



Jim Hurst
Chair

Doug Albin
Vice Chair

Richard Shoemaker
Commissioner

Dan Platt
Commissioner

Grant Downie
Commissioner

Anna Neumann
Harbormaster

NOYO HARBOR COMMISSION REGULAR MEETING AGENDA

Thursday, December 14, 2023 at 6PM

Fort Bragg Town Hall

363 N. Main Street Fort Bragg, CA

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT ON NON-AGENDA ITEMS:

The Noyo Harbor Commission welcomes input from the public. Please limit your comments to five minutes so that everyone may be heard. The Brown Act does not allow action to be taken on non-agenda items.

CORRESPONDENCE:

None

CONSENT CALENDAR

1. Approval of Minutes – Regular Meeting November 9th, 2023
2. Treasurer's report – November 2023

CONDUCT OF BUSINESS:

1. Discussion and possible action on starting FEMA projects
2. Discussion and possible action on Economic Development Department Community Economic Relief Fund contract
3. Discussion and possible action on updating Harbor District Policy
4. Discussion and possible action on IRS denial of request to wave penalties

Closed Session

Pending Litigation: Resource Environmental v. Noyo Harbor District (23 CV 00954 Mendocino County Superior Court)

STAFF REPORTS AND RECOMMENDATIONS:

District Office:

Tommy's Marine Supply Project

The Nature Conservancy Project Funded

Attorney Report:

Matters from the Commissioners:

ADJOURNEMENT: To the next regular meeting of Thursday January 11th 2023 at 6:00pm



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NOYO HARBOR COMMISSION REGULAR MEETING MINTUES

Thursday, November 9th, 2023 at 6PM

Fort Bragg Town Hall

363 N. Main Street Fort Bragg, CA

CALL TO ORDER AT 6:00pm

ROLL CALL

Present: Chair Hurst, Vice Chair Albin, Commissioner Shoemaker, Commissioner Platt, Commissioner Downie

Staff Present: Anna Neumann, Jim Jackson

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT ON NON-AGENDA ITEMS:

None

Closed Session

Pending Litigation: Resource Environmental v. Noyo Harbor District (23 CV 00954 Mendocino County Superior Court)

Closed session started at 6:05pm

Closed session ended at 6:07pm

Report out: Legal Counsel gave an update to the commission on status of the case

CORRESPONDENCE:

Family Resource Center of the Redwoods submitted a last-minute request for a letter of support for their project with the State Coastal Conservancy. The Family Resource Center of the Redwoods is requesting funding to build restrooms that would meet the requirements set forth by county health. These restrooms are the last step required in the development of a mobile fish processing center. The letter of support was requested on a 24-hour notice.

Motion: Add letter of support to the agenda due to the urgent timelines. 1st Commissioner Shoemaker, 2nd Commissioner Platt, 5-0-0

CONSENT CALENDAR

1. Approval of Minutes – Regular Meeting October 12th, 2023
2. Treasurer’s report – October 2023

Motion to approve: 1st Commissioner Shoemaker, 2nd Commissioner Albin, 5-0-0

CONDUCT OF BUSINESS:

Motion to approve the Letter of Support for the Family Resource Center of the Redwoods. 1st Commissioner Shoemaker, 2nd Commissioner Platt, 5-0-0

1. Discussion and possible action on Geveden Industrial Contract

Discussion was held on the Geveden Industrial Contract. Commissioner Shoemaker raised questions about portions of the contract including delays for weather and representing the Harbor Districts responsibility to remove fluids and ensuring that Geveden understands that the vessels must be taken as is. Commissioner Shoemaker requested that legal counsel review the contract once more before sending to Geveden Industrial to sign.

Motion to approve Geveden Industrial Contract after review from legal counsel Jim Jackson. 1st Commissioner Shoemaker, 2nd Commissioner Platt 5-0-0

2. Discussion and possible action on rate increase for 2024

A discussion was held on rate increases, Commissioner asked clarification questions of the Harbormaster on when rates were last increased. Discussion was held on creating a policy which raises short-term tenant rates annually.

