, or cause to be distributed in the Complex, any handbills or other advertising devices.

ARTICLE 15 EQUIPMENT AND PERSONAL PROPERTY

15.1 Ownership and Removal. Any equipment, trade fixtures, signs and other personal property of Tenant not permanently affixed to the Premises (including the new pump station and floating dock system described in Exhibit "C" and all conveyors, chutes, and other equipment utilized in offloading fish) shall remain the property of Tenant and Tenant shall have the right, provided that Tenant shall not be in default under the terms of this Lease, at any time, and from time to time, to remove any and all of its equipment, trade fixtures, signs, and other personal property which it may have stored or installed in the Premises. Nothing in this Article 15 contained shall be deemed or construed to permit or allow Tenant to remove so much personal property, without the immediate replacement thereof with similar personal property of comparable or better quality, so as to render the Premises unsuitable for conducting the type of business specified in Article 1 and Exhibit "B" attached hereto.

15.2 Repairs. Tenant, at its own expense, shall immediately repair any damage occasioned to the Premises, and/or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, and/or anywhere outside the Premises by reason of the removal of any such trade fixtures, equipment, signs, and other personal property, and, upon the expiration or earlier termination of this Lease, shall leave the Premises in a neat and clean condition, free of debris.

15.3 INTENTIONALLY OMITTED.

15.4 Improvements to Premises. All improvements to the Premises made by Tenant, including but not limited to those improvements described in Exhibit "C," light fixtures, floor coverings, and partitions, but excluding equipment, trade fixtures and signs, shall be deemed the property of Landlord upon installation thereof. The two (2) 10-ton ice dispensing machines installed on the Premises by Tenant as part of the ice plant described in Exhibit "C" (or any other machines installed on the Premises by Tenant as part of such ice plant) shall be considered improvements to the Premises made by Tenant and deemed the property of Landlord upon installation thereof. Unless otherwise agreed in writing, Landlord may require that improvements made by Tenant (regardless if such improvements is deemed the property of Landlord upon installation thereof under this Section 15.4) be removed by

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the expiration or on the earlier termination of this Lease, notwithstanding that their installation may have been consented to by Landlord, and Tenant shall be responsible for paying the costs of such removal of the improvements.

15.5 Taxes. Tenant shall pay before delinquency all taxes, assessments, license fees, and public charges levied, assessed, or imposed upon its business operation, as well as upon its trade fixtures, equipment, merchandise, and other personal property in, on or upon the Premises. In the event any such items of property are assessed with property of Landlord, then, and in such event, such assessment shall be equitably divided between Landlord and Tenant to the end that Tenant shall pay only its equitable proportion of such assessment. Landlord shall reasonably determine the basis of prorating any such assessments and such determination shall be binding upon both Landlord and Tenant. No taxes, assessments, fees, or charges, referred to in this section shall be considered as taxes under provisions of Article 5 hereof.

15.6 Expiration of Lease Term. Not less than ninety (90) days prior to the expiration of the Lease Term, Landlord and Tenant shall jointly prepare in writing and sign an agreement as to which trade fixtures, equipment, signs, and personal property described in Section 15.1 and which improvements described in Section 15.4 (including, but not limited to, any improvements made to the expanded areas to raise the foundation or the floor of the expanded area described in Exhibit "C") are to be removed by Tenant at its own cost and expense or are to be surrendered to Landlord at no cost to it upon such expiration of the Lease Term. The agreement shall also contain an estimate of the costs of removing the items described in Sections 15.1 and 15.4 which Tenant has been required under the agreement to remove, at its own cost and expense; and Tenant shall deposit that amount in cash with Landlord as security for Tenant's agreed obligations for such removal. Any amount of the deposit not expended by Landlord to effect the removal which has not been completed by Tenant itself shall be returned to Tenant within thirty (30) days after the expiration of the Lease Term. In the event that Landlord and Tenant are unable to reach the agreement required under this Section 15.6, then Tenant agrees that Landlord shall have the authority, acting reasonably, to make the determinations under this Section 15.6, including the amount of the deposit required of Tenant.

ARTICLE 16

ASSIGNING, MORTGAGING, SUBLETTING, CHANGE IN CORPORATE OWNERSHIP

16.1 Landlord Consent. Tenant shall not transfer, assign, sublet, enter into license or concession agreements, change ownership, encumber, mortgage, refinance, or hypothecate this Lease or Tenant's interest in and to the Premises without first procuring the written consent of Landlord (however, Landlord shall not withhold consent unreasonably). Any attempted transfer, assignment, subletting, license or concession agreement, change of ownership, encumbrance, mortgage, refinance, or hypothecation without Landlord's written consent shall be void and confer no rights upon any third person. Without in any way limiting Landlord's right to refuse to give such consent for any other reason or reasons, Landlord reserves the right to refuse to give such consent unless Tenant remains fully liable during the unexpired term of the Lease and Landlord further reserves the right to refuse to give such consent if, in Landlord's sole discretion and opinion, the quality of merchandising operations of the Complex are in any way adversely affected by the proposed new tenant during the Lease Term or the financial worth of the proposed new tenant is less than that of Tenant who executed this Lease. Tenant agrees to reimburse Landlord for Landlord's reasonable attorneys' fees incurred in conjunction with considering, processing, and documenting of any such requested transfer, assignment, subletting, licensing, or concession agreement, change of ownership, encumbrance, mortgage, refinance, or hypothecation of this Lease or Tenant's interest in and to the Premises.

16.2 Documentation. Each transfer, assignment, subletting, license, concession agreement, encumbrance, mortgage, refinance, and hypothecation to which there has been consent by Landlord shall be effected by an instrument in writing in form satisfactory to Landlord, and shall be executed by the transferor, assignor, sublessor, licensor, concessionaire, hypothecator, or mortgagor and the transferee, assignee, sublessee, licensee, concessionaire or mortgagee in each instance, as the case may be; and each transferee, assignee, sublessee, licensee, concessionaire, or mortgagee shall agree in writing for the benefit of Landlord herein to assume, to be bound by, and to perform the terms, covenants, and conditions of this Lease to be done, kept, and performed by Tenant. One (1) executed copy of such written instruments shall be delivered to Landlord. Failure to first obtain in writing Landlord's consent or failure to comply with the provisions of this Article 16 shall serve to prevent any such transfer, assignment, subletting, license, concession agreement or hypothecation from becoming effective.

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16.3 Entity Changes. If Tenant hereunder is a corporation which, under the then current guidelines published by the Commissioner of Corporations of the State of California, is not deemed a public corporation, or is an unincorporated association, limited liability company, or partnership, the transfer, sale, assignment or hypothecation of any stock or interest in any such entity in the aggregate in excess of twenty-five percent (25%) shall be deemed an assignment requiring Landlord's consent within the meaning and provisions of this Article 16.

16.4 Landlord's Costs. Tenant shall pay in advance One Thousand Two Hundred Fifty Dollars (\$1,250.00) to Landlord for its evaluation of any proposed transfer in order to cover its processing expenses and, in addition, Tenant shall pay Landlord's out-of-pocket costs, including legal review, whether or not Landlord shall give its consent to the proposed transfer.

16.5 INTENTIONALLY OMITTED.

16.6 Assignment Fee: In the event Tenant sells or assigns its interest in this Lease, then Landlord shall be paid an Assignment Fee equal in amount to five percent (5%) of the fair market value of the total consideration given in exchange for the sale or assignment, including all cash and non-cash consideration passing as a result thereof. In addition, if Tenant sublets all or any portion of the Premises to a subtenant for more than fifty percent (50%) of the remainder of the Lease Term, such sublease shall constitute an assignment of lease under this Section 16.6. The Tenant and the assignee, or the subtenant in the case of a sublease, shall be jointly and severally liable for payment of the Assignment Fee, which shall be due and payable at the time Landlord renders its approval of the proposed assignment. In the event Tenant refinances the debt structure secured by this Lease or obtains any additional mortgage(s) pursuant to Article 16, and in addition to all other sums payable by Tenant to Landlord under this Lease, Tenant shall pay Landlord an amount equal to three percent (3%) of (i) the total loan proceeds to the extent such loan proceeds exceeds any monetary encumbrances existing on Tenant's leasehold interest in a portion or all of the Premises in connection with any such refinancing; or (ii) the amount of indebtedness secured by any such additional mortgage(s) on Lessee's leasehold interest in a portion or all of the Premises in the case of a new encumbrance. Such amount, in the case of a refinancing or new encumbrance, shall be paid upon the close of escrow or escrows established in connection with said refinancing or new encumbrance.

ARTICLE 17 TENANT'S CONDUCT OF BUSINESS

17.1 Continuous Operation. Tenant shall continuously and uninterruptedly from and after its initial opening for business, operate and conduct within the Premises the business which it is permitted to operate and conduct under the provisions of this Lease, except while the Premises are untenable by reason of fire or other casualty. Tenant shall keep its Premises in a neat, clean, and orderly condition.

17.2 Trash. Tenant agrees that all trash and rubbish of Tenant shall be deposited within receptacles and that there shall be no trash receptacles permitted to remain outside of the building. Landlord agrees to cause such receptacles to be emptied and trash removed at Tenant's cost and expense.

17.3 Employee Conduct. Tenant shall use its best efforts to retain active, qualified, competent, and experienced personnel to supervise Tenant's operation and to represent and act for Tenant. Tenant shall require its attendants and employees to be properly dressed, clean, courteous, efficient, and neat in appearance at all times. Tenant shall not employ any persons in or about the Premises who shall use offensive language or act in a loud, boisterous, or otherwise improper manner. Tenant shall maintain a close check over attendants and employees to ensure the maintenance of a high standard of service to the public. Tenant shall replace any employee whose conduct is detrimental to the best interests of the public.

17.4 Hours of Operation. Recognizing that it is in the interest of both Tenant and Landlord to have regulated hours of business for the Complex, Tenant agrees that commencing each squid season that Tenant shall use its best efforts to maximize its off-loading activities. It is agreed, however, that in regard to any business controlled by governmental regulations or labor union contracts in its hours of operation, the foregoing provision shall be subject to the hours of operation so prescribed by such governmental regulations or labor union contracts, as the case may be.

17.5 Tenant's Other Operations. Tenant shall not, during the Lease Term, directly or indirectly, operate nor own any similar business except those already approved by Landlord within a radius of three (3) miles from the

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location of the Premises. Without limiting Landlord's remedies, in the event Tenant should violate this covenant, Landlord may, at its option, include the "Fish Off-Loading Fees" as stated in Section 5.7 and Article 1B of this Lease for the fish off-loaded at such other business in "Fish Off-Loading Fees" transacted from the Premises for the purpose of computing the rent or other payments due under this Lease. Tenant agrees to deliver to Landlord a certified statement of such "Fish Off-Loading Fees" from such other business, certified as correct by a Certified Public Accountant licensed to practice in the State of California. Article 5 is incorporated herein by reference as though set forth in full as to Landlord's rights and Tenant's duties in regard to the "Fish Off-Loading Fees" of such other business.

ARTICLE 18 REPAIRS AND MAINTENANCE

18.1 Tenant's Obligations. Subject to Landlord's obligations set forth in Section 18.2, below, Tenant shall, at its sole cost and expense, keep and maintain the Premises and every part thereof (excluding the roof, exterior walls, structural parts of the Premises and the structural floor), and all improvements of whatever kind that may be now or hereafter erected, installed or otherwise made thereon, including without limitation, the utility meters, lines, pipes, ducts, and conduits, all fixtures, air-conditioning and heating equipment serving the Premises, and other equipment therein, any fish offloading facilities and equipment, and buildings, in good and safe condition and repair, and sanitary conditions acceptable to Landlord, and in accordance with all applicable laws, rules, ordinances, orders and regulations, including, but not limited to, the Americans with Disabilities Act of 1990 and any corresponding laws of the State of California, relating to any part of the Premises or the improvements thereon, and shall make all necessary repairs and alterations thereto. Tenant further shall provide proper containers for trash and garbage, and keep the Premises, and the exclusive and non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B at all times free and clear of rubbish, debris and litter. Lessee shall keep, maintain and repair the Premises and improvements such that they will remain in a condition free from any defects or maintenance deficiencies (excluding reasonable wear and tear) and of most pleasing appearance to the public and to the patrons and invitees making use of and being accommodated by the improvements, facilities and amenities. Landlord shall have no duty, obligation, or liability whatsoever to cure, correct, repair, remediate, or rectify any violation of, or claims of noncompliance with, the Americans with Disabilities Act of 1990 or any corresponding laws of the State of California, with respect to the interior of the Premises and any improvement or equipment situated thereon or therein, it being the intent of the parties that Tenant shall have the sole responsibility, at its sole cost and expense, for curing, correcting, repairing, remediating, and rectifying any such violations or claims of noncompliance.

18.2 Landlord's Obligations. Landlord shall, at its sole cost and expense, keep and maintain in good and tenantable condition and repair, the roof, exterior walls, structural parts of the Premises and structural floors, the exterior stairwells adjacent to the buildings, and other exterior access areas to such buildings, located on, about, or adjacent to the Premises, and the pipes and conduits located outside the Premises for the furnishing to the Premises of various utilities (except to the extent that the same are the obligation of the appropriate public utility company or the obligation of the Tenant as required under this Lease); provided, however, that Landlord shall not be required to maintain or make repairs necessitated by reason of the negligence of Tenant, any patrons of Tenant, or anyone claiming under Tenant, or by reason of the failure of Tenant to perform or observe any conditions or agreements in this Lease contained, or caused by alterations, additions, or improvements made by Tenant or anyone claiming under Tenant. As used in this Article 18, the phrase "exterior walls" shall not be deemed to include storefronts, plate glass, window cases, or window frames, doors or doorframes. Notwithstanding anything contained in this Lease to the contrary, Landlord shall not in any way be liable to Tenant for failure to make repairs as herein specifically required of Landlord unless Tenant has previously notified Landlord in writing of the need for such repairs and Landlord has failed to commence and complete said repairs within a reasonable period of time following receipt of Tenant's written notification. Landlord shall also be responsible, at its sole cost and expense, to cure, correct, repair, remediate, and rectify any violation of, or claims of noncompliance with, the Americans with Disabilities Act of 1990 or any corresponding laws of the State of California, with respect to the exterior of the Premises, including the exterior stairwells adjacent to the buildings, and other exterior access areas to such buildings, located on, about, or adjacent to the Premises; provided, however Landlord shall not be required to cure, correct, repair, remediate, or rectify any

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such violations or claims of noncompliance necessitated by reason of the negligence of Tenant, any patrons of Tenant, or anyone claiming under Tenant, or by reason of the failure of Tenant to perform or observe any conditions or agreements in this Lease, or caused by alterations, additions, or improvements made by Tenant or anyone claiming under Tenant. In the event Landlord is required to install during the term of this Lease one (1) or more elevators or stairway lifts in, on, or outside the Fisheries Complex as generally depicted on the diagram attached hereto as Exhibits A-1, Tenant shall pay one-third (1/3) of any and all costs or expenses incurred to design, construct, and install such elevator(s) or stairway lift(s), which such payment shall be due and payable within thirty (30) days of Tenant's receipt of written notice by Landlord, or Tenant can notify Landlord, in writing, of its decision to surrender the second floor of the Premises to Landlord without any offset to the minimum rent as outlined in Article 1A subject to the terms and conditions set forth in Section 18.4, below, which such surrender shall become effective within three (3) days after Landlord's receipt of such written notice from Tenant. In the event that, by any express provision of this Lease, Landlord agrees to care for or maintain the whole or any part of the Premises, improvements or equipment, such agreement on the part of Landlord shall constitute a covenant only, and no obligation or liability whatsoever shall exist on the part of Landlord to Tenant by reason thereof unless Landlord fails to commence performance of such obligation with reasonable diligence after receipt of a written notice from Tenant specifying (x) the provisions of this Lease whereunder said duty is claimed to exist on the part of Landlord, and (y) the facts existing that require the performance of such duty. In such event, Landlord's liability shall be limited to the costs and expenses of performing such obligation, and neither Tenant nor any person claiming under Tenant shall be entitled to special, incidental, or consequential damages arising therefrom.

