

# Board of Harbor Commissioners

## Crescent City Harbor District

September 17, 2024

Regular Harbor Commission Meeting



# Regular Meeting

## Board of Harbor Commissioners of the Crescent City Harbor District

Harry Adams, President   Rick Shepherd, Secretary  
Wes White, Commissioner;   Brian Stone, Commissioner;   Gerhard Weber, Commissioner

### AGENDA

**Date:**    **Tuesday, September 17, 2024**

**Time:**    **Open Session 2:00 p.m.**

**Place:**    **101 Citizens Dock, Crescent City, CA, and via Zoom Webinar,**

### VIRTUAL MEETING OPTIONS

#### **TO WATCH (via online)**

<https://us02web.zoom.us/j/6127377734>

#### **TO LISTEN (via telephone)**

Dial (669) 900-6833, please enter 612 737 7734# (meeting ID)  
or, one tap mobile: +16699006833,,6127377734#

*\* NOTE: Commissioner/Secretary Rick Shepherd will be attending the meeting remotely pursuant to Gov. Code § 54953(b) from the following publicly accessible location:  
5894 La Push Road, Forks, Washington.*

## **1. Preliminary Items**

- a. Call to Order**
- b. Roll Call**
- c. Pledge of Allegiance**
- d. General Public Comments**

*The general comment period is provided for subjects not included on the agenda. Each person is limited to a maximum of 3 minutes of speaking time. The Board may not take action on non-agendized matters. However, the Board or its staff may briefly respond to statements or questions from the public. (Gov. Code § 54954.2(a)(2))*

## **2. Presentation from Community System Solutions (CSS) on a Draft CCHD Strategic Development Plan (Update #3).**

## **3. Consent Calendar**

*Consent Calendar items are considered routine and will be approved by one motion. The public, staff, or Commissioners may request specific items be removed from the Consent Calendar for separate consideration.*

- a. Approve Meeting Minutes of the August 20, 2024 Regular CCHD Board Meeting.**

#### **4. New Business**

- a. Consider and Vote to Approve Revised CCHD Credit Card Policy.**
- b. Consider and Vote to Approve Response to Civil Grand Jury Report.**
- c. Approve Letter of Support for Adjusting Shipping Lanes.**
- d. Adjudicate Multiple Appeals of Slip Revocation Orders Issued by the CEO/Harbormaster.**
- e. Discuss Proposed Changes to the CCHD Bylaws.**

#### **5. Communications and Reports**

- a. Revenue Generation Progress Report**
- b. Financial Status Update**
- c. CEO/Harbormaster Report**
- d. Harbor Commissioner & Ad Hoc Committee Reports**

## 6. Adjourn to Closed Session

### **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Government Code Section 54957

Title: CEO/Harbormaster

## 7. Report out from Closed Session

## 8. MEETING ADJOURNMENT

*Adjournment of the Board of Harbor Commissioners will be until the next meeting scheduled for **Tuesday, October 1, 2024**, at 2 p.m. PDT. The Crescent City Harbor District complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to person with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990 (42 U.S.C. §12132). Any person with a disability who requires modification in order to participate in a meeting should direct such request to (707) 464-6174 at least 48 hours before the meeting, if possible.*



## **1. Preliminary Items**

- a. Call to Order**
- b. Roll Call**
- c. Pledge of Allegiance**



## 1. Preliminary Items

### d. General Public Comments

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## **2. Presentation from Community System Solutions (CSS) on a Draft CCHD Strategic Development Plan (Update #3).**

***Public Comment?***





**September 17, 2024**

**RE: CCHD Strategic Development Plan – Update and Board Report**

Commissioners,

Attached to this memo is the next update of the draft of the CCHD Strategic Development Plan. This draft includes comments from the Harbor Commissioners we have received so far.

These comments led to a rewriting of the Introduction section clarifying the following items:

- The plan is showing options for properties, not determining what project will be at which property.
- The Harbor District intends that the cost of constructing buildings for private business will be paid for by those businesses.
- How new businesses in the harbor increase revenues for the Harbor District.

We request you take a close look at the Introduction to ensure the updated language captures your comments.

In addition to changes in the Introduction, a variety of the images were changed at the request of commissioners and Harbor Master/CEO Tim Petrick.

We hope to collect any additional Commissioner comments at this meeting and prior to the October 2 meeting, where we will present the final version of the plan ready for adoption. The plan is on the Crescent City Harbor District website so people can make comments on it, which we will collect and review.

As previously stated, the goals of the Strategic Development Plan are to identify areas of development and types of development that will be encouraged in the Harbor.

We are working with Steve Opps and his team, so that when the plan is complete, it can be used to help recruit businesses to the Harbor.

**CCHD Strategic Development Plan Timeline**

1. Review revised Draft Plan Document with CCHD Board of Directors for input (Sept. 17, 2024).
2. Finalize Strategic Development Plan.
3. Board adopt Strategic Development Plan, with any needed revisions (October 2, 2024).

Thank you,

Michael Bahr, CEO, Community System Solutions



## **2. Presentation from Community System Solutions (CSS) on a Draft CCHD Strategic Development Plan (Update #3).**

*due to the large file size, please access the content by clicking on the link below:*

[https://www.ccharbor.com/files/6d1b63c2e/Strategic+Development+Plan+DRAFT+9\\_12\\_24.pdf](https://www.ccharbor.com/files/6d1b63c2e/Strategic+Development+Plan+DRAFT+9_12_24.pdf)

***Public Comment?***



### **3. Consent Calendar**

*Consent Calendar items are considered routine and will be approved by one motion. The public, staff, or Commissioners may request specific items be removed from the Consent Calendar for separate consideration.*

- a. Approve Minutes of the August 20, 2024 Regular Meeting.**

***Public Comment?***

<b>Regular Meeting Minutes of the Board of Harbor Commissioners of the Crescent City Harbor District</b>	
Harbor District Office, 101 Citizens Dock Road Crescent City, CA 95531	August 20, 2024 2:00 p.m.



## Board of Harbor Commissioners of the Crescent City Harbor District

### MINUTES

*Regular Session, Tuesday, August 20, 2024, at 2:00 P.M.*

**CALL TO ORDER:**      **2:00 PM**

**ROLL CALL:**

<i>PRESENT:</i>	<i>President</i> <i>Secretary</i> <i>Commissioner</i> <i>Commissioner</i> <i>Commissioner</i>	HARRY ADAMS RICK SHEPHERD GERHARD WEBER WES WHITE BRIAN STONE
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*ABSENT:*      NONE

**1) General Public Comments**

Linda Sutter voiced concerns about the Harbor’s revised credit card policies, citing inconsistencies with government accounting standards. She highlighted missing details on business purchases, travel expenses, and receipt submission procedures, while advocating for a \$1,000 limit on credit cards to reduce the risk of misuse.

**2) Consent Calendar**

**2A) Approve Meeting Minutes of the August 6, 2024 Regular CCHD Board Meeting.**

Commissioner White **moved** to approve the minutes. Secretary Shepherd **seconded** the motion. There were no comments from the public on the agenda item.

**POLLED VOTE** was called, **MOTION CARRIED**  
**AYES:** STONE, WEBER, WHITE, SHEPHERD, ADAMS // **NAYS:** NONE  
**ABSENT:** NONE // **ABSTAIN:** NONE

### **3) Old Business**

#### **3A) Discuss Measures to Address Problems from Fireworks within the Harbor District.**

The discussion opened with President Adams expressing the need for a complete ban on fireworks, emphasizing that fireworks posed an imminent danger, particularly to the boats moored in the marina. Bottle rockets and other fireworks were found on boats, and the presence of spent fireworks and ash on vessels further highlighted the risk of fire. Walking through the Harbor area on July 5th, President Adams noted evidence of burn damaged pavement, reinforcing the argument that the Harbor was one accident away from a serious fire.

Secretary Shepherd supported this view, stating that fireworks should not be allowed anywhere in the Harbor parking lot due to the high risk of fire. Boats docked in the marina carry large amounts of fuel, and a single fire could result in a catastrophic event, endangering the entire fleet.

CEO/Harbor Master Petrick reported on a meeting involving representatives from the Harbor District, the Sheriff's Office, Crescent City, Cal Fire, and other local agencies. Meeting participants discussed the importance of coordinating efforts among the agencies to address fireworks-related problems. On the topic of enforcement, meeting participants expressed consensus to impose significant fines for those caught with illegal fireworks, with one suggesting a fine of \$1,000 per firework. This, the group reasoned, would be a strong deterrent, especially for individuals or groups bringing in large quantities of illegal fireworks. There was agreement that simply issuing small fines would not be enough to curb the behavior, as individuals with access to large amounts of fireworks would likely view small penalties as inconsequential.

It was noted that public safety resources were limited, and law enforcement agencies struggled to respond to all fireworks violations during busy periods. Creating specific "fireworks-free" zones within the Harbor, which would be clearly communicated to the public through signage and advertising, was suggested as a way to assist law enforcement in managing the situation more effectively. By designating the Harbor as a no-fireworks zone, it would reduce the burden on local law enforcement and ensure that their efforts could be focused elsewhere.

Commissioner Stone proposed controlling access to the Harbor by stationing personnel at the Harbor's entrance during peak times, such as the Fourth of July, to prevent fireworks from being brought onto the property. He also suggested charging a parking fee and issuing parking tickets that explicitly warned visitors about the illegality of using fireworks in the Harbor. It might even be possible to have visitors sign a liability waiver upon paying for parking.

Commissioner White supported the idea of charging for parking and limiting the use of fireworks in the Harbor, potentially including a complete ban, although he expressed a desire to consider the issue further.

Commissioner Weber reflected on his experience as an educator to stress the futility of implementing rules that couldn't be enforced. He raised concerns about the practicality of Commissioner Stone's suggestions, particularly the notion of restricting vehicle access, which had the potential to cause dangerous traffic backups on U.S. Highway 101. Additionally, Commissioner Weber questioned whether, amidst the bustling activity of the Fourth of July, it would be realistic to expect people to stop and carefully read and sign liability waivers. Overall,

Commissioner Weber supported more moderate restrictions that allowed at least some fireworks usage amongst visitors.

Public comments on the issue were generally in favor of increased regulation, but a variety of viewpoints advocated for various levels of severity in restrictions. Some wanted a complete ban on all fireworks in the Harbor, while others preferred a milder approach. For example, Annie Nehmer supported the idea of charging for parking, but was against a complete ban on fireworks. She suggested that beach areas afforded a safer environment for enjoying fireworks. Another public commenter, Alicia Williams, highlighted the broader environmental and wildlife impacts of fireworks. She emphasized that, beyond the immediate threat to property and personal safety, the noise and debris from fireworks could disturb local wildlife and harm marine ecosystems. Kevin Hendrick supported the idea of charging for parking, and selling advance tickets would reduce traffic congestion on the fourth of July. The advance tickets would also increase the likelihood of people reading notices printed on the tickets.