Motion to approve rate increases as described in Agenda Support Document #2 and create a policy for annual increase for short-term rentals. 1st Commissioner Downie, 2nd Commissioner Platt, 5-0-0

A discussion was held on excluding commercial fishermen from the rate increase. Commissioners understand hardships that the fleet has faced and understand several fisheries are closed or have seen serious declines. A discussion was held on who would qualify for the

commercial fishermen exemption. The requirements for fish tickets verse active permits verse active vessel registration were discussed.

Motion to allow commercial fishermen who can provide evidence of active fishing permits and/or provide fish tickets within the last 36 months or who's fisheries are closed to not be subject to rate increases. 1st Commissioner Downie, 2nd Commissioner Platt 5-0-0

3. Discussion on the Saltonstall-Kennedy Grant application

A discussion was held on the project development of the SK grant that the Harbormaster has been working on. Commissioner Downie had some suggestions and Commissioner Platt reiterated the need for these types of programs.

No motion was made.

STAFF REPORTS AND RECOMMENDATIONS:

District Office:

FEMA Updates

The Harbormaster has agreed with and signed the Damage Description Declarations with FEMA listing out four projects. The four projects, damage to the floor of mooring basin, damage to the G dock piling, damage to the N. Harbor parking lot and damage to the sediment containment cell. The projects are now in review with FEMA and hopefully obligation will be the next step forward.

SLC Fish Cleaning Station

SHN has been working on the last step with City Works so that our County CDP application can be completed and approved for the Fish Cleaning Station. We hope to have a the Coastal Development Permit by January and begin work on the construction of the Fish Cleaning Station in early Spring.

Security Systems

After the Harbor District's security cameras went out over the summer we have successfully replaced the system and cameras and are 100% back to full monitoring of the Harbor District. We moved some camera placements to cover less of the roads and more of the marina. Our last system had been in place for roughly 8 years.

Attorney Report:

None

Matters from the Commissioners:

Commissioner Plat reported on the Pacific States Marine Fisheries Commission meetings that have been occurring over the past two weeks.

Commissioner Downie gave a report on the Bluefin Tuna run that has been happening out of Noyo Harbor.

ADJOURNEMENT: To the next regular meeting of Thursday December 14th at 6 pm, 2022.

Motion to adjourn at 7:30. 1st Commissioner Downie, 2nd Commissioner Albin 5-0-0

NOYO HARBOR DISTRICT
STATEMENT OF ACCOUNTS
1-Nov-23

| | |
|--------------------|----------------|
| Chase Checking | \$75,749.28 |
| Chase Money Market | \$134,064.33 |
| LAIF | \$1,704,033.45 |

| | |
|---------------------|--------------|
| SLC Funds Allocated | \$448,808.00 |
| SLC Funds Spent | \$80,112.80 |
| SLC Remaining | \$368,695.20 |

| | |
|----------------------------|-----------------------|
| Total of all accounts | \$1,913,847.06 |
| Total of NHD assets | \$1,545,151.86 |

Noyo Harbor District
Profit & Loss

November 2023

Nov 23

| | |
|--------------------------------|-------------------------|
| Ordinary Income/Expense | |
| Income | |
| Electricity | 415.82 |
| Ground Rent | 35.00 |
| Interest Income | 24.86 |
| Late Fees | 100.00 |
| Park & Launch | 4,347.00 |
| Slip Rental Contract | 28,445.03 |
| Slip Rental Transient | 869.94 |
| Total Income | <u>34,237.65</u> |
| Gross Profit | 34,237.65 |
| Expense | |
| Bank Charges | 250.00 |
| Communications Expense | 306.29 |
| Dues and Subscriptions Exp | 27.95 |
| Emp. Health & Dental Insurance | 4,403.68 |
| Fuel Expense | 283.95 |
| Insurance Property & Liability | 9,206.35 |
| Legal and Professional Fees | 2,090.00 |
| Office Expense | 245.69 |
| Operating Supplies | 452.35 |
| Payroll Tax Expense | 3,325.34 |
| Power | 3,671.80 |
| Repairs & Maintenance | 1,043.28 |
| Sep. Ira | 627.36 |
| Utilities Expense | 5,344.52 |
| Wages Expense (Hourly) | 11,391.68 |
| Total Expense | <u>42,670.24</u> |
| Net Ordinary Income | -8,432.59 |
| Other Income/Expense | |
| Other Income | |
| Grant Reimbursements | <u>10,421.76</u> |
| Total Other Income | 10,421.76 |
| Other Expense | |
| FEMA 4683 | 1,482.50 |
| Property Aquision | 1,927.50 |
| SLC Fish Cleaning Station | 375.00 |
| SLC Vessel Demo | <u>3,577.84</u> |
| Total Other Expense | <u>7,362.84</u> |
| Net Other Income | <u>3,058.92</u> |
| Net Income | <u><u>-5,373.67</u></u> |