18.3 Repairs on Behalf of Tenant. If Tenant refuses or neglects to make repairs and/or maintain the Premises, or any part thereof, in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant reasonable written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. In such event, the cost of such work shall be considered additional rent and shall be paid for by Tenant immediately upon receipt of a bill therefore from Landlord.

18.4 Surrender of Premises. Tenant shall surrender the Premises by the end of the last day of the Lease Term or any earlier termination date, clean and free of debris and in good operating order, condition and state of repair, ordinary wear and tear excepted. Ordinary wear and tear shall not include any damage or deterioration that would have been prevented by good maintenance practice or by Tenant's performing all of its obligations under this Lease. Except as otherwise agreed or specified herein, the Premises, as surrendered, shall include the improvements which Landlord has not required to be removed by Tenant. The obligations of Tenant shall include the repair of any damage occasioned by the installation, maintenance, or removal of Tenant's trade fixtures, furnishings, equipment and improvements required to be removed. Tenant's equipment and fixtures shall remain the property of Tenant and shall be removed by Tenant subject to its obligation to repair and restore the Premises as required by this Lease.

18.5 Inspections. Tenant shall permit Landlord and its authorized representatives to enter the Premises at all times during usual business hours for the purpose of inspecting the same. Tenant further covenants and agrees that Landlord may enter the Premises and make any necessary repairs to the Premises and perform any work therein which may be necessary to comply with any laws, ordinances, rules, or regulations of any public authority or of the Pacific Fire Rating Bureau, or of any similar body, or that Landlord may deem necessary to prevent waste or deterioration in connection with the Premises if Tenant does not make or cause such repairs to be made or performed on its own responsibility or promptly after receipt of written demand from Landlord. Nothing herein contained shall imply any duty on the part of Landlord to do any such work which under any provision of this Lease Tenant may be required to do, nor shall it constitute a waiver of Tenant's default in failing to do the same. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby nor to any abatement of rent. In the event that Landlord makes or causes any such repairs to be made or performed, as provided for herein, Tenant shall pay the cost thereof to Landlord, forthwith, as additional rent upon receipt of a bill from Landlord.

18.6 Mold. If Tenant discovers that mold is present in the Premises, its heating system, ventilation or air conditioning system, or other adjacent buildings or structures, or that there is a condition of water intrusion or moisture, Tenant shall promptly provide Landlord with this information in writing; and Tenant shall make the Premises available to Landlord or its agents for an appropriate inspection and assessment. Tenant shall promptly correct the

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condition insofar as they arise from the operations of Tenant on the Premises or from its repair and maintenance obligations pursuant to Section 18.1; and Tenant shall provide Landlord with written verification that such correction has been promptly and fully completed. Landlord shall not be liable for any loss of business by Tenant or any damage to Tenant's trade fixtures, equipment, signs, other personal property, and files and other business records arising from the conditions described in this Section 18.6.

18.7 Interim Modernization of Leasehold Structures. In the event Tenant properly exercises its option to extend the Lease Term, within sixty (60) days after the commencement of the option period or as soon thereafter as Landlord determines is reasonably practicable, Landlord shall inspect the Premises to determine whether replacement of the doors and door frames, and repair or replacement of lighting, electrical, and plumbing systems, located in, on, or about the Premises is required to be made. In the event Landlord determines, in its absolute and sole discretion, that such items must be repaired or replaced, Tenant shall repair or replace such items, at Tenant's sole cost and expense, within sixty (60) days of Tenant's receipt of written notification from Landlord of such necessary repair or replacement, or within such time period as may otherwise be agreed to by the parties; provided, however, if Tenant has commenced such repair or replacement within such sixty (60) day period and has, in good faith as determined in Landlord's reasonable discretion, attempted to complete such work within such period but is unable to do so, the deadline for Tenant to complete such repairs or replacement shall be extended by an additional sixty (60) days. Any work performed by Tenant hereunder shall be subject to the approval of Lessor and any other governmental entity or agency that has jurisdiction over said work, and Lessee shall secure, at its own expense, all permits required for said work, and Tenant shall also comply with the terms and conditions of Section 12.3 in connection with the performance of such work.

ARTICLE 19 RECONSTRUCTION

19.1 Insured Damage. In the event the Premises are damaged by fire or other perils covered by Landlord's fire and extended coverage insurance, then Landlord shall within a period of ninety (90) days thereafter, commence repair, reconstruction, and restoration of the Premises and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect. However, in the event of a partial or total destruction of the Premises during the last three (3) years of the Lease Term, Landlord and Tenant shall both have the option to terminate this Lease upon giving written notice to the other of the exercise thereof within thirty (30) days after such destruction. For purposes of this Section 19.1, "partial destruction" shall be deemed a destruction to an extent that the costs of repair shall equal or exceed twenty percent (20%) of the then full replacement cost of the Premises as of the date of the destruction.

19.2 Uninsured Damages. In the event that the Premises shall be damaged as a result of any flood, earthquake, act of war, nuclear reaction, nuclear radiation or radioactive contamination, or from any other casualty not covered by Landlord's fire and extended coverage insurance, then Landlord may within ninety (90) days following the date of such damage, commence repair, reconstruction, or restoration of the Premises and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect, or, within said ninety (90) day period, Landlord may elect not to so repair, reconstruct, or restore the Premises, in which event this Lease shall cease and terminate. In either such event, Landlord shall give the Tenant written notice of its intention within said ninety (90) day period.

19.3 Tenant's Reconstruction. In the event of the reconstruction of the Premises by Landlord in accordance with the provisions of this Article 19, Tenant shall, at its sole cost, restore its equipment, trade fixtures, leasehold improvements, and personal property maintained on the Premises and/or in the non-exclusive common areas as depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B to the condition which existed immediately prior to the damage or destruction.

19.4 Complex Damage. In the event that thirty-three and one-third percent (33 1/3%) or more of the gross leasable area of the Complex shall be damaged or destroyed by fire or other cause, notwithstanding that the Premises may be unaffected by such fire or other cause, Landlord shall have the right to terminate this Lease and the tenancy hereby created by giving to Tenant thirty (30) days prior written notice of Landlord's election so to do, which

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notice shall be given, if at all, within the sixty (60) days following the date of said occurrence. Rent shall be adjusted as of the date of such termination.

19.5 Surrender of Possession. Upon any termination of the Lease under any of the provisions of this Article 19, the parties shall be released thereby without further obligation to the other party coincident with the surrender of possession of the Premises to Landlord, except for the items which have theretofore accrued and are then unpaid; and the remaining balance of any security deposit made by Tenant pursuant to the provisions of Article 34 hereof shall be returned to Tenant.

19.6 Abatement of Rent. In the event of repair, reconstruction, and restoration as herein provided, the Minimum Monthly Rent provided to be paid under Articles 1 and 5 hereof shall be abated proportionately with the degree in which Tenant's use of the Premises is impaired commencing from the date of destruction and continuing during the period of such repair, reconstruction, or restoration. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management; and the obligation of Tenant hereunder to pay Fish Off-Loading Fees shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss in the use of the whole or any part of the Premises, Tenant's equipment, fixtures, improvements, merchandise, or personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction, or restoration.

19.7 Waiver of Code Provisions. As to any partial or total destruction which Landlord is obligated to restore or may at its discretion restore the Premises under any of the provisions of this Lease, the provisions of Sections 1932 and 1933 of the Civil Code of California are hereby waived by Tenant.

ARTICLE 20

AUTOMOBILE PARKING AND COMMON AREAS

20.1 General Tenant Use. Tenant and its employees, agents, customers, patrons, suppliers, and other invitees are, except as otherwise specifically provided and limited in this Article 20 and "Exhibit G" attached, hereto, authorized, empowered, and privileged to use the parking and common areas in the Complex of which the Premises are a part in common and on a non-exclusive basis with other persons during the term of this Lease.

20.2 Landlord Maintenance. Landlord shall maintain and operate, or cause to be maintained and operated (except as hereinafter provided with reference to cost of maintenance) said common areas at all times for the benefit and use of the public and of other tenants and occupants of the Complex. Landlord shall keep or cause to be kept said common areas in a neat, clean and orderly condition, properly lighted and landscaped, and shall repair any damage to the facilities thereof.

20.3 Common Area Expenses. The phrase "expenses in connection with said common areas" as used herein shall be construed to include, but not limited to the following: all sums expended in connection with said common areas for all general maintenance and repairs, resurfacing, or painting, re-stripping, cleaning, sweeping and janitorial services; maintenance and repair of sidewalks, curbs, elevated walkways, and stairways, and Complex signs, sprinkler systems, planting and landscaping; lighting and other utilities, directional signs and other markers and bumpers; maintenance and repair of any exterior fire protection systems, lighting systems, storm drainage systems and any other utility systems; personnel to implement such services including, if Landlord deems necessary, the cost of security and dockmaster personnel; real and personal property taxes and assessments on the improvements and land comprising said common areas, if any, including possessory interest taxes; any governmental imposition or surcharge imposed upon Landlord or assessed against the automobile parking area or any other portion of the common areas; all costs and expense pertaining to a security alarm system for the tenants in the Complex; depreciation on maintenance and operating machinery and equipment (if owned) and rental paid for such machinery and equipment (if rented); adequate public liability and property damage insurance on the Complex; general and administrative expense incurred in the management and supervision of the common area by Landlord whether directly or through an independent contractor or agent, including but not limited to costs or accounting, bookkeeping, and collection of the expenses in connection with said common areas; payroll taxes; materials; supplies; and all other costs of operating and repairing the lighting in the common areas, excluding any lighting installed by Tenant.

Landlord may cause any or all of said services including management, and supervision and administration to be provided by an independent contractor or contractors. Should Landlord acquire or make available additional land not shown as part of the Complex on Exhibit "A" and make the same available for parking or other common area

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purposes, then said expenses in connection with said common areas shall also include all of the aforementioned expenses incurred and paid in connection with said additional land.

20.4 Tenant's Share. In lieu of being charged Tenant's share of common area expenses, Tenant agrees to pay the Minimum Monthly Rent amounts set forth in Article 1A of the Lease.

~~20.4.1 Initial Charge. From and after the date of February 1, 2014, but subject to adjustment as hereinafter provided in Article 1A this Paragraph 20.4.1, Tenant shall pay to Landlord on the first day of each calendar month of the term of this Lease the sum of Seven Hundred Sixty-Four Dollars and Seventy-Eight Cents (\$764.78) for such common area expenses. Landlord shall adjust the monthly charge at the end of each calendar year, on the basis of Landlord's experience and reasonably anticipated costs as stipulated in Article 1A.~~

~~20.4.2 Adjustments. Within thirty (30) days following the end of the sixtieth (60) month of the Lease Term, Landlord shall furnish to Tenant a statement covering the amount of Tenant's pro-rata share of such common area expense for such calendar year, and the payments made by Tenant with respect to such period as set forth in Paragraph 20.4.1. If Tenant's pro-rata share of such common area expenses exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within ten (10) days after receipt of such statement. If said payments exceed Tenant's pro-rata share of such common area expenses, Tenant shall be entitled to offset the excess against payments next thereafter to become due to Landlord as set forth in Paragraph 20.4.1. Tenant's pro-rata share of the total common area expenses shall be based upon the charges reflected in Article 1A. There shall be appropriate adjustment for any year for Tenant's share of the common area expenses as of the expiration of the Lease Term.~~

20.4.1 Partial Maintenance by Landlord. Anything to the contrary notwithstanding contained in this Article 20, in the event that Landlord does not maintain the entire common area in the Complex, in that certain tenants in the Complex have the right to and actually proceed to maintain their respective common areas, then and in that event, for the length of time when such condition may exist, Landlord's responsibility shall only be toward the maintenance and repair of those portions of the common area not maintained by those certain tenants and the "expenses in connection with said common areas" shall only refer to such areas maintained by Landlord.

~~20.4.2 Default in Payment. Failure of Tenant to pay any of the charges as provided in this Article 20 shall constitute a default under the terms hereof in like manner as failure to pay rent when due.~~

~~20.4.5 Tenant's Share. A particular tenant's share of the total common area expenses for a previous calendar quarter or year shall be computed as follows: (i) a tenant which conducts a restaurant, bar or other beverage service, other food service, market, and other activities which cause added common area expenses by utilizing patios and outdoor areas, generating trash and debris from food and beverage containers, napkins, and other packaging materials, and having extended hours of operation shall have a factor for proration of one and one-half (1 1/2) times the gross square feet of space leased by the particular tenant; (ii) tenants which operate other retail activities which have customer traffic (excluding office operations) shall have a factor of one (1) for proration of one (1) applied to the gross square feet of space leased by the tenant; and (iii) the pro-rata share for the total common area expenses shall be computed for a particular tenant by the ratio of the factored gross square feet of space leased by the particular tenant (either one and one-half [1 1/2] or one [1] times the actual square feet occupied by it) as compared to the total of the factored square feet for tenants under Subdivision (i) at the rate of one and one-half (1 1/2) times the actual square feet leased plus the factored square feet for tenants under Subdivision (ii) at the rate of one (1) times the actual square feet leased. (For example: If a tenant operates a restaurant with 10,000 square feet and if the entire factored total of square feet is 100,000 at a factor of 1 1/2 and 300,000 at a factor of 1, the tenant's pro-rata share would be $15,000 \div 150,000 + 300,000$).~~

20.5 Changes in Common Area. Landlord shall at all times have the right and power to determine the nature and extent of the common areas, whether the same shall be on the surface, underground, or multiple-deck, and to make such changes therein and thereto from time to time which in its opinion are deemed to be desirable and for the best interests of all persons using said common areas, including the location and relocation of driveways, entrances, exits, and automobile parking spaces, direction and flow of traffic, installation of prohibited areas, landscaped areas, and all other facilities thereof.

