

# VENTURA PORT DISTRICT

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## BOARD OF PORT COMMISSIONERS MINUTES OF JUNE 19, 2019

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

### **Commissioners Present:**

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

### **Commissioners Absent:**

None.

### **Port District Staff:**

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

### **Legal Counsel:**

Timothy Gosney  
Elsa Sham

## **AGENDA**

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

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

**ROLL CALL:** All Commissioners were present.

### **ADOPTION OF AGENDA**

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

### **APPROVAL OF MINUTES**

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

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

**PUBLIC COMMUNICATIONS:** None.

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

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

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

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

**CONSENT AGENDA: (5 minutes)**

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

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

Recommended Action: Voice Vote.

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

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

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

Recommended Action: Voice Vote.

That the Board of Port Commissioners:

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

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

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

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

Recommended Action: Voice Vote.

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

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

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

Recommended Action: Voice Vote.

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

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

**STANDARD AGENDA:**

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

Recommended Action: Roll Call Vote.

That the Board of Port Commissioners:

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

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

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

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

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

Recommended Action: Voice Vote.

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

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

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

Recommended Action: Voice Vote.

That the Board of Port Commissioners:

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

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

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

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

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

Recommended Action: Voice Vote.

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

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

**5) Consideration of Agenda Reorganization (5 minutes)**

Recommended Action: Voice Vote.

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

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

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

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

Recommended Action: Voice Vote.

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

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

Commissioner Comments:

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

Commissioner Getchell - See attachment 2.

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

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

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

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

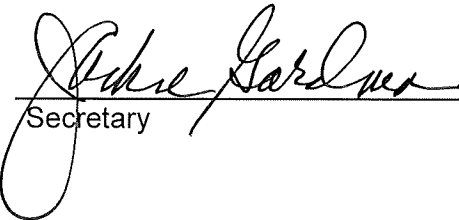
**REQUEST FOR FUTURE AGENDA ITEMS:** Commissioner Ashworth asked about a Capital Improvement Plan Assessment update. Commissioner Brennan asked for a Parking Plan update.

**ADJOURNED TO CLOSED SESSION AT 9:04PM**

**RECONVENED TO OPEN SESSION AT 10:14PM**

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

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

  
Secretary

## ATTACHMENT 1

### Commissioner Getchell's Comments

June 19, 2019

#### FY 2019-2020 Budget

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

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

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

## ATTACHMENT 1

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

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



## ATTACHMENT 2

### Ventura Port Commission

July 19, 2019

Open Session / Standard Agenda Item No. 6

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

#### Commissioner Getchell's Comments

##### Allocation of Resources to Commercial Fishermen

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

##### No Shortcomings / Strategy for Improvement?

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

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

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

## ATTACHMENT 2

### City Response?

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

### Need for Independent Review

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

### General Manager's Most Important Work

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