Noyo Harbor District Profit & Loss Budget vs. Actual November 2023

| | Nov 23 | Budget | \$ Over Budget | % of Budget |
|--------------------------------|------------------|------------------|-------------------|---------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| Electricity | 415.82 | 1,250.00 | -834.18 | 33.27% |
| Encroachment Leases | 0.00 | 0.00 | 0.00 | 0.0% |
| Fish Markets | 0.00 | 250.00 | -250.00 | 0.0% |
| Ground Rent | 35.00 | 2,916.66 | -2,881.66 | 1.2% |
| Hoist Fees | 0.00 | 83.33 | -83.33 | 0.0% |
| Interest Income | 24.86 | 0.00 | 24.86 | 100.0% |
| Late Fees | 100.00 | 333.33 | -233.33 | 30.0% |
| Main Pier | 0.00 | 83.00 | -83.00 | 0.0% |
| Other Grant Proceeds | 0.00 | 1,600.00 | -1,600.00 | 0.0% |
| Park & Launch | 4,347.00 | 2,083.33 | 2,263.67 | 208.66% |
| Property Tax RevCurrent | 0.00 | 0.00 | 0.00 | 0.0% |
| Slip Rental Contract | 28,445.03 | 37,916.66 | -9,471.63 | 75.02% |
| Slip Rental Transient | 869.94 | 3,583.33 | -2,713.39 | 24.28% |
| Total Income | 34,237.65 | 50,099.64 | -15,861.99 | 68.34% |
| Gross Profit | 34,237.65 | 50,099.64 | -15,861.99 | 68.34% |
| Expense | | | | |
| Advertising Expense | 0.00 | 66.00 | -66.00 | 0.0% |
| Bank Charges | 250.00 | 9.95 | 240.05 | 2,512.56% |
| Communications Expense | 306.29 | 375.00 | -68.71 | 81.68% |
| Conferences & Meetings | 0.00 | 416.66 | -416.66 | 0.0% |
| CSP General | 0.00 | 0.00 | 0.00 | 0.0% |
| DBW SAVE 20/21 Grant | 0.00 | 0.00 | 0.00 | 0.0% |
| Deferred Maintenance | 0.00 | 833.33 | -833.33 | 0.0% |
| Dues and Subscriptions Exp | 27.95 | 1,000.00 | -972.05 | 2.8% |
| Emp. Health & Dental Insurance | 4,403.68 | 2,000.00 | 2,403.68 | 220.18% |
| Equipment Expense | 0.00 | 83.33 | -83.33 | 0.0% |
| Equipment Purchase | 0.00 | 333.33 | -333.33 | 0.0% |
| Fuel Expense | 283.95 | 416.66 | -132.71 | 68.15% |
| Insurance Property & Liability | 9,206.35 | 0.00 | 9,206.35 | 100.0% |
| Legal and Professional Fees | 2,090.00 | 4,416.66 | -2,326.66 | 47.32% |
| Office Expense | 245.69 | 983.33 | -737.64 | 24.99% |
| Operating Supplies | 452.35 | 583.33 | -130.98 | 77.55% |
| Outside Services | 0.00 | 83.33 | -83.33 | 0.0% |
| Payroll Tax Expense | 3,325.34 | 5,000.00 | -1,674.66 | 66.51% |
| Power | 3,671.80 | 4,583.33 | -911.53 | 80.11% |
| Professional Expense | 0.00 | 1,666.66 | -1,666.66 | 0.0% |
| Repairs & Maintenance | 1,043.28 | 2,333.00 | -1,289.72 | 44.72% |
| Salary Expense | 0.00 | 5,725.00 | -5,725.00 | 0.0% |
| Sep. Ira | 627.36 | 675.00 | -47.64 | 92.94% |
| Taxes & Assessments | 0.00 | 250.00 | -250.00 | 0.0% |
| Tsunami Haz Mid Grand | 0.00 | 0.00 | 0.00 | 0.0% |
| Utilities Expense | 5,344.52 | 5,666.66 | -322.14 | 94.32% |