20.6 Limitation on Liability. Nothing contained in these provisions shall be deemed to create any liability of Landlord for any damage to motor vehicles of Tenant or its employees, agents, customers, patrons, suppliers, or

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other invitees, or for loss of property from within such motor vehicles, unless caused by the sole active negligence of Landlord, its agents or employees.

20.7 Rules. Landlord shall also have the right to establish, and from time to time to change, alter, and amend, and to enforce against Tenant and the other users of the common areas such reasonable rules and regulations (including the exclusion of employees' parking therefrom) as may be deemed necessary or advisable for the proper and efficient operation and maintenance of the common areas. The rules and regulations herein provided may include, without limitation, the hours during which the common areas shall be open for use. Landlord may, in its opinion the same is advisable, establish a system or systems of validation or other type of controlled operation, including a system of charges against non-validated parking checks for users, and Tenant shall conform to and abide by all such rules and regulations in its use and the use of its customers and patrons with respect to the automobile parking area, provided, however, that all such rules and regulations and such types of controlled operation or validation of parking checks and other matters affecting the customers and patrons of Tenant shall apply equally and without discrimination to all persons entitled to the use of the automobile parking facilities.

20.8 Landlord Control. Landlord shall at all times during the term of this Lease have the sole and exclusive control of the automobile parking spaces in the Complex, the commercial fish pier, driveways, entrances, and exits and the sidewalks and pedestrian passageways and other common areas, and may at any time and from time to time during the term hereof, exclude and restrain any person from use or occupancy thereof, excepting, however, bona fide customers, patrons, and suppliers of Tenant, and other tenants of Landlord who make use of said areas in accordance with the rules and regulations established by Landlord from time to time with respect thereto. The rights of Tenant hereunder in and to the other areas referred to in this Article 20 shall at all times be subject to the rights of Landlord and the other tenants of Landlord to use the same in common with Tenant; and Tenant shall keep all of said areas free and clear of any obstructions created or permitted by Tenant or resulting from Tenant's operation, and Tenant shall allow the use of any said areas only for normal parking and ingress and egress by customers, patrons, and suppliers to and from buildings occupied by Tenant and the other tenants of Landlord.

20.9 Unauthorized Use. If in the opinion of Landlord unauthorized persons are using any of the areas referred to in this Article 20 by reason of the presence of Tenant in the Premises, then Tenant, upon written demand of Landlord, shall enforce the rules and regulations against all such unauthorized persons by appropriate proceedings. Nothing herein shall affect the rights of Landlord at any time to remove any such unauthorized persons from said areas or to restrain the use of any of said areas by unauthorized persons.

20.10 Employee Parking. The employees and independent contractors of Tenant and the other tenants of Landlord within the Complex shall not be permitted to park their automobiles in the automobile parking areas which may from time to time be designated for customers and patrons of the Complex. Landlord agrees to furnish and/or cause to be furnished either within the Complex parking area or reasonably close thereto, space for employee and independent contractor parking. Landlord at all times shall have the right to designate the particular area to be used by any or all of such employees, independent contractors and any such designation may be changed from time to time. Tenant, its employees and independent contractors shall park their cars only in those portions of the parking areas, if any, designated for that purpose by Landlord. Tenant shall furnish Landlord with Tenant's and its employees' license numbers within fifteen (15) days after taking possession of the Premises, and Tenant shall thereafter notify Landlord of any changes within five (5) days after such change occurs.

20.11 Violations of Employee Parking Rules. If Tenant or its employees or independent contractors fail to park their cars in designated parking areas, then Landlord may charge Tenant Sixty Dollars (\$60.00) per day or partial day per car parked in any areas other than those so designated; provided, however, Landlord agrees to give Tenant written notice of the first violation of this provision and Tenant shall have two (2) days thereafter within which to cause the violation to be discontinued; and, if the violation is not so discontinued within said two (2) day period, then the Sixty Dollars (\$60.00) per day fines shall commence. After notice of such first violation, no prior notice of any subsequent violation shall be required. All amounts due under the provisions of this Section 20.11 shall be payable by Tenant within ten (10) days after demand therefore as additional rent hereunder. Tenant hereby authorizes Landlord to tow away from the Complex any car or cars belonging to Tenant or Tenant's employees or independent contractors who have failed to park cars in the designated areas for their use, and/or to attach written tickets or notice of violations to such cars.

ARTICLE 21

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HAZARDOUS SUBSTANCES AND ENVIRONMENTAL INDEMNITY

21.1 Definition. The term "Hazardous Substances" shall mean any substance, the presence of which on the Premises is: (i) potentially injurious to the public health, safety, or welfare, the environment or the Premises, or (ii) regulated or monitored by any governmental authority, or (iii) a potential basis for liability of Landlord to any governmental agency or third party, or (iv) a potential basis for cancellation of any insurance policy covering the Premises. Hazardous Substances shall include, without limitation, petroleum and petroleum products and fractions thereof. Tenant shall not engage in any use of Hazardous Substances in, on, under, about, or outside the Premises without Landlord's prior written consent. Landlord may condition its consent upon Tenant's giving Landlord such additional assurances as Landlord, in its sole and reasonable discretion, deems necessary to protect Landlord, the public, the Premises, the Complex, and the environment against damage, contamination, injury or liability, including, without limitation, the deposit of additional security under Article 34 below.

21.2 Notice. If Tenant knows, or has reasonable cause to believe, that Hazardous Substances, or a condition involving or resulting from Hazardous Substances is present in, on, under, about, or outside the Premises, other than as previously consented to by Landlord, Tenant shall immediately give written notice of such fact to Landlord, together with copies of all reports or notifications to or from governmental agencies or private parties concerning the same.

21.3 Indemnity. Tenant shall indemnify, protect, defend and hold harmless Landlord, its officers, elected officials, agents, attorneys, and employees, against any losses, liabilities, damages, demands, actions, judgments, causes of action, assessments, penalties, costs and expenses (including, without limitation, the reasonable fees and disbursements of legal counsel and accountants) and all foreseeable and unforeseeable actual, special, incidental, or consequential damages which might arise or be asserted against Landlord as a result of the presence or suspected presence of any Hazardous Substances in, on, under or about the Premises due to Tenant's activities on or about, or Tenant's use or occupancy of, the Premises, or due to Tenant's activities on, or use and/or occupancy of, the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B, in violation of any present and future federal, state and local environmental law, statute, rule, regulation or otherwise), including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) and the applicable provisions of the California Health and Safety Code and the California Water Code, relating to the environment or to any Hazardous Substance ("Environmental Laws"). If any such action or proceeding is brought against Landlord, its officers, elected officials, agents, attorneys, or employees, Tenant, upon notice from Landlord, shall defend the claim at Tenant's sole expense with counsel reasonably satisfactory to Landlord. Tenant's obligations under this Section 21.3 shall include, without limitation, loss of rents to Landlord, the effects of any contamination or injury to person, property or the environment, the cost of investigation, remediation, restoration and abatement. Further, Tenant's obligations hereunder shall survive the expiration or termination of this Lease. No termination, cancellation, or release agreement entered into by Landlord and Tenant shall release Tenant from its obligations under this Section 21.3, unless specifically stated in writing in the agreement and signed by Landlord. Without limiting the foregoing, if any Hazardous Substance is found in, on, under or about the Premises and/or the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B at any time during or after the term of this Lease, the presence of which was caused in whole or in part by Tenant and/or Tenant's agents, guests, invitees, representatives, contractors, or employees, Tenant shall, at Tenant's sole cost and expense, promptly take all actions as are necessary to return the Premises and/or such non-exclusive common areas to the condition existing prior to the introduction or release of such Hazardous Substance in accordance with applicable Environmental Laws and the prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Tenant shall have no liability for, or responsibility to remediate, any Hazardous Substances that were located on any part of the Premises or such non-exclusive common areas prior to Tenant's initial tenancy on that part of the Premises or prior to Tenant's use of such non-exclusive common areas, and Landlord releases Tenant from any and all liability for such Hazardous Substances located on any part of the Premises or such non-exclusive common areas prior to Tenant's initial tenancy on that part of the Premises or such non-exclusive common areas.

21.4 Law Compliance. Tenant shall, at its sole cost and expense, comply with (i) any and all requirements necessary for the maintenance of reasonable fire, extended coverage, and public liability insurance

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covering the Premises; and (ii) any and all rules, regulations, requirements and mandates of those federal, state and local public agencies now existing or as may hereafter be established or modified, with jurisdiction, power, and authority to monitor, enforce, and administer matters relating to air and water quality and waste management and disposal.

21.5 Inspection. Landlord shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Tenant with this Lease and all applicable laws and regulations. The cost of the inspection shall be borne by Landlord unless a default under this Lease, violation of law, or a contamination caused or contributed to by Tenant, is found to exist, in which case Tenant shall reimburse Landlord on demand for all costs of inspection, investigation, remediation, restoration, or abatement, including all legal, accounting, and other professional consulting fees and expenses incurred or paid by Landlord and the value of services provided by employees of Landlord, its officers, elected officials, agents, attorneys, and employees. Such payment shall be made to Landlord as additional rent within ten (10) calendar days after Tenant receives Landlord's written demand therefore.

ARTICLE 22

DEFAULT AND BREACH BY TENANT - REMEDIES

22.1 Defaults - Breach. Landlord and Tenant agree that if an attorney is consulted by Landlord in connection with a Tenant Default or Breach (as hereinafter defined), Five Hundred Dollars (\$500.00) is a reasonable minimum sum per such occurrence for legal services and costs in the preparation and service of a notice of Default (which any such Default notice shall also identify the specific term, covenant, condition, or rule or regulation applicable to Tenant under this Lease that Tenant is failing or has failed to observe), and that Landlord may include the cost of such services and costs in said notice as rent due and payable to cure said default. A "Default" by Tenant is defined as a failure by Tenant to observe, comply with or perform any of the terms, covenants, conditions, or rules and regulations applicable to Tenant under this Lease. A "Breach" by Tenant is defined as the occurrence of any one or more of the following Defaults, and, where a grace period for cure after notice is specified herein, the failure by Tenant to cure such Default prior to the expiration of the applicable grace period, and shall entitle Landlord to pursue the remedies set forth in Section 22.2:

22.1.1 The vacating of the Premises without the intention to reoccupy same, or the abandonment of the Premises.

22.1.2 Except as expressly otherwise provided in this Lease, the failure by Tenant to make any payment of Minimum Monthly Rent, or any other monetary payment required to be made by Tenant hereunder as and when due, the failure by Tenant to provide Landlord with reasonable evidence of insurance or surety bond required under this Lease, or the failure of Tenant to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of three (3) days following written notice thereof by or on behalf of Landlord to Tenant.

22.1.3 Except as expressly otherwise provided in this Lease, the failure by Tenant to provide Landlord with reasonable written evidence (in duly executed original form, if applicable) of (i) the rescission of an unauthorized assignment or subletting under Article 16; (ii) the subordination or non-subordination of this Lease per Article 27; (iii) a Tenant's certificate per Section 4.5; (iv) the guaranty of the performance of Tenant's obligations under this Lease if required under Article 2; or (v) any other documentation or information which Landlord may reasonably require of Tenant under the terms of this Lease, where any such failure continues for a period of ten (10) days following written notice by or on behalf of Landlord to Tenant.

22.1.4 A Default by Tenant as to the terms, covenants, conditions, or provisions of this Lease, or of the rules and regulations adopted under Article 20 hereof that are to be observed, complied with or performed by Tenant, other than those described in Paragraphs 22.1.1, 22.1.2, and 22.1.3, above, where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of Landlord to Tenant; provided, however, that if the nature of Tenant's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this Lease by Tenant if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

EXHIBIT B

22.1.5 The occurrence of any of the following events: (i) the making by Tenant of any general arrangement or assignment for the benefit of creditors; (ii) Tenant's becoming a "debtor" as defined in the United States Bankruptcy Code or any successor statute thereto [unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in the Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this Paragraph 22.1.5 is contrary to any applicable law, such provision shall be of no force or effect, and shall not affect the validity of the remaining provisions.

22.1.6 The discovery by Landlord that any financial statement of Tenant or of any guarantor, given to Landlord by Tenant or any guarantor, was materially false.

22.1.7 If the performance of Tenant's obligations under this Lease is guaranteed: (i) the death of a guarantor; (ii) the termination of a guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty; (iii) a guarantor's becoming insolvent or the subject of a bankruptcy filing; (iv) a guarantor's refusal to honor the guaranty; or (v) a guarantor's breach of its guaranty obligation on an anticipatory breach basis, and Tenant's failure, within sixty (60) days following written notice by or on behalf of Tenant notifying Landlord of the death of a guarantor, or within sixty (60) days following written notice by or on behalf of Landlord to Tenant of any event described in items (ii) through (v) of this Section 22.1.7, to provide Landlord with, written alternative assurances of security, including, but not limited to, replacement guarantors, which, when coupled with the then existing resources of Tenant, equals or exceeds the combined financial resources of Tenant and the guarantors that existed at the time of execution of this Lease. Any written alternative assurances of security proposed by Tenant hereunder shall be subject to Landlord's prior written consent, which such consent shall not be unreasonably withheld, so long as Tenant is not otherwise then in Default.

22.1.8 If it is determined by Landlord in its sole and absolute discretion that any stickwater has been disposed or discharged into the harbor during Tenant's off-loading operation on four (4) or more occasions during any twelve (12) month period pursuant to Exhibit B of the Lease.

22.1.9 If it is determined by Landlord in its sole and absolute discretion that Tenant has violated the acceptable level of noise established by Landlord for the Complex, where such failure continues for a period of three (3) days following written notice by or on behalf of Landlord to Tenant.

22.1.10 Unreasonably interfering with or impeding the use of the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B by the public or other licensees or permittees of Lessor.

22.1.11 Failing to abide by and comply with applicable rules, regulations and restrictions of Landlord relating to the use of the the non-exclusive common areas depicted in the attached Exhibit A-1 and generally referred to in the attached Exhibit B and the conduct of Tenant's business operations thereon.

22.1.12 Failure to keep and maintain the Premises and any improvements thereon in compliance with all requirements and regulations of the Americans with Disabilities Act of 1990 and/or any corresponding laws of the State of California.