Other commenters suggested that the mayhem caused by fireworks was not just a safety issue but also damaged the Harbor's reputation with visitors and tourists. The suggestion was made that the Harbor District could work with other local entities, such as the Chamber of Commerce or the County Fairgrounds, to provide an alternative venue for people who wished to celebrate with fireworks. By offering a designated space for "Safe and Sane" fireworks, it might help divert some of the illegal activity away from the Harbor.

The Board debated whether to implement a full ban or to focus on limiting fireworks to certain types. Some felt that a complete ban would be difficult to enforce, given the long-standing tradition of fireworks use in the area, while others believed that strict enforcement at Harbor entrances, along with significant fines, could make the Harbor safer. In general, the Board agreed that more discussion and planning were needed before a final decision could be made. Commissioners were encouraged to submit their ideas in writing, and the public was also invited to contribute suggestions. A draft ordinance would then be created, based on the input received, and brought back for further consideration at a future meeting. Overall, there was a strong consensus that the Harbor District must take concrete steps to address the fireworks issue, with safety being the paramount concern.

***3B) Presentation from Community Systems Solutions (CSS) on a Draft CCHD Strategic Development Plan (Update #2).***

Mike Bahr, CEO and Grant Writer for Community System Solutions (CSS) provided an update on CCHD's Strategic Development Plan. He explained that this was the second update in an ongoing series, and there would be at least one more update to include Harbor Commissioner feedback. This iteration of the plan identified underused or vacant properties and included development proposals for those areas. Mr. Bahr emphasized that while the plan prioritized commercial fishing, it also incorporated broader harbor-related activities. He discussed that the plan's purpose was to recruit businesses and finance developments through private investment and public funds.

Following consultations with the Harbor CEO and Board members, several additional development proposals, such as a boardwalk with shops, and a conference and banquet facility, were added to the plan. Mr. Bahr explained that not all ideas would come to fruition, and the plan allowed for flexibility in how and where developments could be implemented. The strategic

plan also aimed to strike a balance between the Harbor's industrial needs and its potential as a tourist destination, ensuring that both aspects would coexist and benefit from the proposed developments.

Commissioners raised various points for consideration. Commissioner White suggested broadening the focus from commercial fishing to all commercial harbor-related activities, which would encompass a wider array of economic opportunities such as recreational boating. Commissioner Stone stressed the need for increased harbor revenue, advocating for a mix of commercial assets, including restaurants and hotels, to boost tourism and contribute to the financial sustainability of the harbor. Commissioner Stone also highlighted the importance of identifying the highest and best use for each parcel of land. He emphasized that development should not rest solely on the fishing industry or harbor fees but should also cater to tourism, which could attract more business and sustain the harbor. Additionally, he proposed that the plan include a comprehensive map showing the full extent of the Harbor District, not just the marina area, to provide a clearer understanding of the potential for development along the coastline. The ideas from both Commissioners were acknowledged by Mr. Bahr, and he noted they would be included in the next draft of the plan.

President Adams then opened the floor for public comments. Sandy Moreno suggested that the Harbor's economic model should be like a three-legged stool, relying on commercial fishing, seasonal tourism, and a third revenue source coming from something year-round such as a modern business office complex. This would ensure consistent revenue throughout the year.

Annie Nehmer expressed frustration over what she believed was a lack of transparency regarding the boatyard and RV parks, questioning why they remained underutilized. She opposed the idea of converting the former Fashion Blacksmith boatyard building into retail space, which she noted was not aligned with commercial fishing interests.

Alicia Williams suggested several community improvements, including a car wash for various vehicles, more stoplights, better garbage services, and signage for wildlife protection. She emphasized the need for local businesses and cultural items, discouraging the development of a strip mall type development.

Sandy Moreno expressed concern about the discussion of profit, emphasizing that government entities should operate on a break-even basis. She advocated that government institutions should only charge what it costs to provide services, and nothing extra. CEO/Harbor Master Petrick clarified that while the harbor overall would never generate a profit, specific harbor developments such as retail or office spaces, could earn a profit and thereby provide the necessary revenue to support harbor maintenance and other operations.

In closing, Mr. Bahr assured the public that the plan was open to public feedback and would incorporate further suggestions.

### ***3C) Consider Recommendation of RFP Ad Hoc Committee, and Vote to Approve Development Proposal from CREDE (Commercial Real Estate Development Enterprises).***

Secretary Shepherd provided background, explaining that the proposal from CREDE was designed to support the harbor's long-term growth strategy. CREDE's expertise in real estate development was viewed as critical to preventing past mismanagement issues, such as those encountered with previous developers like Alex Lemus. To mitigate financial risk, the committee recommended reducing the initial financial commitment from \$30,000 to \$10,000, allowing the

consulting arrangement to operate on a month-to-month basis. This approach would provide the flexibility to evaluate CREDE's performance before committing additional funds.

Commissioner White emphasized that the current proposal aligned with the Harbor's need to develop a coherent vision for the harbor, avoiding the piecemeal approach that had previously limited strategic growth. CREDE's involvement would not only help formalize a master plan for the harbor but also ensure that developments across different parcels aligned with an overarching theme. By creating a unified vision for the harbor, the District hoped to make the area more attractive to investors and businesses. Commissioner White also noted that the cost of CREDE's services was being paid by grant funding.

Secretary Shepherd expressed the view that the community's economic future was at stake. Crescent City and Del Norte County had been facing ongoing economic struggles, with limited sources of revenue and a reliance on state and federal welfare programs. Secretary Shepherd recognized that, while he had long been resistant to major development, he now saw it as a necessary step to revitalize the harbor and the local economy. CREDE's involvement was framed as an opportunity to integrate harbor development with other revitalization efforts, such as those on Front Street, to create a more cohesive economic strategy for the area.

Commissioner White then mentioned that with the District's current financial constraints, there was a need to prioritize projects that could generate quick revenue over the next two to five years. CREDE was tasked with identifying opportunities for quick wins that could help stabilize the district financially. At the same time, the goal was to keep an eye on larger, more ambitious projects that would contribute to the long-term growth and sustainability of the harbor.

Public comments largely supported the decision to work with CREDE, noting the importance of having outside experts who could attract investors and provide a clear development framework. Many emphasized the need to preserve the Harbor's unique character while pursuing new opportunities for growth. There was also a strong desire to ensure that any future development would support the local community, create jobs, and enhance the area's appeal to both residents and tourists.

Dan Schmidt suggested placing retail businesses near the edge of the marina to attract tourists, using examples like Ventura where visitors could enjoy watching boats and fishermen while dining at nearby seafood restaurants. He emphasized that creating a tourist-friendly atmosphere with accessible food options like clam chowder and fish tacos would boost retail business and generate tax revenue for the area.

Secretary Shepherd **moved** to approve the proposal from CREDE. Commissioner White **seconded** the motion.

**POLLED VOTE** was called, **MOTION CARRIED**

**AYES:** WHITE, WEBER, SHEPHERD, STONE, ADAMS // **NAYS:** NONE

**ABSENT:** NONE // **ABSTAIN:** NONE



#### **4) Communications and Reports**

##### **4A) Revenue Generation Progress Report**

CEO/Harbormaster Petrick presented his Revenue Generation Progress Report, particularly addressing concerns from the commercial fishing community. He acknowledged that some fishermen felt the District's efforts were too focused on visitor-facing developments rather than supporting the commercial fishing industry. His report highlighted that while permitting processes for waterfront development take 18 months to two years, the District was committed to initiatives that bolstered the fishing industry, as it remained a key economic driver and a major visitor attraction. Further, his report underscored that commercial fishing was integral to the Harbor's legacy and future development strategy.

##### **4B) Financial Status Update**

Director of Finance, David Negus, provided a financial status update and began by explaining that he intended to release financial statements during the second meeting of each month, ensuring clarity and avoiding the confusion that arose from including data from the next month. This new schedule would ensure that financial reports for a given month were finalized and complete before being presented to the Board. He also emphasized the importance of developing policies and procedures to ensure transparency and financial control, such as the credit card policy, travel allowances, and procurement guidelines.

Mr. Negus highlighted the work done on cash flow analysis and projections, emphasizing the need to track regular operations, special conditions, and grant income separately. He explained that with some grant-related expenses the reimbursement might take months, which could impact short-term cash flow. To provide a clearer understanding of these financial flows, detailed breakdowns of ordinary operations, grant income, and other income/expenses were presented, helping the Board to get a better sense of the financial picture.

Mr. Negus addressed the Harbor's financial performance, showing an \$11,000 surplus for the month. However, Commissioner Stone raised concerns about long-term liabilities, such as the USDA loan and the Fashion Blacksmith lease buyback. These were significant obligations that the Harbor had yet to allocate funds toward.

Mr. Negus acknowledged that while operations had improved, it was true that the heavy liabilities, particularly the Fashion Blacksmith lease and USDA loan, weighed down the financial outlook. Despite this, Mr. Negus expressed optimism, stating that the Harbor's operational budget had shown significant improvement in recent years, with increased revenue and controlled expenses. He emphasized that the next two years would be crucial in ensuring revenue generation from available properties and making the right financial decisions to service these debts.

Sandy Moreno requested to see the financial reports from the previous fiscal year without budget projections, so the public could compare actual revenue from last year to this year's actuals. The Board agreed to provide the requested reports.

##### **4C) CEO/Harbormaster Report**

Mr. Petrick presented his CEO/Harbormaster report. He began by updating on upcoming activities and events within the Harbor. Two major events were approaching, a Kites for Kids

Festival on August 31st, and a Classic Longboard Surf Competition and Festival on September 28th and 29th. Mr. Petrick then reported on collaboration with Orchid Marketing that had led to increased tourist traffic at the RV parks. Additionally, improvements had been made to the online booking system for the RV parks. The U.S. Army Corps of Engineers had opened the bidding process for dredging the Federal Channel, scheduled to begin in October. Additionally, plans for a pilot dredging project were in progress, with a proposal expected to be presented soon, marking an important step toward sustainable dredging.

#### ***4D) Harbor Commissioner & Ad Hoc Committee Reports***

Commissioner Stone requested an update on the solar credits associated with the Harbor's solar panels, including details on what happened with Alex Lemus and Pacific Power. He also suggested that a laminated property map would be useful for posting in the meeting room for easy public reference.

Commissioner White reported that the finance committee, including himself, Commissioner Weber, and staff, were still in the process of reviewing policies and procedures, including refining the credit card policy. He then discussed termination of the Tri-Agency, stating they were waiting for attorneys from the Harbor, City, and County to finalize a common termination document for approval.