Noyo Harbor District Profit & Loss Budget vs. Actual November 2023

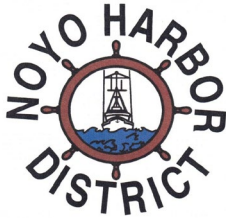
| | <u>Nov 23</u> | <u>Budget</u> | <u>\$ Over Budget</u> | <u>% of Budget</u> |
|----------------------------|-------------------------|------------------------|-------------------------|-----------------------|
| Wages Expense (Hourly) | 11,391.68 | 7,083.33 | 4,308.35 | 160.82% |
| Workers' Comp. | 0.00 | 1,000.00 | -1,000.00 | 0.0% |
| Total Expense | <u>42,670.24</u> | <u>45,583.89</u> | <u>-2,913.65</u> | <u>93.61%</u> |
| Net Ordinary Income | -8,432.59 | 4,515.75 | -12,948.34 | -186.74% |
| Other Income/Expense | | | | |
| Other Income | | | | |
| Grant Reimbursements | 10,421.76 | | | |
| Total Other Income | <u>10,421.76</u> | | | |
| Other Expense | | | | |
| FEMA 4683 | 1,482.50 | | | |
| Property Aquisition | 1,927.50 | | | |
| SLC Fish Cleaning Station | 375.00 | | | |
| SLC Vessel Demo | 3,577.84 | | | |
| Total Other Expense | <u>7,362.84</u> | | | |
| Net Other Income | <u>3,058.92</u> | | | |
| Net Income | <u><u>-5,373.67</u></u> | <u><u>4,515.75</u></u> | <u><u>-9,889.42</u></u> | <u><u>-119.0%</u></u> |

Noyo Harbor District

Paycheck history report

Paychecks from Nov 01, 2023 to Nov 30, 2023 for all employees from all locations

| Pay date | Name | Total pay | Net pay |
|------------|-------------------|-------------|-------------|
| 11/16/2023 | Koski, Bruce | \$ 716.04 | \$ 640.93 |
| 11/16/2023 | Koski, Jay | \$ 2,300.32 | \$ 1,764.93 |
| 11/16/2023 | Neumann, Anna T | \$ 2,825.00 | \$ 2,349.22 |
| 11/16/2023 | Scotfield, Robert | \$ 845.94 | \$ 737.51 |
| 11/02/2023 | Koski, Bruce | \$ 1,009.80 | \$ 867.37 |
| 11/02/2023 | Koski, Jay | \$ 2,509.44 | \$ 1,893.98 |
| 11/02/2023 | Neumann, Anna T | \$ 2,825.00 | \$ 2,349.22 |
| 11/02/2023 | Scotfield, Robert | \$ 910.31 | \$ 788.52 |



NOYO HARBOR DISTRICT AGENDA ITEM SUMMARY

AGENDA ITEM #: 1

MEETING DATE:
12/14/2023

TITLE

FEMA projects

RECOMMENDED ACTION

Recommendations

ANALYSIS

The Harbor District's FEMA projects are getting to the point where we need to start moving forward on permitting. However, we have not been given a date or timeline on when financial disbursements are going to occur.