22.1.13 Failure to cure, correct, repair, remediate, or rectify any violations of, or claims of noncompliance with, the Americans with Disabilities Act of 1990 and/or any corresponding laws of the State of California, or make any improvements, alterations, or remediation changes required to complete agreed or mandated modifications in connection with such violations or claims of noncompliance, with respect to the Premises and any improvement located thereon, within the time required under applicable law, by a court of competent jurisdiction or governmental agency with jurisdiction, or as agreed between Landlord, Tenant, and/or any third parties.

22.1.14 Failure to complete any improvements or construction within any applicable time period required of Tenant under the Lease.

EXHIBIT B

22.2 Remedies. If Tenant fails to perform any affirmative duty or obligation of Tenant under this Lease, within ten (10) days after written notice to Tenant (or in case of an emergency, without notice), Landlord may at its option (but without obligation to do so), perform such duty or obligation on Tenant's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits, or approvals. The costs and expenses of any such performance by Landlord shall be due and payable by Tenant to Landlord as additional rent upon invoice therefore. If any two checks given to Landlord by Tenant during any twelve (12) month period shall not be honored by the bank upon which it is drawn, Landlord, at its own option, may require all future payments to be made under the Lease by Tenant to be made only by cashier's check. In the event of a Breach of this Lease by Tenant (as defined in Section 22.1), with or without further notice or demand, and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such Breach, Landlord may take the actions set forth in Article 22.2.1-22.2.4.

22.2.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant: (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of re-letting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Landlord in connection with the Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Premises are located at the time of award plus one percent (1%). Efforts by Landlord to mitigate damages caused by Tenant's Default or Breach of this Lease shall not waive Landlord's right to recover damages under this Section 22.2. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or Landlord may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages. If a notice and grace period required under Paragraphs 22.1.2, 22.1.3, or 22.1.4 was not previously given, a notice to pay rent or quit, or to perform or quit, as the case may be, given to Tenant under any statute authorizing the forfeiture of leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by Paragraphs 22.1.2, 22.1.3, or 22.1.4. In such case, the applicable grace period under the unlawful detainer statute shall run concurrently after the one such statutory notice, and the failure of Tenant to cure the Default within the greater of the two (2) such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Landlord to the remedies provided for in this Lease and/or by said statute.

22.2.2 Continue the Lease and Tenant's right to possession in effect under California Civil Code Section 1951.4, or any successor statute thereto, after Tenant's Breach and recover the rent as it becomes due, provided Tenant has the right to sublet or assign, subject only to reasonable limitations. Landlord and Tenant agree that the limitations on assignment and subletting in this Lease are reasonable. Acts of maintenance, preservation, or renovation, efforts to re-let the Premises, or the appointment of a receiver to protect Landlord's interest under this Lease, shall not constitute a termination of Tenant's right to possession.

22.2.3 Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of California.

22.2.4 The expiration or termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Tenant's occupancy of the Premises except as otherwise set forth herein.

EXHIBIT B

22.3 Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and account charges and late charges which may be imposed upon Landlord. Accordingly, if any installment of rent or other sum due from Tenant shall not be received by Landlord or its designee within ten (10) days after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall pay to Landlord a late charge equal to six percent (6%) of such overdue amount, which late charge shall be due and payable as additional rent. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's Default or Breach with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Minimum Monthly Rent, then notwithstanding any other provision of this Lease to the contrary, Minimum Monthly Rent shall, at Landlord's option, become due and payable quarterly in advance.

22.4 Definitions. The phrase "rent and other payments" as used in this Article 22, shall be deemed to be and to mean the Minimum Monthly Rent and all other sums payable pursuant to Article 5 hereof and all other sums required to be paid by Tenant pursuant to the terms of this Lease.

ARTICLE 23 BREACH BY LANDLORD

Landlord shall not be deemed in breach of this Lease unless Landlord fails within a reasonable time to perform an obligation required to be performed by Landlord. For purposes of this Article 23, a reasonable time shall in no event be less than thirty (30) days after receipt by Landlord of written notice specifying wherein such obligation of Landlord has not been performed and what specific provision of this Lease has been so violated by Landlord referring to the exact article, section, or paragraph involved; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days after such notice are reasonably required for its performance, then Landlord shall not be in breach of this Lease if performance is commenced within such 30-day period and thereafter diligently pursued to completion. If Landlord fails to remedy its breach in accordance with this Article 23, Landlord shall be responsible for the damages actually sustained by Tenant as a result thereof; provided, however, that Landlord shall under no circumstance be liable for injury to Tenant's business or for any loss of income or profit therefore, or for any other form of special, incidental, or consequential damages. Tenant shall have no right to terminate this Lease by reason of any breach by Landlord.

ARTICLE 24 CONDEMNATION

If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "Condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than twenty-five percent (25%) of the floor area of the Premises is taken by Condemnation, Landlord or Tenant, at the option of either of them, to be exercised in writing within ten (10) days after Landlord shall have given Tenant written notice of such taking [or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession] terminate this Lease as of the date the condemning authority takes such possession. If the Lease is so terminated pursuant to this Article 24 during the middle of a month, then the Minimum Monthly Rent and other payments due by Tenant shall be equitably prorated for the time of Tenant's loss of possession of the Premises. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Minimum Monthly Rent shall be reduced in the same proportion as the floor area of the remaining portion bears to the total floor area of the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord whether such award shall be made as compensation for diminution of value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Tenant shall be entitled to any compensation, separately awarded to Tenant for Tenant's relocation expenses and/or loss of Tenant's trade fixtures or equipment. Tenant shall not be entitled to any award, or portion of an award, attributable to any excess of the market value of the Premises over the present value at the taking of the Minimum Monthly Rent for the remainder of the Lease Term (bonus value), and Tenant assigns to Landlord the right to receive any bonus value, whether awarded directly or

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as a part of Tenant's loss of goodwill. In the event that this Lease is not terminated by reason of such condemnation, Landlord shall to the extent of its net severance damages received, repair any damage to the Premises caused by such condemnation authority. Tenant shall be responsible for the payment of any amount in excess of such net severance damages required to complete such repair. Tenant and Landlord waive the provisions of Code of Civil Procedure Section 1265.130 allowing either of them to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

ARTICLE 25 ATTORNEYS' FEES

If either Landlord or Tenant brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, a party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorneys' fee award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. Landlord shall be entitled to attorneys' fees, costs and expenses incurred in preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach.

ARTICLE 26 SALE OF PREMISES BY LANDLORD

In the event of any sale or exchange of the Premises by Landlord, assignment by Landlord of this Lease, or the creation of a ground lease by Landlord, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence, or omission relating to the Premises occurring after the consummation of such sale, exchange, assignment, or ground lease.

ARTICLE 27 SUBORDINATION, ATTORNMENT

27.1 Subordination. Upon written request of Landlord, any mortgagee or beneficiary of a deed of trust made by Landlord, Tenant will in writing subordinate its rights hereunder to the lien of any mortgage or deed of trust, now or hereafter in force against the land and building of which the Premises are a part, and to all advances made or hereafter to be made upon the security thereof. The provisions of this Article 27 to the contrary notwithstanding, and so long as Tenant is not in default hereunder, this Lease shall remain in full force and effect for the full term hereof without regard to the subordination consented to by Tenant.

27.2 Attornment. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.

27.3 Statements from Tenant. Within ten (10) days after written request therefore by Landlord, or in the event that upon any sale, assignment, or hypothecation of the Premises or the land thereunder by Landlord, an offset statement shall be required from Tenant, Tenant agrees to deliver in recordable form a certificate addressed to any such proposed mortgagee or purchaser or to Landlord certifying that this Lease is in full force and effect (if such be the case) and that there are no defenses or offsets thereto or stating those claimed by Tenant.

ARTICLE 28 QUIET POSSESSION

Tenant upon paying the rent and performing the covenants and conditions of this Lease may quietly have, hold, and enjoy the Premises during the term hereof or any extension thereof; subject, however, to the provisions of Article 11 of this Lease.

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ARTICLE 29 – INTENTIONALLY OMITTED.

ARTICLE 30 CAPTIONS AND TERMS

30.1 Captions. The captions of Articles and Sections of this Lease are for convenience in reference only, are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease. Except as otherwise specifically stated in this Lease, "the Lease Term" shall include the original term and any extension, or renewal thereof.

30.2 Multiple Tenants. If more than one person or corporation is named as Tenant in this Lease and executes the same as such, then and in such event, the word "Tenant" wherever used in this Lease is intended to refer to all such persons or corporations, and the liability of such persons or corporations for compliance with and performance of all terms, covenants, and provisions of this Lease shall be joint and several.

30.3 Gender - Plural. The masculine pronoun used herein shall include the feminine or the neuter, as the case may be, and the use of the singular shall include the plural.

ARTICLE 31 NOTICES

31.1 Mailed Notices. Wherever in this Lease notice or demand shall be required or permitted to be given or served by either party to this Lease to or on the other, such notice or demand shall be given or served, and shall not be deemed to have been duly given or served unless, in writing and forwarded by certified or registered mail, return receipt requested, addressed to the addresses of the parties specified in Article 1 hereof. Either party may change such address by written notice by certified or registered mail to the other.

31.2 Effective Date. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or, if no delivery date is shown, three (3) days after the postmark thereon. If notice is received on a Saturday, or a Sunday, or a legal holiday, it shall be deemed received on the next business day.

31.3 Delivered Notices. Notwithstanding anything to the contrary contained within this Article 31, any notices which Landlord is required or authorized to deliver to Tenant in order to advise Tenant of alleged violations of Tenant's covenants contained in Articles 14 (with respect to improper advertising medium and/or signs, 18 (failure of Tenant to properly repair and/or maintain the Premises), 20 (improper parking of Tenant's and Tenant's employees automobiles), and/or failure to properly operate the heating, ventilating, and air-conditioning equipment serving the Premises, must be in writing but shall be deemed to have been duly given or served upon Tenant by delivering a copy of such notice to one of Tenant's managing employees at the Premises or by mailing a copy of such notice to Tenant in the manner specified in this Article 31.

ARTICLE 32 SUCCESSORS - COVENANTS

The parties hereto agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate provision hereof, and that all of the provisions hereof shall bind and inure to the benefit of the parties hereto, and their respective heirs, legatees, legal representatives, successors, and assigns, provided, however, that any transfer of Tenant's interest under this Lease shall be governed by Article 16.

ARTICLE 33 CONSENT OF LANDLORD AND TENANT

Wherever in this Lease Landlord or Tenant is required to give its consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld. In the event of failure of Landlord or Tenant to give any such reasonable consent, the other party hereto shall be entitled to seek a court determination whether specific performance will be granted and shall have such other remedies as are available to it under this Lease, but in no event shall Landlord or Tenant be responsible in monetary damages for such failure to give consent unless said consent is withheld maliciously or in bad faith.

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ARTICLE 34 SECURITY DEPOSIT

Tenant shall deposit with Landlord upon Tenant's execution hereof the Security Deposit set forth in Article 1 as security for Tenant's faithful performance of Tenant's obligations under this Lease. If Tenant fails to pay Minimum Monthly Rent or other rent or charges due hereunder, or otherwise Defaults under this Lease (as defined in Section 22.1), Landlord may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Landlord or to reimburse or compensate Landlord for any liability, cost, expense, loss, or damage (including attorneys' fees) which Landlord may suffer or incur by reason thereof. If Landlord uses or applies all or any portion of said Security Deposit, Tenant shall within ten (10) days after written request therefore deposit monies with Landlord sufficient to restore said Security Deposit to the full amount required by this Lease. Any time the Minimum Monthly Rent increases during the term of this Lease, Tenant shall, upon written request from Landlord, deposit additional monies with Landlord as an addition to the Security Deposit so that the total amount of the Security Deposit shall at all times bear the same proportion to the then current Minimum Monthly Rent as the initial Security Deposit bears to the initial Minimum Monthly Rent set forth in Article 1. Landlord shall not be required to keep all or any part of the Security Deposit separate from its general accounts. Landlord shall, at the expiration or earlier termination of the Lease Term hereof and after Tenant has vacated the Premises, return to Tenant (or, at Landlord's option, to the last assignee, if any, of Tenant's interest herein), that portion of the Security Deposit not used or applied by Landlord. Unless otherwise expressly agreed in writing by Landlord, no part of the Security Deposit shall bear interest for its use, or to be the prepayment of any monies to be paid by Tenant under this Lease. Upon any sale or transfer by Landlord of its interest in the Premises, Landlord shall transfer the Security Deposit to its successor in interest and, thereupon, Landlord shall be released from any obligation with respect thereto. In the event of bankruptcy or other debtor-creditor proceedings against Tenant, such Security Deposit shall be deemed to be applied first to the payment of rent and other charges due to Landlord for all periods prior to the filing of such proceedings.

ARTICLE 35 COMPLIANCE WITH PERMITS AND APPROVALS

Tenant shall at all times comply with all applicable codes, ordinances, regulations, and requirements for permits and approvals from the various governmental agencies and bodies having jurisdiction of the Premises, including, but not limited to Landlord, now or hereinafter in effect.

ARTICLE 36 MISCELLANEOUS

36.1 No Partnership. Nothing contained in this Lease shall be deemed or construed as creating a partnership or joint venture between Landlord and Tenant or between Landlord and any other party, or cause Landlord to be responsible in any way for the debts or obligations of Tenant, or any other party.

36.2 Severability. If any provision of this Lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. If any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

36.3 Corporate Status. In the event Tenant hereunder is a corporation, limited liability company, or limited liability partnership, the parties executing this Lease on behalf of Tenant hereby covenant and warrant that Tenant is a duly qualified entity and all steps have been taken prior to the date hereof to qualify Tenant to do business in California; that all franchise and corporate taxes have been paid to date; and that all future forms, tax returns, reports, fees, and other documents necessary for tenant to remain qualified to do business in California will be filed when due.

36.4 Entire Agreement. There are no oral agreements between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease is and shall be

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considered to be the only agreement between the parties hereto and their representatives or agents. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties and all reliance with respect to representations is solely upon the representations and agreements contained in this Lease.

36.5 Other Tenants. Landlord reserves the absolute right to effect such other tenancies in the Complex as Landlord, in the exercise of its sole business judgment, shall determine to best promote the interests of the Complex. Tenant does not rely on the fact, nor does Landlord represent that any specific tenant or number of tenants shall during the term of this Lease occupy any space in the Complex.

36.6 Governing Law. The laws of the State of California shall govern the validity, performance, and enforcement of this Lease. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be, at the option of the Landlord, in Ventura County, California, and Tenant expressly consents to Landlord's designating the venue of any such suit or action. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed either for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the fair meaning of the language in an effort to reach an equitable result.