Commissioner Weber noted that after undergoing thorough drafting, a new policies and procedures document had reached a point of being well-written and comprehensive, providing a solid foundation for the Harbor. He was eager to make it available to the public to review and provide feedback. He emphasized that it would be a living document that could be adjusted based on public input. Additionally, Commissioner Weber highlighted ongoing work on updating the Harbor's bylaws. He and Commissioner White were working diligently to ensure that the bylaws protected the harbor, and once finalized, the document would be reviewed by the executive branch before being presented to the Board for further discussion.

President Adams asked CEO/Harbormaster Petrick for an update on the bathroom project at South Beach, which was currently in the permitting phase. Mr. Petrick explained that while the process was lengthy, the team had found a way to expedite part of it, reducing a 95-day permit review period to a 30-day review, but they were still waiting on the results of a geotechnical seismic study which could complicate requirements for the foundation.

Alicia Williams suggested that the District should capitalize more on events like "Kites for Kids" and the Longboard Surfing Festival to generate revenue. She noted that promotional efforts could be improved. Commissioner White responded to Ms. Williams by highlighting the importance of accurately tracking the costs associated with harbor events, using Brookings as an example of a place that turned down many events because they ended up having a significant net cost. He emphasized that the Harbor should account for all event-related expenses, including the time spent by staff like the CEO and maintenance team, to assess whether an event was financially viable. Commissioner White suggested that even if events didn't generate profit, they could still be justified by the visitors they brought, but it would be crucial to perform a thorough cost analysis for informed decision-making.

President Adams then adjourned the meeting.

*ADJOURNMENT TO THE BOARD OF HARBOR COMMISSIONERS NEXT REGULAR MEETING SCHEDULED FOR TUESDAY SEPTEMBER 17, 2024, AT 2 P.M., VIA ZOOM WEB CONFERENCE AND IN-PERSON AT THE MAIN HARBOR OFFICE, LOCATED AT 101 CITIZENS DOCK ROAD.*

Approved this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Harry Adams, President

\_\_\_\_\_  
Rick Shepherd, Secretary



#### **4. New Business**

- a. Consider and Vote to Approve Revised CCHD Credit Card Policy.**

***Public Comment?***

Section: 7	<b>BUSINESS CREDIT CARDS</b>	
		Date Last Revised: Sept. 2024

**Objective**

The objective of this section is to establish Crescent City Harbor District (CCHD) policies and procedures related to the issuance, management, and settlement of business credit cards.

**Organization of this section**

The following topics are addressed in this section of the manual:

<i>Subsection</i>	<i>Page</i>
<b>Policy</b>	<b>2</b>
<b>Procedures</b>	<b>2</b>

Section: 7	<b>BUSINESS CREDIT CARDS</b>	
		Date Last Revised: Sept. 2024

**POLICY**

The purpose of issuing Business Credit Cards to Crescent City Harbor District (CCHD) employees is to facilitate travel and daily operation. This policy sets out the acceptable and unacceptable uses of these credit cards.

**PROCEDURES**

- Business credit cards have been issued to key CCHD employees, specifically the CEO/Harbormaster, the Assistant Harbormaster, and the Office Manager. Spending limits have been placed on each of the cards as follows:
  - CEO/Harbormaster: \$9,999
  - Assistant Harbormaster: \$7,000
  - Office Manager: \$5,000
- The utilization of company-issued credit cards is a privilege that CCHD may withdraw at any time, with or without cause. Upon termination of employment with the company all cards must be returned and the card will be cancelled. Use of a CCHD credit card may also be terminated by the CEO/Harbormaster at any time due to misuse, and the CEO/Harbormaster privileges may be terminated by Board mandate.
- Employees in possession of company credit cards are solely responsible for all charges made to the card and for ensuring that the card is not used by unauthorized personnel. Card numbers may not be distributed by any means and should not be saved in any online accounts. These business cards should be maintained by each employee in a separate sleeve or location in order to avoid mistaken use of the card for personal purposes.
- CCHD credit cards may only be used by the individual to whom the card is issued. Credit cards issued to employees must only be used for business purchases of goods or services required in the execution of CCHD job duties. At no time should the credit card be utilized for personal purchases unrelated to CCHD business, cash advances, transactions beyond established credit limits, purchases in violation of CCHD policies, unlawful purchases, or purchases in violation of ethical rules, purchases related to betting or gambling, or to the purchase of alcoholic beverages. In cases where a personal charge may have inadvertently occurred, then the employee is responsible for identification of the charge details and prompt settlement of any amount due with CCHD. Reimbursement can be made by check payment or salary deduction.
- Business-related expenses, such as food, lodging, and airfare while on approved business travel, may be made on the company credit card as long as these purchases are consistent with CCHD

Section: 7	<b>BUSINESS CREDIT CARDS</b>	
		Date Last Revised: Sept. 2024

travel and expense reimbursement policies. Equipment may be charged to the credit card if in line with existing budget details and approved if over spending limits defined in the CCHD approval matrix.

- All CCHD employees who have been issued credit cards are responsible for providing receipts in order to support any charges made on the card. If a receipt is lost, a written description of the items or services procured should be prepared and approved as long as there is firm verification that the charge was valid.
- All receipts should be provided to the Office Manager prior to the close of the credit card monthly billing period. Each receipt should be clearly labeled with a description of the charge and any additional information which might be required. For example, a receipt for a business meal should identify those present and the purpose of the meeting. Travel receipts should note the purpose of the trip, with supporting information as appropriate.
- If an employee makes use of the company credit card for a business-related purchase which is not within the scope of the employee’s duties or the employee’s authorization level, then the costs become the responsibility of the employee unless formally approved. Reference should be made to the policies and procedures outlines in the CCHD Procurement section of the full Policies and Procedures Manual.
- In addition to financial responsibility for any inappropriate charges to the company credit card, violation of the CCHD credit card policies and procedures could result in loss of credit card privileges, demand for restitution to the District for unauthorized or improper purchases, prosecution under state or federal law for misuse of public resources, and disciplinary action, up to and including, termination. Cardholders shall immediately surrender CCHD credit cards if an action is taken under this policy to revoke credit card access due to a violation of this policy. When an employee separates from the District, he or she shall immediately surrender any CCHD cards to the Office Manager. Use of a CCHD credit card for any purpose after its surrender is prohibited.
- The Office Manager is responsible for compilation of all receipts relating to CCHD card charges and other supporting documents into an accounting package which is submitted for final review by the Director of Finance and approval by the CEO/Harbormaster. Upon approval payment may be made in order to settle the amount due on the credit card statement, taking into account any reimbursements which may have been received from employees.
- All CCHD employees provided with credit cards for business purposes must annually sign an acknowledgement of these policies and procedures, with a commitment to strictly follow all guidelines which have been set forth, recognizing that failure to follow these policies and procedures could subject the employee to disciplinary action up to termination. Copies of the signed acknowledgement shall be placed in the employee’s personnel file.

Section: 7	<b>BUSINESS CREDIT CARDS</b>	
		Date Last Revised: Sept. 2024

- All staff in possession of business credit cards, as well as those employees responsible for the financial management of these documents, will take part in an annual training session during which these policies and procedures will be clearly explained.
- CCHD authorized cardholders are responsible for securing CCHD credit cards appropriately to prevent loss, theft, or misuse. If a CCHD credit card is lost, stolen, or misused, the cardholder shall immediately report the occurrence to the Office Manager so the card may be cancelled. If a CCHD card is use for personal purposes, the use shall be immediately reported to the Office Manager and the employee shall reimburse CCHD for such use.





#### **4. New Business**

- b. Consider and Vote to Approve Response to Civil Grand Jury Report.**

***Public Comment?***

HARRY ADAMS  
President

RICK SHEPHERD  
Secretary

GERHARD WEBER  
Commissioner

WES WHITE  
Commissioner

BRIAN STONE  
Commissioner

## Crescent City Harbor District

Phone (707) 464-6174 Fax (707) 465-3535  
101 Citizen's Dock Road  
Crescent City, California 95531  
www.ccharbor.com



TIM PETRICK  
CEO/Harbormaster

**\*\*\* DRAFT VERSION ONLY – FINAL VERSION EXPECTED 09/20/24 \*\*\***

*DRAFT REVISION: September 10, 2024*

Honorable Judge Darren McElfresh  
Del Norte County Superior Court  
450 H Street  
Crescent City, CA 95531

Your Honor,

The following correspondence is in response to the Del Norte County Grand Jury Report for 2023-2024, specifically regarding the published findings related to “Crescent City Harbor District Staff Use of Credit Cards and Compliance with Annual Audit Requirements.” CCHD values the feedback provided by the Grand Jury and has worked diligently to address the concerns raised, as reflected in the responses below.

### **FINDINGS:**

F1: CCHD provides credit cards to certain staff members to assist with their ability to conduct CCHD business

RESPONSE: Respondent agrees with finding:

The CCHD has issued credit cards to designated personnel in key positions, specifically: (1) the CEO/Harbormaster, (2) the Assistant Harbormaster, and (3) the Office Manager. The issuance of these cards is essential for the efficient operation of the harbor. In certain cases, using a credit card is the most practical or expedient means to procure necessary goods and services, particularly when engaging with vendors who operate exclusively through online platforms or when immediate payment is required to secure critical resources. The District strives to ensure that these cards are used strictly for official business purposes in compliance with applicable financial policies and procedures

F2: In 2021, a CCHD staff member misused the CCHD credit card to pay for a personal travel expense;

RESPONSE: Respondent agrees with finding:

In 2021, during the course of booking travel that involved both official CCHD business and personal travel, a CCHD staff member inadvertently charged a personal expense to the CCHD credit card. The comingling of expenses was unintentional, and once the error was identified, the staff member took prompt steps to rectify the situation. CCHD recognizes the importance of maintaining clear boundaries between personal and business expenses and views this incident as an isolated occurrence.

F3: CCHD has not produced any actual receipts demonstrating that the staff member fully reimbursed CCHD for the staff's misuse of the CCHD credit card;

RESPONSE: Respondent disagrees partially with finding:

While it is accurate that CCHD could not provide a point-of-sale receipt for the transaction in question, it is essential to clarify that this does not imply the reimbursement was unverified. At the time of the transaction in question, point-of-sale receipts were not typically retained as part of CCHD's standard business records for such reimbursements. However, the available CCHD documentation clearly demonstrates that the reimbursement was completed in full. Importantly, the reimbursement was documented well before the Grand Jury's investigation through a memorandum detailing the offsetting charge applied against the staff member who made the inadvertent personal charge.

Importantly, the unapproved charge was identified by the staff member themselves, who immediately took action to rectify the situation, reimbursing CCHD without any external prompting or instruction from supervisors or other individuals. This proactive approach reflects the honesty and integrity of CCHD staff. The District remains committed to transparency and accountability in all its financial practices and has since strengthened its credit card usage policies to ensure the highest level of oversight.

F4: CCHD staff developed a credit card policy in November 2022, but the policy was not discussed and approved by the CCHD commissioners in an open meeting;

RESPONSE: Respondent agrees with finding:

The development of the credit card policy involved thorough discussions between Commissioners and staff in committee meetings, where the policy was reviewed in draft form.