36.7 Waiver. A waiver of any Breach or Default shall not be a waiver of any other Breach or Default. Landlord's consent to, or approval of, any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

36.8 Impossibility of Performance. Any prevention, delay, or stoppage due to strike, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile government action, civil commotion, fire, or other casualty, and other causes beyond the reasonable control of the party obligated to perform, which renders performance impossible by that party, shall excuse the performance by such party for a period equal to any such prevention, delay, or stoppage, except the obligations imposed on Tenant with regard to the payment of Minimum Monthly Rent and other rent under Article 5 and the other provisions of this Lease.

36.9 Inner Harbor Conditions. Tenant acknowledges, understands, and agrees that maintenance of the access areas of the harbor (including, without limitation, the mouth of the harbor) is the absolute and sole responsibility of the federal government, and that Landlord has no responsibility or obligation to maintain or dredge such access areas. Landlord and Tenant acknowledge that the waters of the inner portion of the harbor areas adjacent to the Complex may be subject to shoaling caused by the discharge of silt, sand and other debris through storm drains and other pathways emptying into the inner portion of the harbor. Landlord agrees to take action at its sole cost and in its sole discretion as may be reasonably necessary to maintain the inner portion of the harbor, taking into account the costs of such action, Landlord's fiscal limitations, government requirements and weather conditions. Such maintenance operations of the inner portion of the harbor by Landlord, such as dredging, shall not be deemed to have disturbed or interfered with Tenant's possession and use of the Premises, and shall not be considered as an eviction of Tenant, either actually or constructively, from the Premises. Neither Tenant nor any persons claiming through Tenant shall be entitled to any actual, special, incidental, or consequential damages on account of Landlord's maintenance of the inner portion of the harbor.

36.10 Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant's being evicted or dispossessed for any cause, or in the event of Landlord's obtaining possession of the Premises by reason of the violation of Tenant of any of the covenants and conditions of this Lease or otherwise. The rights given to Landlord herein are in addition to any rights that may be given to Landlord by any statute or otherwise.

36.11 Complex Name. Landlord reserves the right to change the name of the Complex from time to time during the term of this Lease.

36.12 Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the parties under this Lease.

36.13 No Right to Holdover. Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. Nothing contained in this Lease shall be construed as a consent by Landlord to any holding over by Tenant.

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36.14 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive, but shall, whenever possible, be cumulative with all other remedies at law or equity.

36.15 Guaranty. If there is to be any guarantors of the Lease, the form of the guaranty to be executed by each such guarantor shall be in a form acceptable to Landlord, and each such guarantor shall have the same obligation as Tenant under this Lease, including but not limited to the obligation to provide certificates and other information under Section 4.5.

36.16 Amendments. This Lease may be modified only in writing, signed by the parties in interest at the time of the modification.

36.17 Non-Discrimination. Tenant shall not discriminate against any person or class of persons by reason of gender, race, color, creed, national origin, age, marital status, sexual orientation, or physical condition. Tenant shall make its accommodations and services available to all persons on an equal basis.

36.18 Offers. The submission of this Lease by Landlord, its agents or representatives for examination or execution by Tenant does not constitute an option or offer to lease the Premises upon the terms and conditions contained herein or a reservation of the Premises in favor of Tenant. This Lease shall only become effective upon the execution thereof by Landlord and delivery of a fully-executed counterpart to Tenant.

36.19 Exhibits. All exhibits referred to are attached to this Lease and incorporated by reference.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD:

VENTURA PORT DISTRICT
doing business as
"Ventura Harbor Village"

By: _____
Oscar Peña, General Manager

TENANT:

DEL MAR SEAFOODS, INC.

By: _____
Joe Cappuccio, President

If Tenant is a corporation the authorized officers must sign on behalf of the corporation. The Lease must be executed by the president or vice president and the secretary or assistant secretary, unless the bylaws or a resolution of the Board of Directors shall otherwise provide, in which event, the bylaws or a certified copy of the resolution, as the case may be, must be furnished. Also the appropriate corporate seal must be affixed. If Tenant is a limited liability company or limited liability partnership, this Lease must be executed by a managing member or managing partner.

EXHIBIT B

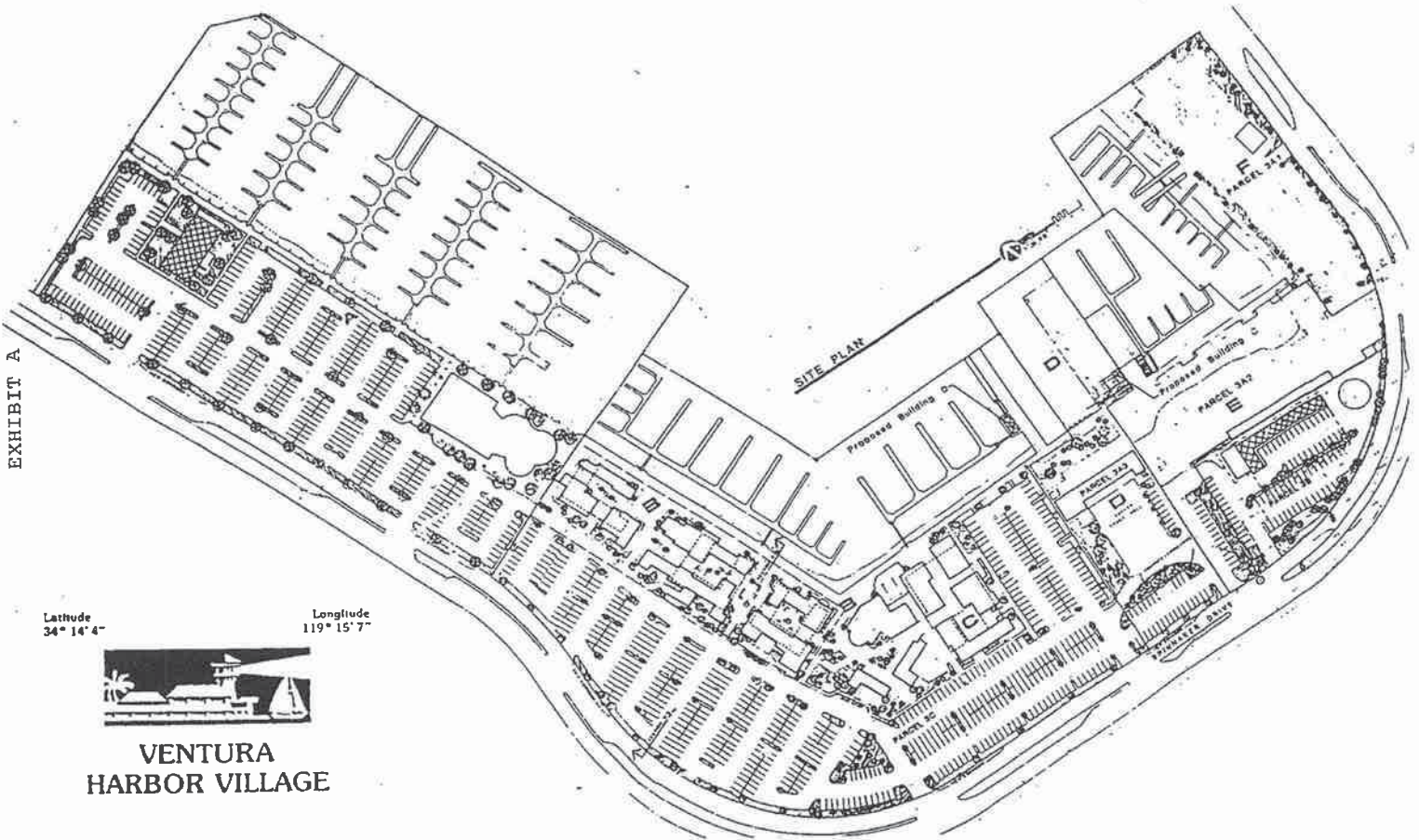


EXHIBIT B

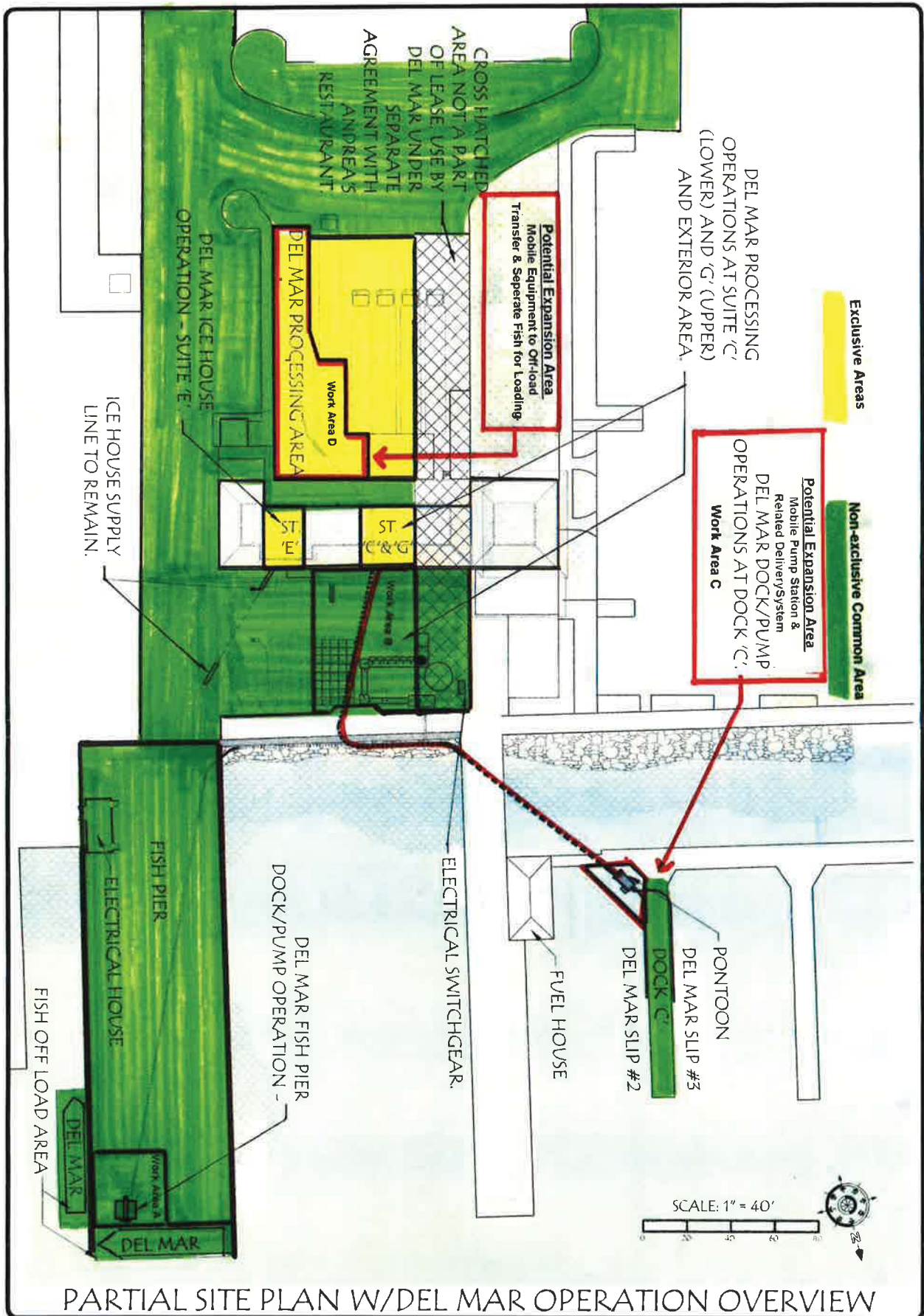


Exhibit A-1

PARTIAL SITE PLAN
W/DEL MAR OPERATION
OVERVIEW

DEL MAR SEAFOODS
SPINNAKER DR./
ANCHOR WAY DR.
VENTURA, CA
APN: 080-0-240-
(310 & 245)

REVISIONS

PLANNING SERVICES
GENERAL ENGINEERING
& BUILDING CONTRACTORS
R.W.C. LLC
TEL: 805-525-6400
SANTA PAULA CA LIC# 716695

EXHIBIT B

EXHIBIT B

DESCRIPTION OF PREMISES

DEL MAR SEAFOODS, INC.

This Lease includes the Premises located at 1449 Spinnaker Drive, Unit "C, E & G", 2,530 square feet. Tenant, at its sole expense, shall provide all necessary equipment to operate a first-class fish offloading facility and a 20 ton ice plant facility that is operated daily on an on-call basis to fishermen and any fish company. The non-exclusive common area immediately to the north and south of the buildings located on the Premises as depicted on Exhibit A-1 of the Lease (which such non-exclusive common areas shall not be considered a part of the Premises) is to be used by Tenant on a nonexclusive basis. Tenant shall be permitted to use, on a non-exclusive basis, the non-exclusive common areas on the northeast edge and northerly edge of the Fish Pier (for 60' vessels) and other areas of the non-exclusive common areas as shown on Exhibit "A-1" for the wetfish pump, dewatering unit, bin storage and for truck lanes, all of which such non-exclusive common areas shall not be considered a part of the Premises. Any other Tenant equipment to be located in any non-exclusive common areas as depicted on Exhibit A-1 must be approved by Landlord.

USE OF PREMISES

The Premises and the non-exclusive common areas described in this Exhibit B will be used by Tenant for the buying, offloading and shipping of seafood products by Del Mar Seafoods, Inc. Del Mar Seafoods shall be permitted to offload and ship seafood products for others on a fee basis from the Premises. No processing of any kind whatsoever shall be permitted. In the event Tenant properly exercises its option pursuant to the terms and conditions set forth in Exhibit "H" of the Lease, after the end of squid season (as the start and end of such season is determined in the Landlord's absolute and sole discretion) Tenant shall be required to promptly remove at its sole cost and expense its mobile pump station and floating dock system and to store such items on its Premises. Tenant further understands, acknowledges, and agrees that Tenant's use of the slips located at Docks C-2 and C-3 at Ventura Harbor Village Marina are subject to the terms and conditions set forth in this Lease as well as in that certain month-to-month slip rental between Tenant and Landlord.

OTHER CONDITIONS FOR THE USE OF THE PREMISES AND NON-EXCLUSIVE COMMON AREAS BY TENANT:

WET FISH OFF-LOADING PRECEDURE:

Tenant and its agent(s) or employees agrees to the following wet fish off-loading procedure in connection with Tenant's use of the Premises and the common areas described in this Exhibit B:

- 1) - Monitor vessel traffic in channel; vessels must monitor VHF Channel 16 when in harbor and while in-bound and out-bound.
- 2) - Maximum vessel speed limit in harbor is 5 mph.
- 3) - Monitor and regulate truck broker traffic in the parking lot and surrounding area to avoid congestion.
- 4) - Obey all regulations posted on the Fish Pier.