However, the policy was delayed in being brought to a public meeting due to outstanding legal considerations that required further clarification. CCHD is committed to ensuring that all policies are legally sound and fully vetted before formal approval by the Board of Commissioners in a public forum.

As of now, the credit card policy has been fully developed, addressing all outstanding legal and operational concerns. It is scheduled to be presented and adopted at the September 17, 2024 public meeting of the Board of Commissioners. CCHD remains committed to transparency and fiscal responsibility and views the adoption of this policy as a key step in further safeguarding public funds.

F5: CCHD failed to undergo timely audits for several fiscal years, including 2020/2021 and 2021/2022;

RESPONSE: Respondent agrees with finding:

The delay in conducting timely audits for the fiscal years 2020/2021 and 2021/2022 was primarily the result of significant staff turnover within the CCHD accounting department. During this period, the District faced challenges in simply maintaining day-to-day financial operations, which led to inevitable delays in the audit process. However, once qualified staff members were hired and fully onboarded, including a new Comptroller, CCHD immediately took corrective action to ensure that all required audits were brought up to date.

F6: As of 2024, CCHD has completed its required audits;

RESPONSE: Respondent agrees with finding:

CCHD remains fully committed to financial transparency and accountability. The District now maintains a stable and qualified accounting team to ensure compliance with all auditing and reporting requirements. CCHD has successfully completed all required audits.

## **RECOMMENDATIONS:**

In response to the recommendations made by the Grand Jury, CCHD has taken significant steps to implement the necessary changes and safeguards. Below is a detailed account of the actions taken or planned to address each recommendation:

R1: CCHD should require staff to undergo regular training and should provide crosstraining for staff on requirements and best practices for financial management and safeguarding public funds;

RESPONSE: Recommendation has been implemented:

CCHD has instituted regular financial management training sessions for all personnel who expend public funds to ensure that staff are well-versed in the latest best practices for safeguarding public funds. These training sessions cover essential topics such as proper credit card usage, expense documentation, and internal control procedures.

Additionally, CCHD has implemented a cross-training program within its accounting and administrative teams. This program ensures that multiple staff members are familiar with financial protocols and can step in as needed, reducing the risk of operational disruptions due to staff illness or turnover. The cross-training also helps maintain continuity and compliance with financial management standards, reinforcing the District's commitment to fiscal responsibility and transparency.

R2: The CCHD should discuss the November 2022 credit card policy in an open meeting and determine whether it is sufficient to safeguard public funds, and whether to approve it as is or amend it by September 30, 2024.;

RESPONSE: Recommendation has not been implemented but will be implemented by September 30, 2024:

The November 2022 credit card policy has undergone extensive legal review and significant revisions to ensure it fully addresses the safeguarding of public funds. The policy has been greatly strengthened through collaboration between legal counsel and staff, incorporating best practices in public financial management and internal controls to mitigate any risk of misuse.

The policy is scheduled for discussion and adoption at the Crescent City Harbor District's public Board of Commissioners meeting on September 17, 2024. At that time, the Board will thoroughly evaluate the policy's effectiveness in protecting public funds and either approve it as is or make any necessary amendments. CCHD remains committed to ensuring that the policy is robust, transparent, and capable of preventing any future issues related to credit card use.

R3: CCHD should require staff to annually sign an acknowledgement of the Credit Card Policy;

RESPONSE: Recommendation has not been implemented but will be implemented by September 30, 2024:

CCHD intends to fully implement this recommendation immediately following the anticipated adoption of the updated credit card policy by the Board of Commissioners on September 17, 2024. Once the policy is officially approved, all staff members with access to CCHD credit cards

will be promptly required to sign an acknowledgment confirming their understanding and agreement to comply with the policy.

This annual acknowledgment process will become a formal requirement, ensuring that all employees are continually reminded of their responsibilities in safeguarding public funds and adhering to the District's financial management protocols.

R4: CCHD should require staff to separate their CCHD credit card from their personal credit cards via a sleeve, or other method, to avoid CCHD's credit card from being misused for personal expenses by mistake;

RESPONSE: Recommendation has been implemented:

CCHD has fully implemented this recommendation to prevent any inadvertent use of CCHD credit cards for personal expenses. All staff members who are issued a District credit card are now required to physically separate their CCHD credit card from personal credit cards by utilizing card sleeves or distinct holders. This simple but effective measure minimizes the risk of unintentional misuse and helps reinforce accountability in handling District funds. Additionally, this practice has been incorporated into the new credit card policy, which will further formalize and standardize these procedures across the organization.

R5: If a staff member misuses a CCHD credit card for a personal expense, CCHD should require the employee to reimburse CCHD via a trackable method, such as by check or credit card transaction which bolsters public faith and trust;

RESPONSE: Recommendation has been implemented:

CCHD has implemented this recommendation to ensure that any personal expense inadvertently charged to a District credit card is promptly reimbursed through a fully trackable method. Employees are required to reimburse CCHD either by personal check or credit card, ensuring a clear audit trail for each transaction. Furthermore, this procedure has been integrated into the updated credit card policy, which includes specific instructions for handling any personal charges and the required reimbursement process. These measures safeguard public funds and demonstrate CCHD's commitment to transparency and proper fiscal oversight.

R6: CCHD should make compliance with state auditing requirements a priority to prevent future violations of the law;

RESPONSE: Recommendation has been implemented:

CCHD has made compliance with state auditing requirements a top priority to ensure full adherence to applicable laws and regulations. The District has now established a robust process for meeting all audit deadlines and requirements, supported by a qualified and stable accounting team. Regular audits are conducted in accordance with state guidelines, and CCHD has implemented internal procedures to monitor ongoing compliance. By prioritizing timely audits and financial transparency, CCHD aims to prevent any future violations and maintain the public's trust in its fiscal operations.

R7: CCHD should request auditors to prominently highlight their review for credit card transactions and to clearly indicate whether they found credit card usage to be for CCHD business and supported by actual receipts;

RESPONSE: Recommendation has been implemented:

CCHD has fully implemented this recommendation by providing explicit instructions to its current auditor to prioritize the review of credit card transactions. The auditor has been directed to prominently highlight any findings related to credit card usage and ensure that each transaction is verified as being for CCHD business and supported by actual receipts. This request is now a formal part of the audit process to ensure transparency and accountability in the District's financial practices.

**CONCLUSION:**

CCHD remains fully committed to maintaining the trust of the public and ensuring sound financial management. The actions outlined in our responses demonstrate the District's dedication to implementing policies and procedures that prioritize transparency, accountability, and the responsible use of public funds. We appreciate the work of the Grand Jury in highlighting areas for improvement and will continue to strengthen our financial practices in alignment with these recommendations.



#### **4. New Business**

- c. Approve Letter of Support for Adjusting Shipping Lanes.**

***Public Comment?***





#### **4. New Business**

- d. Adjudicate Multiple Appeals of Slip Revocation Orders Issued by the CEO/Harbormaster.**

***Public Comment?***



#### **4. New Business**

- e. Discuss Proposed Changes to the CCHD Bylaws.**

***Public Comment?***



# **BYLAWS**

## **OF THE**

# **CRESCENT CITY HARBOR DISTRICT**

[AmendedProposed for Amendment oned June, 20, 2023]

### **ARTICLE I – THE DISTRICT**

**Section 1.1: Name of District.** The name of the District is the "Crescent City Harbor District" its successors and assigns and is referred to as "the District."

**Section 1.2: Seal of District.** The Seal of the District shall be in the form of two concentric circles with the words "CRESCENT CITY HARBOR DISTRICT" in the form as affixed on the last page of these Bylaws.

**Section 1.3: District Office.** The Office, the official mailing address, and the meeting place of the District Board of Harbor Commissioners is located at 101 Citizens Dock Road, Crescent City, CA 95531, until otherwise provided by Resolution or amendment to these Bylaws.

**Section 1.4: Board.** "The Board" means the Board of Harbor Commissioners, its successors and assigns.

### **ARTICLE II – OFFICERS**

**Section 2.1: Officers.** The elected officers of the District are the President and the Secretary, who will be elected from the members of the Board. The District must also appoint a Chief Executive Officer/Harbormaster ("CEO/Harbormaster"), who may not be a member of the Board. The Board may appoint other officers from time to time to serve at the pleasure of the Board and who will not be members of the Board.

**Section 2.2: President.** The President has the following responsibilities:

- a. The President presides at all meetings of the Board.
- b. The President acts as the Board's primary representative to the CEO/Harbormaster.
- c. The President may decide when special meetings of the full Board need to be called to deal with issues that cannot wait until the next regular Board meeting.
- d. The President appoints members of the Board to serve on any committees of the Board, and the President also appoints members of any other committees.

All appointments by the President are subject to the consent of the person so appointed.

- e. The President may give other special assignments to Harbor Commissioners.
- f. The President will coordinate any communications with the news media on behalf of the Board.
- g. The President must also perform such other duties as assigned by the Board, these Bylaws, or as are commonly required of a presiding officer of a local government agency in California.
- h. The President oversees the Board's business and sets meeting schedules and agendas with input from other Board members and Harbor executive staff.
- i. In the absence of both the President and the Secretary, the most senior Commissioner in attendance will run any scheduled meetings.
- j. The President is authorized to sign checks and all documents as authorized by the Board.
- k. The President is elected by the Board annually and may be removed from office by the procedures outlined in Section 2.8 of these Bylaws.

**Section 2.3: Secretary.** The Secretary has the following responsibilities:

- a. The Secretary has the power to affix the District's Seal to all resolutions and ordinances adopted by the Board and to contracts and instruments authorized for execution on behalf of the District.
- b. The Secretary may, upon consultation with the CEO/Harbormaster, appoint a member of the District staff to assist in the Secretary's duties, such as preparing minutes and agenda packets.
- c. The Secretary acts as President pro-tem when the President is absent and is authorized to sign checks and attest to legal documents for the District as authorized by the Board.
- d. The Secretary is elected by the Board annually and may be removed by the procedures outlined in Section 2.8 of these Bylaws.

**Section 2.4: Board of Harbor Commissioners.** The Board has the following responsibilities:

- a. The Board is responsible for governance of the District [See (i.) below].
- b. The Board elects a President and Secretary annually.
- c. The Board adopts and bi-annually reviews the Budget, which will include an organizational diagram that identifies all current employment positions within the District, salaries of all management personnel and each employee's ~~their~~ status as full or part time positions. Any deviation from this Budget or organizational structure must be approved by the Board.
- d. The Board hires the CEO/Harbormaster, General Counsel, Special Counsel, auditors, engineers, and other outside consultants who serve at the pleasure of the Board.
- e. The Board approval prior to initiating any travel expected to exceed ~~es~~ travel requests over \$1,500.00 in total costs as well as for ~~and~~ approves any other expenditures of over non recurring expenses over ~~\$120,000.00~~. Routine recurring expenses over \$10,000, such as utility payments, are exempt from prior board approval but remain subject to board oversight and review.
- f. The Board approves initiation and settlement of all litigation by the District.

- g. The Board approves all Harbor leases and contracts over \$12,000.00.
- h. The Board develops specific plans to use as coordinating instruments for the Harbor's future.
- i. In compliance with applicable law, the Board develops and adopts ordinances, resolutions, bylaws, policies, and the public positions of the District.

**Section 2.5: Harbor Commissioners.** Individual Harbor Commissioners are referred to as “Commissioners” and have the following powers and duties:

- a. Commissioners have one vote each in developing policies, passing ordinances, resolutions, and motions of the Board.
- b. Commissioners are to make every effort to attend all meetings of the Board.
- c. Commissioners serve on committees and accept responsibilities as appointed by the President.
- d. Commissioners communicate with the President and the Board concerning the District’s business.
- e. Commissioners coordinate with and provide feedback to the CEO regarding staffing requirements for the District.
- f. Two Commissioners will jointly participate with the CEO on interviews and hiring recommendations for all management positions. The CEO shall suggest their opinion as to an overall organizational structure, new management hires and salary rates for management personnel. An ad-hoc committee comprised of two commissioners and the CEO shall review the CEO’s suggestions and will jointly determine the organizational structure, new management hires as well as salary increases for all management personnel. If all parties are not in agreement then any one committee member can request that a determination be made by the full board.
- g. Commissioners represent the Board when so delegated by the President or the Board.
- h. Commissioners do not direct staff.
- i. Commissioners will, prior to taking office, take the official oath administered by a person authorized by law to administer the oath.
- j. Upon election of a Commissioner, the District will file with the Del Norte County Clerk/Recorder a bond in the sum of five thousand dollars (\$5,000.00) made payable to the District and conditioned on the faithful performance of his or her duties in accordance with Harbors & Nav. Code § 6056.
- k. Each newly elected Ceommissioner shall take a course put on by harbor staff introducing them to their responsibilities and duties including a complete review of the harborDistrict’s by-laws.
- l. When the office of a Commissioner becomes vacant during his or her term, the vacancy will be filled for the unexpired portion of the term by appointment made by the majority vote of the remaining Commissioners. If the vacant Commissioner post is not filled within 30 days of the vacancy, the vacancy will be filled by appointment by the Del Norte County Board of Supervisors. (Harbors & Nav. Code § 6054.3; Gov. Code § 1778)
- l. Except where specifically authorized by Board action or for purely ceremonial purposes, individual Commissioners shall not make any statement, inference, or appearance or indicate in any way that he or she is representing the District or the

Board on any action, decision, or policy direction. Individual Commissioners may not actually or implicitly promise or infer District or Board action, or promise that District staff will perform a specific action. ~~When otherwise signing correspondence using their title as Commissioner and presenting their individual opinion and positions, individual Commissioners shall explicitly state that they do not represent the District and must not allow or encourage any inference that they are speaking on behalf of the Board, unless specifically authorized by the rest of the Board.~~

~~m. Commissioners are required to meet all Political Reform Act obligations (e.g. timely filing of FPPC Form 700) and complete any trainings required by law or by the District. stay current with timely filing a FPPC Form 700 as well as complete required trainings.~~

~~n. Each newly elected commissioner shall take a course put on by harbor staff introducing them to their responsibilities and duties including a complete review of the harbor's by laws.~~

**Section 2.6: CEO/Harbormaster.** The CEO/Harbormaster serves at the pleasure of the Board and has the following responsibilities:

- a. ~~The CEO/Harbormaster (with consultation of two commissioners) is responsible for the recruiting and hiring of all management personnel in accordance with Section 2.5(f) of these by laws.~~ The CEO/Harbormaster is responsible for recruiting and hiring ~~all other~~ personnel in accordance with these Bylaws, supervising all staff performance, and the day-to-day operations of the District.
- b. The CEO/Harbormaster will act in accordance with these Bylaws as the Board's primary contact regarding recruiting and hiring personnel, staff performance, and day-to-day operations.
- c. The CEO/Harbormaster carries out the ordinances, resolutions, and policies of the Board.
- d. The CEO/Harbormaster prepares the agenda for all meetings of the Board in consultation with the President and staff.
- e. The CEO/Harbormaster is responsible for maintaining the records of the District, preparing the annual Budget, and the organizational structure of the employees for the District.
- f. The CEO/Harbormaster advises the Board, providing objective information, pros and cons of alternatives, and long-term consequences of decisions.
- g. The CEO/Harbormaster may make policy recommendations to the Board, but is bound by whatever action the Board takes.
- h. The CEO/Harbormaster initiates lease and union negotiations and brings draft agreements to the Board for approval.
- i. The CEO/Harbormaster will make a full report to the Board on any subject it requests and be transparent on all aspects of any requested report.

~~j. When preparing amendments to any bylaws, contracts, leases or other documents that have been amended, the CEO/Harbormaster will designate on said document that is given to the board that any and all deletion to said documents shall be shown in red ink and any addition to the text shall be shown in blue ink so that the harbor commissioners and the public can ascertain what changes have been made to any bylaws, contracts, leases or other documents show changes to the original~~

document so that the public can understand what is being added and deleted from the text (e.g. additions in blue, deletions in red).

**Section 2.7: Additional Duties.** The Officers, the Board, and the Commissioners of the District must perform such other duties and functions from time to time as required by the Board, bylaws, resolutions, ordinances, or applicable law.

**Section 2.8: Election and Appointment of Officers.** The President and Secretary are elected from among the members of the Board, by a majority vote of the Board, and hold office until a successor is elected. Normally, an election is conducted at each annual meeting of the Board, providing a one-year term for each office. Any President or Secretary may continue in office by serving multiple terms consecutively. Notwithstanding any other provision herein, any President or Secretary may be removed from office by the affirmative vote of any three Harbor Commissioners.

**Section 2.9: Vacancies.** If the office of President or Secretary become vacant, the Board must elect a successor from the members of the Board at the next meeting, or as soon thereafter as possible.

**Section 2.10: Personnel.** The Board delegates the hiring of non-management personnel to the CEO/Harbormaster in accordance with these Bylaws.

**Section 2.11: Ethics Training.** All Management Personnel, Officers, and Commissioners of the District will complete at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years. (Gov. Code § 53234, *et seq.*)

### **ARTICLE III – MEETINGS**

**Section 3.1. Swearing in of New Harbor Commissioners.** Harbor Commissioners who are duly elected pursuant to the Elections Code, take office at noon on the first Friday in December following the general District election. A Commissioner duly appointed to fill a vacancy must be sworn in as soon as feasible following their appointment. Prior to taking office, each Harbor Commissioner must take the official oath.

**Section 3.2: Annual Meeting.** The annual meeting of the Board will normally be the first regular meeting of the Board in January each calendar year, or such other date as the Board may find convenient.

**Section 3.3: Regular Meetings.** The Board will normally hold at least one regular meeting a month, at such time and place as is fixed by resolution of the Board. The meeting must be held within the District and will be open to the public. In addition to the notice required by law, the agenda for such meeting will be emailed to each member of the Board at least seventy-two (72) hours prior to the time of the meeting.

**Section 3.4: Special Meeting.** The President, or a majority of the members of the Board, may call a special meeting of the Board for the purpose of transacting any business designated in the special meeting agenda. In addition to the notice required by law, the agenda for a special meeting will be emailed to each member of the Board at least twenty-four (24) hours prior to the time of the special meeting.

**Section 3.5: Open Meetings.** All of the meetings of the Board will be open to the public except as otherwise authorized by law. All meetings will be conducted pursuant to applicable law.

**Section 3.6: Quorum.** The powers of governing the District are vested in the currently sitting Board. Three members of the Board constitute a quorum for the purpose of conducting meetings of the Board. When a quorum of the Board is present, action in the form of resolution or motion may be taken by a majority of those present unless otherwise required by law.

**Section 3.7: Agenda.** An agenda for meetings of the Board will be prepared and distributed as required by law. The CEO/Harbormaster is responsible for preparing and distributing the agenda in consultation with the President. Items may be placed on the agenda at the request of any Harbor Commissioner. If the item is not placed on the agenda, a Commissioner and the commissioner requesting the addition to the agenda is inclined he may request that the suggested addition to the agenda item be brought to the full board for a vote to be voted upon as to whether it should or should not be placed on a future agenda. The item shall be placed on the agenda if a majority of the Board vote to place the item on the agenda. In order to facilitate preparation and distribution of the agenda, Harbor Commissioners must submit the request and any supporting material to be included in the agenda packet to the CEO/Harbormaster at least six (6) calendar days prior to the next Board meeting. In order for an item to return on the agenda after action has been taken, only a Harbor Commissioner who voted on the prevailing side may request that it be placed on the agenda a second time.

**Section 3.8: Order of Business.** At each regular Board meeting, the following will be the order of business:

1. Call to Order.
2. Pledge of Allegiance.
3. Public Comment
4. Consent Calendar.
5. Items of Business
  - a. Old Business
  - b. New Business
6. Reports.
7. Board Comments.

For the convenience of the Board or others, the President may modify the order of business for any regular or special meeting. For the convenience of the public, closed sessions for personnel or litigation matters generally will be held at the beginning or end of the meeting as determined by the Board.

**Section 3.9: Rules of Procedure.**

- a. The Board may adopt, from time to time, such rules and regulations for the conduct of its meetings and affairs as are necessary and convenient. When necessary, the President may refer to Rosenberg's Rules of Order to supplement the procedural rules established by law, contained in these Bylaws, or otherwise adopted by the Board.
- b. The President will call the meeting to order at the appointed time, announce the business before the Board in proper order, state and put all questions properly brought before the Board, preserve order and decorum, and decide all questions of order subject to an appeal to the entire Board.
- c. The President may participate in debate and vote on all issues before the Board.
- d. The President should not interrupt a speaker so long as the speaker is in order.
- e. The President will enforce the Board's rules for public participation.



- f. The President will rule any speaker out of order who is not in compliance with any rule or procedure, who is speaking too long, or who is being unduly repetitious, or who is extensively discussing irrelevancies.
- g. While on all questions of order and interpretation of the rules and priority of business it is the duty of the President to first decide the question, it is the privilege of any member of the Board to appeal the decision; and if the appeal is seconded, the Board will vote on whether the decision of the President stands.
- h. The Board may act by ordinance, resolution, or minute order (motion on the record.)
- i. Subject to appeal to the entire Board, the President may set the reasonable time for debate of a particular issue and may allot a reasonable time to each speaker, including members of the Board.
- j. The proper order for all actions is, after public comment is heard, for the members of the Board to ask clarifying questions, then for any member of the Board to make a motion (such as a motion to enact an ordinance), which if seconded, is subject for discussion prior to the vote. A motion for reconsideration may be made or placed on the agenda only by a member who voted with the prevailing side, although such a motion may be seconded by anyone.
- k. Each member of the Board attending a meeting will be allowed to speak, at least one time, prior to each vote on an issue. Speakers will obtain the floor from the President prior to speaking. The President may recognize himself or herself. The President will determine the order in which members of the Board speak.
- l. During discussion of a matter, members of the Board will confine themselves to the question before the Board. Members should refrain from attacking the motives of other members, but the nature and consequences of a measure may be condemned in strong terms. It is not the person, but the measure, that is subject to debate.