EXHIBIT B

5) - Tenant must provide service to independent third party fishermen; the offloading fees payable by such third parties shall be based upon prevailing market conditions.

6) - Tenant shall use its own metered fresh water and metered utilities to rinse the area daily in conjunction with the fisheries offloading operations.

7) - Tenant shall utilize the wetfish pump on the northeast corner of the commercial fish pier. The product shall be pumped underneath the commercial fish pier to the de-watering unit located in the common area immediately to the west of the fisheries building. The product will be transported to the trucks located in the approved truck lanes in the truckwell located on the north side of the fisheries building.

Any other method of off-loading must be approved by Landlord.

8) - All squid offloading hose must be kept on the fish offloading dock unless a boat is being offloaded or the system is being flushed with clean sea water.

FISH PIER: Tenant agrees, at its sole cost and expense, to remove all debris and obstructions connected with Tenant's off-loading activities and other business operations from the fish pier and from the non-exclusive common areas described in this Exhibit B. The fish pier is for offloading activity only. Spilled squid by Tenant or its employees, agents, contractors, or representatives shall be picked up by Tenant immediately to prevent their consumption by birds. Unattended trucks and detached trailers are not allowed in the non-exclusive common areas.

CONTROL NOISE LEVEL: In connection with Tenant's offloading activities or other business operations conducted on the Premises or the non-exclusive common areas described in this Exhibit B, Tenant shall not violate the acceptable level of noise as determined by Landlord in Landlord's sole and absolute discretion for the Complex. The failure by Tenant to comply with such acceptable noise levels, where such failure continues for a period of three (3) days following written notice by or on behalf of Landlord to Tenant, shall be deemed a Breach under the Lease and shall entitle the Landlord to all remedies provided in Section 22.2 of the Lease and by law. In order to muffle the sound, Tenant agrees to design its wetfish operation so that all equipment is covered.

SANITATION:

1) - Marine toilets and/or MSDs must be sealed whenever vessel is within 3 miles of shore.

2) - Tenant must catch, contain and return all of the water transported with the squid (stickwater) during the pumping operation back to the vessel's fish hold, with return hose properly placed in the fish hold, or container (location of container to be approved by Landlord) for disposal three (3) nautical miles outside of the harbor entrance, or by any other method that is satisfactory to the Landlord and or any other governmental agency having jurisdiction. At no time shall the discharge end of the returned water line be placed in the waters of the harbor irrespective of whether the line is charged or not.

3) - Tenant agrees to use only plastic bins and keep bins, totes and pumps covered to discourage birds.

4) - Tenant shall wash down the work area at the conclusion of operations with fresh water and provide appropriate drainage.

OTHER REQUIREMENTS:

1) - Landlord shall periodically test the water quality where your vessels off-load squid to determine if vessels you contract with have disposed or discharged its stickwater into the harbor.

EXHIBIT B

2) - If it is determined by Landlord's staff that any stickwater has been disposed or discharged into the harbor during Tenant's off-loading operation, then, Tenant shall be responsible to pay Landlord a fine as follows:

1 st Occurrence.....	\$ 1,000
2 nd Occurrence.....	\$ 1,500
3 rd Occurrence.....	\$ 3,000
4 th Occurrence.....	\$ 5,000

This fine is subject to adjustment from time to time during the lease with written notification to Tenant. Any four (4) or more such occurrences during any twelve (12) month period shall constitute a Breach of the Lease by Tenant and shall entitle Landlord to pursue the remedies set forth in Section 22.2 of the Lease.

4) - Tenant agrees not to unreasonably interfere with other business operations of Landlord and other tenants in the Harbor.

5) - Tenant shall provide its own personnel to monitor the operation around any sidewalk to insure public safety at all times during the fish offloading operations.

5) - Tenant must properly identify, through use of cones or other acceptable means, the designated work areas while in use by Tenant. Use of such area must be approved by the Landlord by prior written consent. These areas shall be determined at the discretion of the Landlord's Marina Manager or designee.

RESTRICTIONS UPON USE: Tenant agrees that, in conjunction with Tenant's use of the Premises, work areas and the non-exclusive common areas described in this Exhibit B and as depicted in Exhibit A-1, for a fisheries offloading facility, it will not:

- 1) - Use metal tote bins for fish or ice storage;
- 2) - Cause or permit objectionable odors to emanate or be dispelled from the Premises, work areas or the non-exclusive common areas described in this Exhibit B;
- 3) - Permit any use of the Premises or the non-exclusive common areas described in this Exhibit B, or any part thereof, in a manner likely to injure the reputation of Landlord, Ventura Harbor, and/or Ventura Harbor Village;
- 4) - Permit accumulations of fish parts, garbage, trash, rubbish or any other refuse;
- 5) - Discharge pollutants into the waters of Ventura Harbor from any point source;
- 6) - Store unnecessary or unused bins. The location and number of bins stored must be approved by Landlord;
- 7) - Permit any use of the Premises, work areas or non-exclusive common areas described in this Exhibit B which will cause a cancellation of any insurance policy covering the Ventura Harbor Village, or any part thereof, or any building or improvements thereon, any action or material which may be prohibited by any insurance policies covering the Ventura Harbor Village.

VESSELS AUTHORIZED TO USE THE PREMISES AND NON-EXCLUSIVE COMMON AREAS: Tenant agrees to provide Landlord with a list of boats authorized to use the Premises and the non-exclusive common areas described in this Exhibit B under this Lease. This list of boats may be changed from time to time.

EXHIBIT B

EXHIBIT "C"

PROVISIONS RELATING TO CONSTRUCTION OF TENANT'S IMPROVEMENTS

DESCRIPTION OF LANDLORD'S WORK

The following is a description of the construction, and limitations of the same, which will be provided by Landlord. Where more than one type of materials or structures is indicated, the selection will be made by Landlord, in its sole discretion.

Tenant understands, acknowledges, and agrees that Landlord is not required to provide any construction, improvements, or work, of any kind whatsoever, to the Premises.

DESCRIPTION OF TENANT'S WORK UPON COMMENCEMENT OF LEASE

(A) Tenant has agreed to construct a new ice plant located at 1449 Spinnaker Dr., Suite E – 1,180 sq. ft. Tenant shall submit to Landlord for its approval electrical plans for the construction of the ice plant, which such approval shall not be unreasonably withheld, conditioned or delayed. Tenant shall, at its sole cost and expense, be responsible for the construction, installation of necessary equipment and obtaining all permits required for this project by the regulating authorities. Tenant shall complete such leasehold improvements within six (6) months of the date Tenant has received notice of Landlord's approval of such plans or the issuance of any necessary permits from the City of Ventura or any other governmental agency with jurisdiction, whichever shall occur later; provided, however, if Tenant has commenced such improvements within such six (6) month period and has, in good faith as determined in Landlord's reasonable discretion, attempted to complete such work within such period but is unable to do so, the deadline for Tenant to complete such improvements shall be extended by an additional sixty (60) days.

Tenant has inspected the premises described in this Section A and shall accept the same in its present "As Is" condition pursuant to Article 3 and Section 4.2 of the Lease. Tenant shall also, at its sole expense, remove debris and remove derelict equipment as necessary.

DESCRIPTION OF TENANT'S WORK UPON TENANT'S PROPER EXERCISE OF OPTION

In the event Tenant properly exercises its option pursuant to the terms and conditions set forth in Exhibit "H" of the Lease, Tenant shall make the following improvements:

(B) Modifications to Work Area D and the Mobile Pump Station on C Dock

Within thirty (30) days of Landlord's receipt of Tenant's notification of its election to exercise the option, Tenant shall submit to Landlord for its approval plans for the construction of the improvements (including plans to raise the foundation or the floor of the expanded area if necessary) required to be made by Tenant under this paragraph (B), which such approval shall not be unreasonably withheld, conditioned or delayed. Tenant shall complete the following leasehold improvements within six (6) months of the date Tenant has received notice of Landlord's approval of such plans or the issuance of any necessary permits from the City of Ventura or any other governmental agency with jurisdiction, whichever shall occur later; provided, however, if Tenant has commenced such improvements within such six (6) month period and has, in good faith as determined in Landlord's reasonable discretion, attempted to complete such work within such period but is unable to do so, the deadline for Tenant to complete such improvements shall be extended by an additional sixty (60) days. Tenant shall, at its sole cost and expense, be responsible for the construction, installation of necessary equipment and obtaining all permits required for the following improvements by the regulating authorities, and provide the following:

1. Processing Area (Work Area D)
1449 Spinnaker Dr.
Ventura, CA 93001

EXHIBIT B

Tenant shall modify the loading dock area in Work Area D (as depicted on Exhibit A-1 of the Lease) and install mobile equipment to off-load, transfer and separate fish into bins with a mixture of ice. Cement walls and slab is proposed to increase dock height and width. Other improvements will include extension of storm drains, electrical high voltage, low voltage and product lines. The mobile equipment will be installed on the east side of the loading dock area in Work Area D.

2. New Pump Station and Floating Dock System

Tenant shall add one (1) new pump station with two 150 HP motors which shall be considered Tenant's personal property under the Lease. The pump units shall be placed on a floating dock system to be constructed by Tenant at its sole expense, which such floating dock system shall also be considered Tenant's personal property under the Lease. The floating dock shall be designed to be utilized on the east end of Docks C-2 & 3 located at Ventura Harbor Village Marina as illustrated in Work Area C (as such work area is depicted on Exhibit A-1) . The contractor shall verify all dimensions with the Landlord prior to construction of the floating dock.

All items of work required under paragraph (A), and all items of work required under paragraph (B) in the event Tenant properly exercises its option, shall be provided by Tenant at Tenant's sole expense. This work by Tenant shall include, but not be limited to, the purchase and/or installation and/or performance of the work listed below including all of the architectural and engineering fees for the preparation of the plans and specifications for such work, and any non-recurring tax that might be levied upon or measured by the amount of funds expended by Tenant on leasehold improvements to Landlord's buildings located on the Premises. All work undertaken or performed by or on behalf of Tenant shall be at Tenant's sole expense and shall not damage the Premises or any part thereof. Work undertaken or performed by or on behalf of Tenant at Tenant's own expense during the general construction shall be awarded to Tenant's contractor unless Tenant and Landlord shall otherwise agree in writing. The design of and plans for all work and installations to be undertaken by or performed by or on behalf of Tenant shall be subject to the advance written approval of Landlord. The designs and plans may be modified and changed only with the written approval of Landlord obtained in advance.

EXHIBIT B

DESCRIPTION OF TENANT'S WORK (TENANT'S USE OF ITS OWN CONTRACTOR)

1. Anything to the contrary notwithstanding in this Exhibit "C" and the Lease to which it is attached, Tenant shall utilize only duly licensed contractors for any of the work to be done by Tenant pursuant to this Exhibit "C". Said contractor shall obtain all permits required by the City of Ventura and other governmental authorities having jurisdiction, and shall provide copies thereof to Landlord. This shall include permits for any signage to be installed by Tenant. Landlord's approval of Tenant's work does not constitute a permit required by the City of Ventura or other governmental agencies.
2. Prior to the start of Tenant's work, Tenant's contractor shall provide Landlord with a construction schedule in "bar graph" form indicating the completion dates of the phases of Tenant's construction work.
3. Landlord and Tenant shall cooperate in good faith to schedule, coordinate, and perform their respective construction activities in an orderly manner, and Tenant and its contractor shall comply with reasonable rules and regulations promulgated by Landlord for the construction of leasehold improvements.
4. Tenant's contractor shall perform said work in a manner and at times which do not impede or delay Landlord's contractor in the completion of the Premises and/or the commencement of the Minimum Monthly Rent, and any damages caused by Tenant's contractor to any work shall be at the sole cost and expense of Tenant.
5. Tenant shall cause the leasehold improvements to be constructed by well-trained, adequately supervised workers, in good and workmanlike manner free from design, material, and workmanship defects in accordance with the plan approved by Landlord and all applicable laws, ordinances, rules, and regulations.
6. Tenant's contractor shall be responsible for the repair, replacement, or clean-up of any damage done by it to other contractor's work which specifically includes access ways to Tenant's space, which may be concurrently used by others.
7. Any rework of sub-base or compaction required shall be done by Tenant's contractor.
8. Tenant's contractor shall confine its storage of materials and its operations within Tenant's space and such other space as it may be assigned by Landlord. Should the contractor be assigned space outside of Tenant's space, it shall move to such other space as Landlord shall direct from time to time to avoid interference or delays with other work.
9. All trash and surplus construction materials shall be stored within Tenant's space and shall be promptly removed from the project site following completion or as Landlord may otherwise direct. All trash and construction debris shall be disposed of by Tenant's contractors in their own receptacles; and Landlord's dumpsters and other trash containers shall not be used by Tenant's contractor.
10. Tenant's contractor shall provide temporary utilities, portable toilet facilities, and portable drinking water, as required for its work within Tenant's space, and Tenant shall pay to Landlord the cost of any temporary utilities and facilities provided by Landlord at Tenant's contractor's request.
11. Tenant's contractor shall notify Landlord of any planned work to be done on weekends or other than normal job hours.
12. Tenant and Tenant's contractor are responsible for compliance with all applicable laws (including but not limited to the Americans with Disabilities Act of 1990 and any corresponding laws of the State of California), ordinances, regulations, and rules of all duly constituted authorities having jurisdiction insofar as the performance of the work and completed improvements are concerned, including but not limited to Landlord, for all work performed by Tenant or Tenant's contractor and all applicable safety regulations established by Landlord. Tenant further agrees to save and hold Landlord harmless for said work as provided in Article 10 of this Lease.

EXHIBIT B

13. Tenant or Tenant's contractor shall arrange for the installation of a closure to separate the Premises from the Complex prior to the opening of the Premises and during the construction of the improvements of the Premises.
14. Tenant's contractor shall carry liability and completed operations insurance in the form and amounts acceptable to Landlord.
15. Landlord shall have the right to inspect the improvements and approve the quality of the work of Tenant's contractor under the standards set in Paragraph 5 above prior to Tenant's submitting the work for final inspection by the governmental authorities having jurisdiction. If the work of Tenant's contractor fails to meet the standard set in Paragraph 5 above, then Tenant, at its sole cost, shall correct the work before obtaining the final inspection.
16. Tenant shall record a notice of completion in the Recorder's Office of the County of Ventura upon completion of its work.
17. Tenant shall provide, upon completion of its work, a complete set of "as built" drawings and specifications.

EXHIBIT B

EXHIBIT "D"

TENANT'S CERTIFICATE

The undersigned, as Tenant under that certain Lease ("Lease"), dated February 1, 2016, made with Ventura Port District, doing business as "Ventura Harbor Village," certifies as follows:

- (1) The undersigned has entered into occupancy of the Premises described in the Lease;
- (2) The Lease is in full force and effect and has not been assigned, modified, supplemented, or amended in any way, except:
- (3) The Lease represents the entire agreement between the parties as to the Premises;
- (4) The commencement date of rent under the lease is February 1, 2016.
- (5) The primary term of the Lease expires on January 31, 2026.
- (6) All conditions of the Lease to be performed by Landlord and necessary to the enforceability of the Lease have been satisfied;
- (7) There are no defaults by either Tenant or Landlord hereunder;
- (8) No rents have been prepaid, other than as provided in the Lease;
- (9) At the date hereof there are no existing defenses or offsets which the undersigned has against the enforcement of the Lease by Landlord;
- (10) The Minimum Monthly Rental for the Premises is: \$6,665.00 per month subject to annual adjustments as set forth in Article 1A of the Lease;
- (11) The overall square footage of the Premises is approximately 1,350 square feet for Building C & E, and 1,180 square feet for the Ice Plant, Building G for a Total of 2,530 square feet; and
- (12) Tenant acknowledges, understands, and agrees that it is currently authorized by Andria's Seafood to utilize, on a non-exclusive basis, as part of Tenant's work area and truck loading area, that certain cross hatched area (consisting of approximately 2,825 square feet) as depicted on Exhibit A-1, and that such cross hatched area is not a part of Tenant's Premises under the Lease but is a part of Andria's Seafood's premises under its separate lease agreement with Ventura Port District. Tenant further acknowledges, understands, and agrees that if Landlord takes possession of such cross hatched area pursuant to the terms of such separate lease agreement with Andria's Seafood, pursuant to Landlord's rights under the law, or otherwise, Tenant shall immediately cease using, or conducting or performing any work or unloading in, on, or about, such cross hatched area unless as otherwise authorized, in writing, by Landlord.

Executed on this _____
(Date)

DEL MAR SEAFOODS, INC.

By: _____ Joe Cappuccio, President

EXHIBIT "D"
TENANT'S CERTIFICATE

EXHIBIT B

EXHIBIT "E"

GUARANTY OF LEASE

WHEREAS, a certain Lease of even date herewith has been, or will be, executed by and between VENTURA PORT DISTRICT doing business as "Ventura Harbor Village," herein referred to as "Landlord," and Del Mar Seafoods, Inc., herein referred to as "Tenant," covering the Premises known as 1449 Spinnaker Drive, #C, #E & #G, Ventura Harbor Village, Ventura, California 93001;

WHEREAS, Joe Cappuccio, herein referred to as "Guarantor" have a financial interest in Tenant;

WHEREAS, Landlord would not execute this Lease if Guarantor did not execute and deliver to Landlord this Guaranty.

NOW, THEREFORE, for and in consideration of the execution of said Lease by Landlord, and as a material inducement to Landlord to execute said Lease, Guarantor, jointly, severally, unconditionally, and irrevocably guarantee the prompt payment by Tenant of all rent and all other sums payable by Tenant under said Lease and the faithful and prompt performance by Tenant of each and every one of the terms, covenants, and conditions of said Lease to be kept and performed by Tenant. Guarantor further agree as follows:

1. The covenants and agreements on Guarantor's part contained in this Guaranty shall continue in favor of Landlord notwithstanding any extension, modification, or alteration of said Lease entered into by and between the parties thereto, or their successors or assigns; provided, however, upon the Landlord's consent of an assignment of the Lease by Tenant pursuant to the terms and conditions set forth in the Lease, Guarantor shall be released from his obligations under the Guaranty.
2. This Guaranty will continue unchanged by any bankruptcy, reorganization, or insolvency of Tenant or any successor or assignee thereof or by any disaffirmance or abandonment by a trustee of Tenant.
3. Landlord may, without notice, assign this Guaranty in whole or in part and no assignment or transfer of said Lease shall operate to extinguish or diminish the liability of Guarantor hereunder.
4. The liability of Guarantor under this Guaranty shall be primary and, in case of any right of action which shall accrue to Landlord under said Lease, Landlord may, at its option, proceed against Guarantor without having commenced any action, or having obtained any judgment against Tenant.
5. This Guaranty shall not be released, modified, or affected by failure or delay on the part of Landlord to enforce any of the rights or remedies of Landlord under said Lease, whether pursuant to the terms thereof or at law or in equity.
6. No notice of default need be given to Guarantor, it being specifically agreed and understood that the guarantee of Guarantor is a continuing guarantee under which Landlord may proceed forthwith and immediately against Tenant or against Guarantor following any breach or default by Tenant or for the enforcement of any rights which Landlord may have against Tenant pursuant to or under the terms of said Lease or at law or in equity.
7. Guarantor hereby waive (a) notice of acceptance of this Guaranty, (b) demand of payment, presentation and protest, (c) all right to assert or plead any statute of limitations as to or relating to this Guaranty and said Lease, (d) any right to require the Landlord to proceed against Tenant or any other Guarantor or any other person or entity liable to Landlord, (e) any right to require Landlord to apply to any default any security deposit or other security it may hold under said Lease, (f) any right to require Landlord to proceed under any other remedy Landlord may have before proceeding against Guarantor, and (g) any right of subrogation.
8. Guarantor does hereby subordinate all existing or future indebtedness of Tenant to Guarantor to the obligations owed to Landlord under said Lease and this Guaranty.

EXHIBIT B

9. Any married person who signs this Guaranty expressly agrees that recourse may be had against his or her separate property for all of his or her obligations hereunder.

10. The obligations of Tenant under said Lease to execute and deliver estoppel statements and financial statements, as therein provided, shall be deemed to also require Guarantor hereunder to do and provide the same relative to Guarantor.

11. Guarantor shall pay Landlord's reasonable attorneys' fees and all costs and other expenses incurred in any court action, or attempted collection proceeding, or in any negotiations relative to the obligations hereby guaranteed or enforcing this Guaranty against Guarantor, individually and jointly.

12. Landlord may settle or compromise with Tenant and/or any other party or parties liable with respect to said Lease, all or any part of Tenant's liability or obligations thereunder, may exchange, release or surrender any security which it may hold, and may waive compliance with any of the terms or provisions contained in said Lease, all without in any way affecting Guarantor's obligation under this Guaranty.

13. The use of the plural herein shall include the singular. The obligation of two or more parties shall be joint and several. The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the respective personal representatives, legatees, heirs, successors, and assigns of the parties herein named.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed as of the date set forth in said Lease.

GUARANTOR

Printed Names and Addresses:

JOE CAPPUCCIO

EXHIBIT B

EXHIBIT "F"

SIGN CRITERIA

These criteria have been established for the purpose of assuring an outstanding retail complex, and for the mutual benefit of all tenants. Conformance will be strictly enforced, and any installed non-conforming or unapproved signs must be removed or brought into conformance at the expense of Tenant.

A. General Requirements

1. Tenant shall submit or cause to be submitted to Landlord for approval before fabrication a drawing of its preliminary sign design, including colors and dimension, and after preliminary approval, three (3) prints of detailed shop drawings indicating the location, size layout, design and color of the proposed signs, awnings and banners, including all lettering and graphics.
2. All permits, if required, for signs and their installation shall be obtained by the Tenant or its representative, at Tenant's expense.
3. All signs shall be constructed and installed at Tenant's expense.
4. Tenant shall be responsible for the fulfillment of all requirements of these criteria.

B. General Specifications

1. All electrically connected signs shall bear the UL label and all installations shall comply with all local building and electrical codes.
2. No exposed raceways, crossovers or conduits will be permitted.
3. All cabinets, conductors, transformers and other equipment shall be concealed. Visible fasteners will not be permitted.
4. Electrical service to all signs shall be on Tenant's meter.
5. Painted lettering will not be permitted.

C. Location of Signs

Signs shall be permitted on the north and south side of the building as approved by Landlord and permitted by any governmental agency.

D. Construction Requirements

1. All exterior signs, bolts, fastenings and clips shall be of enameling iron with porcelain enamel finish, stainless steel, aluminum, brass or bronze. No black iron materials of any type shall be permitted.
2. All exterior letters or signs exposed to the weather shall be mounted at least 3/4" from the building wall to permit proper dirt and water drainage.
3. All metal letters shall be fabricated using full-welded construction.
4. Location of all openings for conduit and sleeves in sign panels of building walls shall be indicated by the sign contractor on drawings submitted to Landlord's architect.

EXHIBIT B

5. All penetrations of the building structure required for sign installation shall be neatly watertight sealed.

6. No labels will be permitted on the exposed surface of signs except those required by local ordinances which shall be applied in an inconspicuous location.

7. Tenant's designated contractor shall repair any damage caused by Tenant's sign contractor. Tenant shall be fully responsible for the operations of Tenant's sign contractor.

8. Threaded rods or anchor bolts shall be used to mount sign letters which are spaced out from the background panel. Angle clips attached to letter sides shall not be permitted.

E. Miscellaneous Requirements

1. Tenant, if in good standing, shall be allowed to place, at its expense, on the directory signs in the Ventura Harbor Village, its business name or business use. The lettering must conform to existing directory signs or new criteria.

2. If Tenant has a non-customer door for receiving merchandise, Tenant may place its name and address on said door, in a location approved in writing by Landlord, using two-inch (2") high block letters. Where more than one (1) tenant uses the same door, each name and address may be applied. Landlord shall also specify the size, type and color of numbers.

3. Except as provided herein, no advertising placards, banners, pennants, names, insignia, trademarks, or other descriptive material shall be affixed to or maintained on the glass panes, supports of the show windows and doors, or upon the exterior walls of the building in which the Premises are located or any area adjacent to the building without Landlord's permission.

EXHIBIT B

EXHIBIT "G"

PARKING PERMIT RULES AND REGULATIONS

1. Each vehicle license plate number and the name of the registered owner or user must be registered with the appropriate manager. The Marina tenants must register with the VHV Marina Manager. Fishery, retail, office, and service tenants must register their vehicle with the VHV Dockmasters/Security Department.
2. Vehicle owners or users must notify the VHV Dockmasters/Security Department in writing when the registered vehicle has been sold or is no longer used by Tenant.
3. Each tenant vehicle must be parked in the "designated area" of the parking facility, which is on the Spinnaker Drive side of the yellow line. The location of the "designated area" may be changed from time to time by management by posted written notice. Employees must park behind the yellow line during weekdays and during weekends and/or holidays on Spinnaker Drive street parking and/or Building 1431 parking lot. Tenants/Owners (limit two) must always park behind the yellow line designated areas seven days a week year round.
4. Owners or users of vehicles may temporarily park in other parking spaces in the parking facility in the event that loading and unloading is necessary. Twenty (20) minute time periods are considered the maximum period for such loading and unloading.
5. The "designated area" is not a reserved parking area or exclusive for any assigned vehicle or vehicle owner. All vehicles shall be parked in an orderly manner within the painted lines defining the individual parking spaces.
6. Vehicles parked in the Ventura Harbor Village parking facility longer than seventy-two (72) hours may be cited and towed away at owner's expense unless management has been properly notified and has agreed, in writing.
7. All vehicles shall have current registration and license plates.
8. No trailer, net or container storage is allowed outside of an area specifically designated for short-term commercial fishing usage, to be determined by Landlord.
9. No mechanical work may be done in the parking lot.
10. Each slip tenant may use a maximum of two vehicles in the VHV facilities.
11. Vehicles parked in the VHV parking lot may not be used as storage containers.
12. All boat owners and captains shall be responsible for their crew members adhering to these Parking Rules and Regulations.
13. Ventura Port District reserves the right to change these Parking Rules and Regulations.
14. Ventura Port District may require that Tenant and its employees park outside of the Complex.

EXHIBIT B

15. All Tenant/Owners are required to park behind the yellow lines seven days a week. Employees are required to park in designated areas each year as per implemented parking program.

There is absolutely no long term parking in the Ventura Harbor Village parking lot.

The undersigned has read the above rules and regulations, understands and accepts the reasonableness of these Parking Rules and Regulations.

Signature

Date

EXHIBIT B

EXHIBIT "H"

OPTION TO EXTEND

Landlord hereby grants to Tenant an option to expand the Premises as depicted on Exhibit A-1 of the Lease as "Potential Expansion Areas" and as further described on Exhibit B of the Lease ("Option").

The extension of the Option shall be subject to each and all of the following terms and conditions:

A. Option Personal to Original Tenant. The Option granted to Tenant in this Lease is personal to the original Tenant named in Article 1 and cannot be voluntarily or involuntarily assigned or exercised by any person or entity other than the original Tenant or by any assignee of the original Tenant in connection with an assignment permitted by Landlord pursuant to Article 16 of the Lease. The Option may not be separated from this Lease in any manner, by reservation or otherwise.

B. Effect of Default on the Option.

(a) Tenant shall have no right to exercise the Option: (i) during the period commencing with the giving of any notice of Default under Article 22 of the Lease and continuing until the noticed Default is cured, or (ii) during the period of time any monetary obligation due Landlord from Tenant is unpaid (without regard to whether notice thereof is given to Tenant), or (iii) during the time Tenant is in Breach of this Lease, or (iv) in the event that Landlord has given to Tenant three (3) or more notices of separate Defaults under Article 22 during the twelve (12) month period immediately preceding the exercise of the Option, whether or not the Defaults are cured.

(b) The period of time within which the Option may be exercised shall not be extended or enlarged by reason of Tenant's inability to exercise the Option because of the provisions of Subparagraph (a) above.

(c) All rights of Tenant under the provision of the Option shall terminate and be of no further force or effect, notwithstanding Tenant's due and timely exercise of the Option, if, after such exercise and during the term of this Lease, (i) Tenant fails to pay to Landlord a monetary obligation of Tenant for a period of thirty (30) days after such obligation becomes due (without any necessity of Landlord to give notice thereof to Tenant), or (ii) Landlord gives to Tenant three (3) or more notices of separate Defaults under Article 22 during any twelve (12) month period, whether or not the Defaults are cured, or (iii) if Tenant commits a Breach of the Lease.