**Section 3.10: Public Participation.** The rules of public participation for Board meetings are set forth in the Brown Act and subject to the attached Appendix A.

**Section 3.11: Roll Call Vote on Resolutions, Ordinances, and Minute Orders.** Voting on all resolutions, ordinances, and minute orders coming before the Board of the District will be by roll call, and the ayes and nays will be entered upon the minutes of such meeting. No secret ballots are permitted.

**Section 3.12: Expenses over \$120,000.00.** (see section 2.4 (e)) Voting on all expenses over \$120,000.00 coming before the Board will be by roll call, and the ayes and nays will be entered upon the minutes of such meeting. No secret ballots are permitted.

## **ARTICLE IV- COMMITTEES**

**Section 4.1: Establishment.** The Board, by motion or resolution, may establish and dissolve committees from time to time. All committees will have such powers and authority as granted by the Board and may be modified from time to time.

**Section 4.2: Ad Hoc Committees.** Ad hoc committees are committees made up solely of two members of the Board for purposes of making investigations, gathering information, meeting with third parties or other agencies, and giving recommendations and advice to the Board. Ad hoc committees are generally expected to complete their business and make their

recommendations to the Board within six months of their formation; although, the term may be extended if it turns out that it is impractical to complete the business or form the committee recommendations within that time.

**Section 4.3: President to Appoint.** The President will appoint members of all committees with agreement from the appointed members. The President may also appoint a new member to serve where a committee member is unable to attend or perform the functions of that committee member. An alternate member shall also be appointed as a stand in should a member not be able to attend a committee meeting.

**Section 4.4: Standing Committees.** The Board may establish standing committees to be given such duties as the Board directs. Standing committees have continuing subject matter jurisdiction. Standing committees may be assigned or delegated such powers and decision-making responsibilities as deemed appropriate by the Board.

**Section 4.5: Other Committees.** The Board may establish other committees made up of any combination of representatives or users from the District, members of the public, or representatives of other agencies, as it deems appropriate.

**Section 4.6: Minutes and Formalities.** Unless required by law or Board action, ad hoc committees need not hold public meetings nor give advance notice of their meetings. Standing committees will prepare minutes of their meetings. Ad hoc committees will make regular written reports to the Bboard or report orally during a regular Bboard meeting ~~to the Board~~ on any developments within the scope of the committee.

**Section 4.7: Application of the Brown Act.** Nothing in these Bylaws may be interpreted to allow any violation of the California Brown Act.

## **ARTICLE V - PASSAGE OF ORDINANCES**

**Section 5.1: Ordinances.** Ordinances will be enacted pursuant to the California Harbors & Navigation Code and any and all other applicable California laws. Before any ordinance may be adopted, the violation of which is a misdemeanor, a notice will be published in a newspaper of general circulation published in Del Norte County, stating generally the nature of the ordinance proposed, stating where and when a copy thereof may be inspected, and specifying the date, not less than twenty (20) days from the date of publication of such notice, on which the Board will meet for the purpose of adopting the ordinance. Ordinances will become effective immediately upon adoption by the Board unless another effective date is stated in the ordinances. All ordinances will be adopted and published as required by law.

**Section 5.2: Majority.** Passage of an ordinance requires the affirmative vote of three Harbor Commissioners.

## **ARTICLE VI - MISCELLANEOUS PROVISIONS**

**Section 6.1: Checks.** All checks of the District must be signed by at least two Commissioners. Any and all members of the Board are authorized to sign checks.

**Section 6.2: Access to Records.** The purpose of this section is to maximize access to the District's records for Harbor Commissioners, who must ultimately decide matters concerning the District, while keeping in mind the privacy concerns of personnel, the needs of litigation, and

other legitimate concerns. Each member of the Board has access to read and review all records of the District, unless restricted by law. Private personnel records are not available to Harbor Commissioners, except as deemed necessary for the conduct of their business. Harbor Commissions generally should view personnel records in a closed session of the Personnel Committee or Board. The CEO/Harbormaster is responsible for maintaining the District's records. A Harbor Commissioner's request for access to nonpublic documents will be made through the CEO/Harbormaster. In the event of a dispute regarding access to the District's records, the CEO, the President, or a member of the Board may bring the matter before the entire Board, which will have ultimate responsibility for deciding such matters.

**Section 6.3: Attorney.**

a. The CEO/Harbormaster will be the Board's primary contact with any attorney representing the District. The President may also consult with any attorney representing the District with full Board approval.

b. The General Counsel will be the primary attorney representing the District. The General Counsel represents the District, not individual Commissioners. Nonetheless, the Board recognizes and affirms the right of individual Commissioners to consult directly and confidentially with the General Counsel on District related matters as they deem appropriate. Prudence should be used when exercising this privilege, and the subject matter of all consultations must be limited to official District business.

c. The President, the CEO/Harbormaster, or the Board may request that the General Counsel prepare a written opinion or attend a Board meeting to discuss legal issues.

d. The General Counsel will prepare or review leases, contracts, deeds and similar documents at the direction of the CEO/Harbormaster or the Board. Contracts, deeds, leases, and similar documents must include the General Counsel's signature approving the document as to form.

**Section 6.4: Compliance with Law.** These Bylaws must be interpreted as consistent with any and all applicable law.

**ARTICLE VII – AMENDMENTS**

**Section 7.1: Amendments to Bylaws.** The Bylaws of the District may be amended by Resolution only with the approval of at least three members of the Board at a regular or special meeting.

The above Bylaws have been adopted by Resolution Number 2023-10 on June 20, 2023.

Dated: \_\_\_\_\_

\_\_\_\_\_  
President of the Board of Harbor Commissioners

Dated: \_\_\_\_\_

\_\_\_\_\_  
Secretary of the Board of Harbor Commissioners

Need to add:

A. Financial documents to be reported to the board and public:

At the 2<sup>nd</sup> meeting of each month the financial director shall prepare and issue reports of the following documents:

1. A standard profit and loss statement showing the actual results of the previous month, the budgeted results for that month as well as the total dollar variance for that month for each line item.

—A standard profit and loss statement showing the actual results YTD through the prior month, the budgeted results YTD through the prior month as well as the total dollar variance YTD for each line item.

—

—

2.

3. A standard cash flow statement as of the prior month end

4. A standard balance sheet statement as of the prior month end

5. A projected month end cash balance statement for the next 12 months showing how the P&L affects the cash balance, as well as any items not reported in the P&L statement. This projected month end cash balance sheet's line items to be reviewed and updated monthly.

B. Performance Components of management personnel –

All management personnel to be considered for a performance incentive improvement plan shall have in place prior to the plan's implementation certain criteria. These criteria shall be either 4 or 5 goals and shall be as objective as possible so at the beginning of the period being judged both the decision makers as well as the employee knows what they are being judged on as well as how they will be rewarded should the goals be achieved. The CEO should suggest the goals each of the manager's should achieve with the board and CEO jointly approving those goals. The goals for the CEO will be set by the board.

—Negotiated Leases and Contracts

C.

The CEO'/Harbormaster shall bring all potential to be negotiated leases and contracts to the full board in closed session advising the board of the particulars of that lease or contract and the CEO's suggestions for parameters to be held to during the negotiations. Should those parameters not be met the CEO/ Harbormaster will bring the resultant negotiations back to the board in closed session again suggesting to the board the CEO'newly suggested parameters and to how to proceed. The board should again provide input repeating this process until the negotiations reach a conclusion.

## APPENDIX A

### RULES RELATED TO PUBLIC PARTICIPATION AT MEETINGS OF THE CRESCENT CITY HARBOR DISTRICT BOARD OF HARBOR COMMISSIONERS

- 1.) Every agenda for regular meetings of the Board will provide for an opportunity for members of the public to directly address the Board on any item of interest to the public before or during the Board's consideration of the item, so long as the item is within the subject matter jurisdiction of the District and providing that no action will be taken on any item not appearing on the agenda unless authorized by statute.
- 2.) Only members of the audience recognized by the President will have the floor. Any member of the public wishing to address the Board must seek recognition from the President by the raising of his or her hand during the discussion of the item or by submitting a written request for recognition to the Secretary prior to the meeting. Upon being recognized by the President, the person will state his or her name and identify any group or organization that he or she is representing. In the President's discretion, the period for public participation may be before or after any staff report on a particular item.
- 3.) Except for public hearings, each speaker will be limited to a maximum of three (3) minutes, and total public participation on any item will be limited to fifteen (15) minutes. The Board may extend the time limit for individual speakers or total audience participation, if in their discretion additional time is warranted. It is the responsibility of the President, or the President's designee, to keep track of time.
- 4.) Unless the Board determines that more time is warranted due to the complexity of, or public interest in, an item, each public hearing will be limited to thirty minutes, and individual speakers will be limited to five (5) minutes each. The Board may increase the time limits before or during a hearing if it determines such an increase is warranted.
- 5.) Irrespective of any time limits, the President will regulate a speaker who is speaking too long, being unduly repetitious, or extensively discussing irrelevancies.
- 6.) The President will rule a speaker out of order for cause. A speaker may not be ruled out of order due to substance of the comments unless comments are irrelevant to the subject at hand.
- 7.) After hearing from the public on an item, the President may close further audience participation to allow members of the Board to discuss the item among themselves and with staff. Harbor Commissioners may also ask for further comment or clarification from members of the audience after the public participation portion has otherwise been closed.
- 8.) Notwithstanding any other provision herein, the agenda and the Board need not provide an opportunity for members of the public to address the Board on any item that has already been considered by a committee composed exclusively of members of the Board at a public meeting wherein all interested members of the public were afforded the opportunity to address the committee on the item before or during the committee's consideration of the item. The Board

will afford the public opportunity to speak on such an item if the Board determines that the item has been substantially changed since the committee heard the item.

9.) In the case of special meetings, the Board will limit public participation and discussion to only those items that were described in the notice of the meeting.

10.) The Board may exclude or expel any person who refuses to abide by the reasonable rules for public participation or who causes a disturbance. In addition, the Board may exclude or expel all persons from any meeting where a disturbance has been created that will not allow the meeting to continue unimpeded. In a case where persons have been expelled due to such a disturbance, the Board must readmit any journalists who were not involved in the disturbance and may establish a procedure for readmitting any individuals not responsible for willfully disturbing the orderly conduct of the meeting.