C. Exercise of the Option. As consideration for the Option granted hereunder, Tenant shall pay as additional rent to Landlord the sum of Sixteen Thousand Dollars (\$16,000.00), which payment shall be made as follows: (i) Eight Thousand Dollars (\$8,000.00) due and payable upon the full execution of the Lease by the parties, and (ii) Eight Thousand Dollars (\$8,000.00) due and payable on or prior to February 1, 2017. To properly exercise the Option, Tenant shall give to Landlord and Landlord must receive written notice of the exercise of the Option to expand the Premises no later than January 31, 2018. If said notification of the exercise of the Option is not so given and received, the Option shall automatically expire. In the event Tenant properly exercises the Option:

(v) the Premises shall be expanded to include the Potential Expansion Area (Work Area D) designated on Exhibit A-1 of the Lease;

(w) the Tenant shall be authorized to use during squid season (as the start and end of such season is determined in the Landlord's absolute and sole discretion) its mobile pump station and floating dock system (as such improvements are required to be added and constructed by Tenant as described on Exhibit "C") on the east end of Docks C-2 & 3 located at Ventura Harbor Village Marina as illustrated in Work Area C as depicted on Exhibit A-1; provided, however, Tenant understands, acknowledges, and agrees that any such use by Tenant of Dock C and Work Area C shall be on a non-exclusive basis, and Dock C and Work Area C shall not be considered as part of the Premises;

(x) the Lease Term shall be extended an additional ten (10) year term and shall expire January 31, 2036;

(y) the Tenant shall be required to make all of the improvements described in paragraph (B) set forth in Exhibit C of the Lease (the "Option Period Improvements"), which such improvements shall be completed within the deadline required under such Exhibit C; and

EXHIBIT B

(z) the Minimum Monthly Rent specified in Sections 1.7 and 5.1 of the Lease shall be increased as set forth in Article 1A of the Lease, and such revised Minimum Monthly Rent schedule shall take effect immediately upon Tenant's completion of the Option Period Improvements, provided, however, in the event Tenant has not completed such improvements by January 31, 2018, such revised Minimum Monthly Rent Schedule shall take effect immediately on February 1, 2018.

Tenant's failure to complete such improvements within such deadline shall constitute a Breach under Section 22.1.14 of the Lease, unless the deadline to complete the required improvements is extended by Landlord in its absolute and sole discretion. Tenant understands, acknowledges, and agrees that, until Tenant has properly exercised its Option hereunder, it shall have no right to use or occupy the Potential Expansion Area (Work Area D) nor shall it have the right to use a mobile pump station or floating dock system on or about Dock C.

D. Governing Laws. All of the terms and conditions of the Lease, except where specifically modified by this Option, shall remain in full force and effect in the Option period when the Option has been properly exercised.

Landlord:

Ventura Port District,
doing business as
"Ventura Harbor Village"

Tenant:

Del Mar Seafoods, Inc.

By: _____
Oscar Peña
General Manager

Date: _____

By: _____
Joe Cappuccio
President

Date: _____

EXHIBIT B

EXHIBIT "I"

RELOCATION OF PREMISES

Right to Relocate Premises. Landlord shall have the right to relocate the Premises to another part of the Complex in which the Premises are located in accordance with the following:

- (a) The new Premises shall be substantially the same in size, dimensions, configuration, and nature as the Premises described in this Lease, and shall be placed in that condition by Landlord at its cost.
- (b) The physical relocation of the Premises shall be accomplished by Landlord at its cost.
- (c) Landlord shall give Tenant at least sixty (60) days' notice of Landlord's intention to relocate the Premises.
- (d) All costs reasonably incurred by Tenant as a result of the relocation, including, without limitation, costs incurred in changing addresses on stationery, business cards, directories, advertising, and other such items, shall be paid by Landlord, in a sum not to exceed Fifty-Thousand Dollars (\$50,000).
- (e) Landlord shall not have the right to relocate the Premises more than two (2) times during the Lease Term.
- (f) If the relocated Premises are smaller than the Premises as they existed before the relocation, rent shall be reduced to a sum computed by multiplying the combined Minimum Monthly Rent specified in Section 1.7 of Article 1 by a fraction, the numerator of which shall be the total number of square feet in the relocated Premises, and the denominator of which shall be the total number of square feet in the Premises before relocation.
- (g) The Parties shall immediately execute an amendment to this Lease stating the relocation of the Premises and the reduction of rent, if any.

Landlord:

Ventura Port District,
doing business as
"Ventura Harbor Village"

Tenant:

Del Mar Seafoods, Inc.

By: _____
Oscar Peña
General Manager

By: _____
Joe Cappuccio
President

Date: _____

Date: _____

FEBRUARY 24, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 6

**APPROVAL OF CONTRACT WITH MANSON CONSTRUCTION
Co. FOR DREDGING OF THE STUB CHANNEL**

VENTURA PORT DISTRICT
BOARD COMMUNICATION

STANDARD AGENDA ITEM 6
Meeting Date: February 24, 2016

TO: Board of Port Commissioners
FROM: Richard W. Parsons, Projects Manager
SUBJECT: Approval of Contract with Manson Construction Co. for Dredging of the Stub Channel

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3299, authorizing the General Manager to enter into an Agreement with Manson Construction Co. for the dredging of the Stub Channel pursuant to Section 20751.2 of the Public Contract Code and making findings related thereto.

BACKGROUND:

Recent heavy rains have caused a shoal to develop in the Stub Channel at the mouth of the Arundell Barranca (*see the attached bathymetric survey*). The shoal now has become a bit of a navigation challenge for vessels entering and exiting the Ventura Keys and thus requires maintenance dredging.

Fortunately, Manson Construction Co. is presently operating in the harbor under a federal dredging contract that was competitively bid by the U.S. Army Corps of Engineers. This contract provides that Manson is to be paid \$1.4 million to mobilize its dredging equipment into the harbor. It is anticipated that at some point prior to March 31, 2015, regulatory deadline for dredging in the Stub Channel that Manson will be able to address the shoal in that channel.

The proposed agreement with Manson provides that they will be paid \$52,500 for mobilization and then operate at a rate of \$5,250 per hour. I anticipate that given the capability of the 27 in. hydraulic dredge, H.R. Morris, the dredging work should take no more than 10 hours. Thus, the total cost of removing the shoal will be about \$105,000. This cost will be shared with the City of Ventura.

This represents a real cost saving opportunity for the Port District since there is simply no way that another dredging contractor could possibly mobilize equipment into the harbor and accomplish the dredging of the cobble material at the mouth of the barranca by March 31, 2015 at a cost comparable to that offered by Manson.

The Port District is allowed to contract in this manner by Section 20751.2 of the Public Contract Code which reads as follows:

20751.2 Notwithstanding Section 20751, the Board of the Ventura Port District may award a contract for the performance of dredging work within the district's boundaries without competitive bidding, provided that both of the following apply:

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

ATTACHMENTS:

Attachment 1 – Resolution No. 3299
Attachment 2 – Agreement with Manson Construction Co.
Attachment 3 – Bathymetric Survey



RESOLUTION NO. 3299

**RESOLUTION OF THE VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS
AUTHORIZING THE CONTRACT WITH MANSON CONSTRUCTION CO.
TO DREDGE THE STUB CHANNEL**

WHEREAS, the Stub Channel at the mouth of the Aurndell Barranca is the path by which vessels enter and exit the Ventura Keys, and, from time to time the channel requires maintenance dredging; and

WHEREAS, Ventura Port District is obligated to perform the maintenance dredging in the Stub Channel to ensure access to the Ventura Keys; and

WHEREAS, the District maintains a dredging reserve for the purpose of funding necessary dredging activities and such funds are presently available to pay the cost of any necessary maintenance dredging in the Stub Channel; and

WHEREAS, due to recent heavy rains, a shoal is developing in the Stub Channel around the mouth of the Aurndell Barranca which has the potential to become a navigation challenge to vessels entering and exiting the Ventura Keys; and

WHEREAS, Manson Construction Co. ("Manson") is presently operating in Ventura Harbor under a federal dredging contract that was competitively bid by the U.S. Army Corps. of Engineers; and

WHEREAS, it is anticipated that at some point in time prior to March 31, 2016, the regulatory deadline for dredging in the Stub Channel, Manson will be available and able to address the shoal developing in the Stub Channel; and

WHEREAS, District staff proposes to engage Manson to provide the dredging services in the Stub Channel of the following terms: \$52,500.00 for mobilization and an hourly charge of \$5,250.00; and

WHEREAS, it is anticipated that, with the capacity of the Manson dredge, H.R. Morris, the project should be completed in no more than 10 hours, thus limiting the total cost for removal of the shoal to about \$105,000.00, which cost will be shared with the City of Ventura.

NOW, THEREFORE, BE IT RESOLVED that the General Manager of Ventura Port District is hereby authorized and directed to enter into the agreement with Manson Construction Co. in the form attached to this Resolution for dredging the Stub Channel pursuant to Section 20751.2 of the California Public Contract Code.



ATTACHMENT 1

BE IT FURTHER RESOLVED that the aforesaid authorization and directive to the General Manager is based upon the following findings:

A. That Manson Construction Co. is presently operating in Ventura Harbor under a federal dredging contract which was competitively bid by the U.S. Army Corps of Engineers; and

B. That Manson Construction Co. should be able and available prior to expiration of the regulatory dredging deadline for the Stub Channel, to complete the work necessary to address the developing shoal at the mouth of the Aurndell Barranca; and

C. That with Manson Construction Co. being on site with a 27 inch hydraulic dredge, the cost for mobilization and removal of the shoal is and will be substantially less than the cost would normally be to engage another contractor to prepare for and do the work necessary to remove the shoal within the time required; and

D. That it therefore appears likely that the contract with Manson Construction Co. will cost less and be performed more quickly, within the required time, than a contract awarded for such work under the normal procedures required under California Public Contract Code Section 20751.

BE IT FURTHER RESOLVED that the General Manager and staff are hereby authorized and directed to take such other and further steps as may be necessary to implement the intent and purposes of this Resolution.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Port Commissioners of Ventura Port District held on the 24th day of February, 2016, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Chairman
Jim Friedman

ATTEST:

Secretary
Oscar Pena

(Seal)

ATTACHMENT 1

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

I, Oscar Pena, Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 24th day of February, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 24th day of February, 2016.

Secretary

(seal)

ATTACHMENT 2

AGREEMENT

This Agreement is made as of February 25th 2016 by and between the Ventura Port District, hereinafter referred to as "Owner" and Manson Construction Co. hereinafter referred to as "Contractor".

1. Scope of Work.

Contractor shall provide the equipment and labor necessary to perform hydraulic pipeline dredging and surf zone deposition of the dredge material for the Stub Channel (the "Work"). The Work shall be performed on a "time and material" basis as directed by Owner. While Contractor is obliged to perform the Work as directed by Owner, Contractor does not warrant any minimum quantity or minimum production rate. It is estimated that the work will require about two (2) days and Contractor will commence the work above March 6, 2016 and Contractor shall thereafter diligently pursue completion of the Work.

2. Equipment and Manpower.

- 2.1. Contractor shall provide the following equipment and personnel at the following rates:
- 2.2. The 27 in. hydraulic pipeline dredge H. R. Morris and associated equipment and personnel at a rental rate \$5,250 per hr.
- 2.3. The Contractor shall comply with the California prevailing wage law set forth in California Labor Code Sections 1771 et seq. and Contractor shall maintain payroll records as required by California Labor Code Section 1778. Contractor shall also be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5

3. Payment Terms.

Owner shall pay the Contractor as follows:

- 3.1. \$5,250 per Hour (the "Hourly Rate")
- 3.2. Including a maximum of ten (10) hours for mobilization and zero (0) hours for demobilization.
- 3.3. Contractor shall bill Owner upon completion of project.

4. Delay.

- 4.1. The Hourly Rate shall begin upon the Contractor's commencement of dredging work (which will begin after the Contractor has completed its mobilization) of the Ventura Harbor Stub Channel and the Hourly Rate shall continue to be calculated until Contractor is instructed by Owner to stop performing such dredging work and to start demobilizing; provided, however, Owner and Contractor acknowledge that in the event of any breakdown of the dredge H.R. Morris or any other equipment used in the performance of the Work by Contractor, the Hourly Rate will cease to be calculated and rent will cease to be owing by Owner to Contractor after 4 hours of delay.
- 4.2. It is further acknowledged that in the event of unfavorable weather conditions or weather forecast, and notwithstanding anything contained in Section 6, below, to the contrary, either party may immediately terminate this Agreement and the parties shall not incur any further obligations under this Agreement. In the event this Agreement is terminated prior to Contractor's mobilization, the Owner shall not be required to pay Contractor any mobilization costs or fees.

5. Force Majeure.

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

6. Termination by Owner.

Owner may terminate this Agreement at any time by giving the Contractor four (4) hours written notice; provided, however that Owner shall pay Contractor for all services Contractor renders through the termination of the Work. The Work under this Agreement must be completed by March 31, 2016.

7. Permits.

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

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

8. Layout.

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

9. Access.

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

10. Hazardous Dredge Spoils.

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

11. Insurance.

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

- 11.1. hull and machinery insurance on all tugs and barges, including equipment thereon, for the full value of such vessels and equipment;
- 11.2. protection and indemnity insurance on the tugs and barges with a minimum limit of \$10 million per occurrence;
- 11.3. workers compensation and employers liability insurance upon its employees, extended to provide coverage under applicable state acts, the United States Longshore & Harbor Workers' Compensation Act (USL&H), as well as Maritime Employers Liability (MEL) coverage as applicable, with statutory limits for workers compensation and limits of \$1 million for employers liability;
and
- 11.4. Commercial general liability insurance with a minimum limit of \$10 million per occurrence. Contractor shall cause Owner to be named as additional insured on all policies, except the workers compensation policy described in 11.3 above. Further, Contractor shall cause its insurers on all of the aforesaid policies to waive subrogation against the Ventura Port District and its consultants. Prior to commencement of Work, Contractor shall deliver certificates of insurance to Owner containing the foregoing additional insured and waiver of subrogation provisions, and endorsed to provide thirty (30) days prior written notice to the additional insured of termination of coverage. Commencement of Work by Contractor without providing such certificates of insurance shall not constitute a waiver of these insurance requirements.

12. Choice of Law.

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

13. Independent Contractor.

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

14. Indemnification.

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

15. Operation and Maintenance of Equipment.

ATTACHMENT 2

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

16. Authorized Representatives.

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

17. Assignment.

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

18. Notice.

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

If to Owner:	Ventura Port District Attn: Richard Parsons, Dredging Program Manager 1603 Anchors Way Ventura, CA 93001 (805) 649-9759: rwpdredging@hotmail.com
If to Contractor:	Manson Construction Co. Attn: Max Oviedo 340 Golden Shore, Suite 310 Long Beach, CA 90802 MOviedo@mansonconstruction.com cc: Manson Construction Co. Attn: Contracts Manager 5209 East Marginal Way S Seattle, WA, 98134 206-762-0850 lpinard@mansonconstruction.com

ATTACHMENT 2

19. Entire Agreement.

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

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

Contractor:

Customer:

**Manson Construction Co.,
a Washington corporation**

By:

(Signature)

By:

(Signature)

Name:

(Name, printed or typed)

Name:

(Name, printed or typed)

Title:

Title:

ATTACHMENT 3

6179000

1917000

0/9/2015, landfifa