**SEAL OF THE CRESCENT CITY HARBOR DISTRICT**





## **5. Communications and Reports**

### **a. Revenue Generation Progress Report**

***Public Comment?***





## **5. Communications and Reports**

### **b. Financial Status Update**

***Public Comment?***

**PROJECTED CASH BALANCES (as of 13 September 2024)**

	ACTUAL	ACTUAL	ESTIMATED									
	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025
OPENING BANK	1,217,526	1,226,545	1,164,851	835,383	1,126,709	1,052,535	1,015,756	1,014,796	942,295	531,034	703,521	695,704
(P&L) OPERATIONS	(52,398)	(61,694)	(77,331)	(70,987)	(84,924)	(109,825)	(14,460)	(91,001)	(57,261)	(35,388)	(36,442)	(35,012)
(P&L) OTHER	61,417		(260,304)	349,000		61,746			(375,000)	178,000		
GRANT INCOME			8,167	13,313	10,750	11,300	13,500	18,500	21,000	29,875	28,625	26,375
CLOSING BANK	1,226,545	1,164,851	835,383	1,126,709	1,052,535	1,015,756	1,014,796	942,295	531,034	703,521	695,704	687,067

# Crescent City Harbor District MONTHLY BUDGET VS. ACTUALS

August 2024

	ACTUAL	BUDGET	VARIANCE	
<b>INCOME</b>				
Total 2400 COMMERCIAL REVENUE	56,123	48,300	(7,823)	
Total 2600 SERVICES & FEES	14,017	12,215	(1,802)	
2650 DISCOUNTS/ADJUSTMENTS		(500)	(500)	
Total 2700 MOORAGE - SLIP RENTALS	38,125	35,000	(3,125)	
Total 2800 RV PARKS REVENUE OPERATIONS	24,779	27,985	3,206	
Total 3000 SALES OF PRODUCT REVENUE	319	500	181	
Stripe sales	(543)		543	
<b>Total Income</b>	<b>132,821</b>	<b>123,500</b>	<b>(9,321)</b>	<b>* note income &gt; budget</b>
<b>EXPENSES</b>				
Total 3200 ADVERTISING	928	300	(628)	
Total 3300 AUTO EXPENSES	3,691	4,900	1,209	
Total 3400 BANK FEES / SURCHARGES	878	900	22	
3500 DUES / CHARITABLE CONTRIBUTIONS	1,828		(1,828)	
Total 3600 CONTRACTORS OPERATIONS	9,043	11,053	2,010	
Total 3700 INSURANCE POLICIES	17,436	19,425	1,989	
Total 3800 INTEREST EXPENSE		8,600	8,600	
Total 3900 PROFESSIONAL FEES / CONSULTANTS	24,758	15,833	(8,925)	
Total 4000 OFFICE / GENERAL OPERATIONS	3,199	11,825	8,626	
Total 5000 PAYROLL EXPENDITURES	109,757	106,630	(3,127)	
Total 5100 REPAIRS / MAINTENANCE	4,254	5,797	1,543	
Total 5200 SUPPLIES, MATERIALS & FUEL	3,333	2,333	(999)	
Total 5300 TRAVEL / TRAINING	390	1,250	860	
Total 5500 UTILITIES	15,020	29,000	13,980	
5600 WRITE-OFFS		3,333	3,333	
Stripe fees	208		(208)	
<b>Total Expenses</b>	<b>194,723</b>	<b>221,180</b>	<b>26,457</b>	<b>* note expenses &lt; budget</b>
<b>NET OPERATING INCOME</b>	<b>(61,901)</b>	<b>(97,980)</b>	<b>(36,078)</b>	

## Crescent City Harbor District YTD BUDGET VS. ACTUALS

July - August, 2024

	ACTUAL	BUDGET	VARIANCE
<b>INCOME</b>			
Total 2400 COMMERCIAL REVENUE	141,034	96,400	(44,634)
Total 2600 SERVICES & FEES	28,851	26,500	(2,351)
2650 DISCOUNTS/ADJUSTMENTS		(1,000)	(1,000)
Total 2700 MOORAGE - SLIP RENTALS	91,433	60,000	(31,433)
Total 2800 RV PARKS REVENUE OPERATIONS	55,232	59,370	4,138
Total 3000 SALES OF PRODUCT REVENUE	569	1,000	431
Stripe sales	(933)		933
<b>Total Income</b>	<b>316,186</b>	<b>242,270</b>	<b>(73,916)</b> *note income > budget
<b>EXPENSES</b>			
Total 3200 ADVERTISING	928	600	(328)
Total 3300 AUTO EXPENSES	7,630	9,800	2,170
Total 3400 BANK FEES / SURCHARGES	1,734	1,800	66
3500 DUES / CHARITABLE CONTRIBUTIONS	1,888	0	(1,888)
Total 3600 CONTRACTORS OPERATIONS	17,744	25,206	7,462
Total 3700 INSURANCE POLICIES	50,169	38,691	(11,478)
Total 3800 INTEREST EXPENSE	0	17,200	17,200
Total 3900 PROFESSIONAL FEES / CONSULTA	68,189	31,667	(36,523)
Total 4000 OFFICE / GENERAL OPERATIONS	7,758	18,575	10,817
Total 5000 PAYROLL EXPENDITURES	233,793	213,260	(20,533)
Total 5100 REPAIRS / MAINTENANCE	6,243	11,595	5,351
Total 5200 SUPPLIES, MATERIALS & FUEL	5,654	4,667	(988)
Total 5300 TRAVEL / TRAINING	390	2,500	2,110
Total 5500 UTILITIES	28,117	57,400	29,283
5600 WRITE-OFFS		6,666	6,666
Stripe fees	248		(248)
<b>Total Expenses</b>	<b>430,485</b>	<b>439,626</b>	<b>9,141</b> *note expenses < budget
<b>NET OPERATING INCOME</b>	<b>(114,299)</b>	<b>(197,956)</b>	<b>(83,657)</b>

# Crescent City Harbor District

## Profit and Loss

August 2024

	TOTAL
Income	
2400 COMMERCIAL REVENUE	
2401 Commercial Fees Additional	6,412.86
2402 Commercial Hoist Leases	14,040.00
2403 Commercial Leases	30,442.21
2407 Commercial Utilities	1,719.69
2409 Freezer Rental	666.00
2410 Poundage Fees	2,842.61
<b>Total 2400 COMMERCIAL REVENUE</b>	<b>56,123.37</b>
2600 SERVICES & FEES	
2602 No Insurance Fee	3,060.00
2603 Fees & Sales Additional	4.85
2605 Permits Fish Sales	150.00
2606 Key Fob Sales	112.00
2607 Late Payment Fee	120.00
2608 Launch Permit Fees	2,341.00
2609 Laundry Sales	345.00
2610 Live-a-Board Fees	720.00
2611 Mobile Crane Rental	120.00
2612 Storage Revenue	3,115.25
2613 Utilities Marina	1,434.00
2614 Work Dock Use	160.00
2615 Surcharge / Admin Fee	210.00
2616 Harbor Fees Additional	2,125.00
<b>Total 2600 SERVICES &amp; FEES</b>	<b>14,017.10</b>
2700 MOORAGE - SLIP RENTALS	
2701 Rec Slip Rentals / Dockwa	38,125.31
<b>Total 2700 MOORAGE - SLIP RENTALS</b>	<b>38,125.31</b>
2800 RV PARKS REVENUE OPERATIONS	
2801 RV Bayside Leases	17,367.88
2803 RV BS Fees	640.00
2805 RV BS Laundry	249.00
2809 RV Guest Rentals	6,522.54
<b>Total 2800 RV PARKS REVENUE OPERATIONS</b>	<b>24,779.42</b>
3000 SALES OF PRODUCT REVENUE	
3001 GIFT SHOP SALES	319.09
<b>Total 3000 SALES OF PRODUCT REVENUE</b>	<b>319.09</b>
Stripe sales	(543.07)
<b>Total Income</b>	<b>\$132,821.22</b>
<b>GROSS PROFIT</b>	<b>\$132,821.22</b>

# Crescent City Harbor District

## Profit and Loss

August 2024

	TOTAL
Expenses	
3200 ADVERTISING	
3201 Ads and Notices	928.43
<b>Total 3200 ADVERTISING</b>	<b>928.43</b>
3300 AUTO EXPENSES	
3301 Fuel Expenses	118.00
3302 Maintenance and Repair	63.82
3303 Truck Leases/Auto Exp	3,509.34
<b>Total 3300 AUTO EXPENSES</b>	<b>3,691.16</b>
3400 BANK FEES / SURCHARGES	
3401 Bank Fees	133.95
3402 Merchant Fees	10.26
3404 QuickBooks Payments Fees	733.44
<b>Total 3400 BANK FEES / SURCHARGES</b>	<b>877.65</b>
3500 DUES / CHARITABLE CONTRIBUTIONS	1,827.50
3600 CONTRACTORS OPERATIONS	
3602 Outside Services	9,042.67
<b>Total 3600 CONTRACTORS OPERATIONS</b>	<b>9,042.67</b>
3700 INSURANCE POLICIES	
3701 Auto Insurance	1,823.00
3702 Liability & Property Policies	11,204.04
3703 Workers Comp	4,409.03
<b>Total 3700 INSURANCE POLICIES</b>	<b>17,436.07</b>
3900 PROFESSIONAL FEES / CONSULTANTS	
3903 Attorney Professional Services Legal	14,980.00
3904 Additional Non-Attorney	180.00
3905 Legal Reimbursements	1,379.25
3908 IT Services	2,223.87
3910 Permitting, Planning & PM	5,995.00
<b>Total 3900 PROFESSIONAL FEES / CONSULTANTS</b>	<b>24,758.12</b>
4000 OFFICE / GENERAL OPERATIONS	
4002 Office Equipment Leases	1,163.65
4003 Office Expenses	123.71
4004 Permits / Licenses	645.00
4006 Subscriptions & Software	820.60
4007 Uniform Expenses	368.94
4008 Website & Hosting Expenses	249.00
4020 Meals In-Town / Team Appreciation	(171.50)
<b>Total 4000 OFFICE / GENERAL OPERATIONS</b>	<b>3,199.40</b>

# Crescent City Harbor District

## Profit and Loss

August 2024

	TOTAL
5000 PAYROLL EXPENDITURES	
5001 Payroll Expenses	80,917.86
5002 Payroll Benefits	16,020.10
5003 Health Benefits	12,818.95
<b>Total 5000 PAYROLL EXPENDITURES</b>	<b>109,756.91</b>
5100 REPAIRS / MAINTENANCE	
5101 Heavy Equipment Lease Payments	1,713.34
5102 Operations Purchases	205.64
5104 Repairs General	2,335.00
<b>Total 5100 REPAIRS / MAINTENANCE</b>	<b>4,253.98</b>
5200 SUPPLIES, MATERIALS & FUEL	
5201 Maintenance Supplies / Materials	818.94
5202 Operations Supplies / Materials	1,170.36
5203 Fuel Maintenance	1,343.34
<b>Total 5200 SUPPLIES, MATERIALS &amp; FUEL</b>	<b>3,332.64</b>
5300 TRAVEL / TRAINING	
5307 Trainings / Meetings	390.00
<b>Total 5300 TRAVEL / TRAINING</b>	<b>390.00</b>
5500 UTILITIES	
5501 Electricity	3,012.88
5502 Propane	60.00
5503 Telephone	870.91
5504 Water & Sewer Service	3,700.97
5505 Trash & Recycle	6,755.76
5506 WI-FI / Internet Services	619.48
<b>Total 5500 UTILITIES</b>	<b>15,020.00</b>
Stripe fees	208.08
<b>Total Expenses</b>	<b>\$194,722.61</b>
NET OPERATING INCOME	<b>\$ (61,901.39)</b>
Other Income	
5700 GRANTS RECEIVED	
5701 CCHD Admin In-Direct Costs	20,742.91
<b>Total 5700 GRANTS RECEIVED</b>	<b>20,742.91</b>
5900 NON-OPERATING INCOME	
5903 Uncatergorized Additional	4,994.26
<b>Total 5900 NON-OPERATING INCOME</b>	<b>4,994.26</b>
<b>Total Other Income</b>	<b>\$25,737.17</b>

# Crescent City Harbor District

## Profit and Loss

August 2024

	TOTAL
Other Expenses	
6100 GRANT EXPENSES - NON-OPERATING	
6101 Grant & Project Management	3,500.00
6101B CSS HMPG	3,500.00
<b>Total 6101 Grant &amp; Project Management</b>	<b>7,000.00</b>
6104 Citizens Dock Design Coastal	20,138.75
6106 FEMA HMGP South Beach Planning	4,000.00
<b>Total 6100 GRANT EXPENSES - NON-OPERATING</b>	<b>31,138.75</b>
<b>Total Other Expenses</b>	<b>\$31,138.75</b>
NET OTHER INCOME	<b>\$ (5,401.58)</b>
NET INCOME	<b>\$ (67,302.97)</b>



# Crescent City Harbor District

## Balance Sheet

As of August 31, 2024

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1000 CASH AND INVESTMENTS	0.00
1001 Bayside Checking #1766	350.00
1003 CCHD Checking #4766	351,448.90
1004 CCHD Savings #4774	5,021.29
1005 LAIF Reserve	795,531.36
1006 RHV Checking #0707	500.00
1008 QB Payment Clearing Account	9,358.05
<b>Total 1000 CASH AND INVESTMENTS</b>	<b>1,162,209.60</b>
Stripe (required for Synder)	2,070.95
<b>Total Bank Accounts</b>	<b>\$1,164,280.55</b>
Accounts Receivable	
1100 ACCOUNTS RECEIVABLE	218,364.44
1102 Tax Proceeds Receivable	0.00
<b>Total 1100 ACCOUNTS RECEIVABLE</b>	<b>218,364.44</b>
<b>Total Accounts Receivable</b>	<b>\$218,364.44</b>
Other Current Assets	
1200 OTHER CURRENT ASSETS	
1201 Commercial Lease Receivables	1,840,482.00
1202 Deferred Pension Contributions	389,539.00
1205 Withholding Receivable	3,750.00
1206 PrePaid Expenses	30,736.78
1207 Prepaid Insurance	0.00
1208 Loans to Employees / Payroll Advances	6,000.00
1211 Lemus REC Receivables	(98,214.86)
1203 Solar Licensing Agreement REC	234,607.37
1212 Lemus / REC RV Parks	100,000.00
<b>Total 1211 Lemus REC Receivables</b>	<b>236,392.51</b>
1213 Maples Settlement	0.00
<b>Total 1200 OTHER CURRENT ASSETS</b>	<b>2,506,900.29</b>
1250 UNDEPOSITED FUNDS	3,316.83
1300 INVENTORY	
1301 Gift Shop Purchases	11,447.64
1302 Inventory Asset	4,734.21
<b>Total 1300 INVENTORY</b>	<b>16,181.85</b>
<b>Total Other Current Assets</b>	<b>\$2,526,398.97</b>
<b>Total Current Assets</b>	<b>\$3,909,043.96</b>

# Crescent City Harbor District

## Balance Sheet

As of August 31, 2024

	TOTAL
Fixed Assets	
1490 Land Cost	465,511.00
1500 Depreciable Assets	
1510 Machinery / Equipment	357,501.00
1520 Vehicles	15,217.00
1530 Buildings and Improvements	4,606,514.00
1540 Marina, Wharves, and Docks	61,733,331.00
1550 Leased Vehicle	147,394.74
1560 Sewer Lift Station	33,655.00
1570 Streets, Roads and Parks	707,691.00
<b>Total 1500 Depreciable Assets</b>	<b>67,601,303.74</b>
1580 Accumulated Depreciation	(44,435,321.55)
<b>Total Fixed Assets</b>	<b>\$23,631,493.19</b>
Other Assets	
NON-CURRENT ASSETS	
1552 Depreciable Capital Assets	0.00
<b>Total NON-CURRENT ASSETS</b>	<b>0.00</b>
<b>Total Other Assets</b>	<b>\$0.00</b>
<b>TOTAL ASSETS</b>	<b>\$27,540,537.15</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
1600 ACCOUNTS PAYABLE (A/P)	199,427.77
<b>Total Accounts Payable</b>	<b>\$199,427.77</b>
Credit Cards	
1700 CREDIT CARD ACCOUNTS	
1701 Home Depot	484.83
1702 USBank	923.69
<b>Total 1700 CREDIT CARD ACCOUNTS</b>	<b>1,408.52</b>
<b>Total Credit Cards</b>	<b>\$1,408.52</b>
Other Current Liabilities	
1900 PAYROLL LIABILITIES	
1903 Garnishments	(1,618.55)
1904 Pension Defer Cash In-flows	200,815.00
1906 Accrued Payroll Liabilities	58,548.15
1907 Compensated Absences	106,595.00

# Crescent City Harbor District

## Balance Sheet

As of August 31, 2024

	TOTAL
<b>Total 1900 PAYROLL LIABILITIES</b>	<b>364,339.60</b>
2000 CURRENT LIABILITIES	
2001 Customer Deposits & PrePayments	30,953.51
2002 Interest Payable	138,641.00
2003 Current USDA Long Term Debt	190,176.00
2004 Current Auto Lease Liability	107,323.00
2005 Valid Credit Due Customer	0.00
<b>Total 2000 CURRENT LIABILITIES</b>	<b>467,093.51</b>
2006 Accrued Expenses	1,600.00
CDTFA PAYABLE	113.70
1800 CDTFA / TOT SALES TAX DUE	0.00
1801 CDTFA Sales Tax	299.44
1802 TOT	169.83
<b>Total 1800 CDTFA / TOT SALES TAX DUE</b>	<b>469.27</b>
Out Of Scope Agency Payable	0.00
<b>Total CDTFA PAYABLE</b>	<b>582.97</b>
<b>Total Other Current Liabilities</b>	<b>\$833,616.08</b>
<b>Total Current Liabilities</b>	<b>\$1,034,452.37</b>
Long-Term Liabilities	
2100 LONG TERM DEBT	0.00
2101 Dwelley / Frazier Note Bayside RV Park	(32,765.50)
2102 USDA Loan	5,227,703.54
2103 Lease Liability	1,840,482.00
2104 Net Pension Liability	895,041.00
2105 Fashion Blacksmith Payable	1,257,018.10
2110 Fashion Blacksmith Settlement Payable	2,600,000.00
<b>Total 2100 LONG TERM DEBT</b>	<b>11,787,479.14</b>
<b>Total Long-Term Liabilities</b>	<b>\$11,787,479.14</b>
<b>Total Liabilities</b>	<b>\$12,821,931.51</b>
Equity	
2200 EQUITY	
2201 Adjustments JEs Per Audit	(2,520.97)
2202 Adjustments to Actual Pending Audit	335,239.36
<b>Total 2200 EQUITY</b>	<b>332,718.39</b>
2300 RETAINED EARNINGS	(12,760,653.76)
2350 OPENING BALANCE EQUITY	27,208,230.37
Net Income	(61,689.36)
<b>Total Equity</b>	<b>\$14,718,605.64</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$27,540,537.15</b>



## 5. Communications and Reports

### c. CEO/Harbormaster Report (part 1)

Dear Harbor Community,

I'm pleased to provide an update on key developments and upcoming activities within the Harbor District:

**1. Upcoming Event:** The **Crescent City Classic Longboard Festival** will take place on **September 28th & 29th**. This exciting event will bring together surfers and enthusiasts from all over, celebrating the heritage and skill of longboard surfing. We encourage everyone to come out and enjoy the festivities.

**2. Federal Channel Dredging:** The U.S. Army Corps of Engineers (USACE) has accepted a bid for the dredging of the Federal Channel, and the project is on track to begin in **October**. This critical work will ensure that our harbor remains accessible and functional for commercial and recreational vessels.



## 5. Communications and Reports

### c. CEO/Harbormaster Report (part 2)

**3. Harbor Development Initiatives:** Harbor staff has been actively collaborating with **CREDE** to initiate the necessary studies for future development projects. Additionally, we have had promising meetings with multiple development groups that have expressed interest in a variety of projects on harbor property. These engagements are crucial to the continued growth and enhancement of our harbor facilities.

**4. Ice Plant Operations Update: Pacific Seafood** has notified the Harbor District that they will be ceasing operations of the Ice Plant on **October 5th** and surrendering the property. This is a significant change for our fishing industry, and Harbor staff is working closely with Pacific Seafood to gather operational information. We will also be meeting with local fish buyers to create a plan to maintain ice plant operations in the short and medium term to support the needs of our fleet.

We look forward to further growth and continued community engagement in the coming months.



## **5. Communications and Reports**

### **d. Harbor Commissioner & Ad Hoc Committee Reports**

**(1) Commissioner Gerhard Weber**

**(2) Commissioner Wes White**

**(3) Commissioner Brian Stone**

**(4) Secretary Rick Shepherd**

**(5) President Harry Adams**

***Public Comment?***



## **6. Adjourn to Closed Session**

### **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Government Code Section 54957

Title: CEO/Harbormaster

## **7. Report out from Closed Session**

***Public Comment?***

## 7. MEETING ADJOURNMENT

*Adjournment of the Board of Harbor Commissioners will be until the next meeting scheduled for **Tuesday, October 1, 2024**, at 2 p.m. PDT. The Crescent City Harbor District complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to person with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990 (42 U.S.C. §12132). Any person with a disability who requires modification in order to participate in a meeting should direct such request to (707) 464-6174 at least 48 hours before the meeting, if possible.*