Prior to project obligations 100% of the funds spent by the District are eligible for reimbursement, however once a project has begun the District will be responsible for 7% of the total project cost. We are unsure if moving forward with the permitting process will be viewed as starting the process and therefore be only eligible for 93% reimbursement or if we will be eligible for 100% reimbursement because we have yet to be obligated. Either way, we need to start the permit process, especially for the replacement of the piling that was broken at the end of G dock.

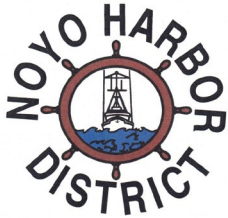
Staff is looking for recommendation on how rapid the commission would like staff and SHN to pursue the permitting process. Staff can work rapidly, incurring a significant amount of billable time from SHN or we can proceed a slower pace and spread those hours out over the next few months. Staff is unsure the actual number of hours required to move through the permitting process. Overall estimates that permits fees alone with cost roughly \$60,000 and projects are required to be 50% designed when permits are submitted. Several additional reports and studies must also be completed by the submission of the permits such as biological and archaeological, ect.

FISCAL IMPACT

Since we don't know when we will be obligated or the percent of the project FEMA will fund, we don't know the fiscal impact or how long the District will have until funds are dispersed.

ATTACHMENTS

None



NOYO HARBOR DISTRICT AGENDA ITEM SUMMARY

AGENDA ITEM #: 2

MEETING DATE:
12/14/2023

TITLE

EDD contract

RECOMMENDED ACTION

Approval

ANALYSIS

This contract was provided to the Harbor District for the Economic Development Department Community Economic Relief Fund Pilot Project that was funded for \$3.2 million. This project will fund the development of a new icehouse and a marine based entrepreneurial training program hosted and developed by West Business.

FISCAL IMPACT

None, this project was funded at 100%

ATTACHMENTS

EDD Contract



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STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

| | |
|--|--|
| AGREEMENT NUMBER M94103-7100 | PURCHASING AUTHORITY NUMBER (If Applicable) EDD-7100 |
|--|--|

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
Employment Development Department

CONTRACTOR NAME
Noyo Harbor District

2. The term of this Agreement is:

START DATE
September 01, 2023 or upon final approval, whichever is later

THROUGH END DATE
August 31, 2025

3. The maximum amount of this Agreement is:
\$3,203,872.00 (Three Million Two Hundred Three Thousand Eight Hundred Seventy-Two Dollars and No Cents)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

| Exhibits | Title | Pages |
|-----------------------|--|-------------|
| Exhibit A | Scope of Work | 6 |
| Attachment A-1 | Proposal Narrative | 15 |
| Attachment A-2 | Fiscal and Program Requirements | 5 |
| + - Exhibit B | Budget Details and Payment Provisions | 5 |
| + - Attachment B-1 | Proposed Budget | 3 |
| + - Attachment B-2 | Allowable Costs and Cost Items and Disallowable Costs | 2 |
| + - Attachment B-3 | Administrative Costs | 2 |
| + - Exhibit C * | General Terms and Conditions | GTC 04/2017 |
| + - Exhibit D | Special Terms and Conditions | 5 |
| + - Exhibit E** | Contractor's Response to Solicitation for Proposal | |
| + - Exhibit F** | Community Economic Resilience Fund Program Solicitation for Proposal | |
| + - | ** Items shown with double asterisk (**) are hereby incorporated by reference and made part of this Agreement as if attached hereto. | |

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

| | |
|--|--|
| AGREEMENT NUMBER M94103-7100 | PURCHASING AUTHORITY NUMBER (If Applicable) EDD-7100 |
|--|--|

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Noyo Harbor District

| | | | |
|--|--------------------|-------------|--------------|
| CONTRACTOR BUSINESS ADDRESS 19101 S. Harbor Drive | CITY Fort Bragg | STATE CA | ZIP 95437 |
|--|--------------------|-------------|--------------|

| | |
|--|-----------------------|
| PRINTED NAME OF PERSON SIGNING Anna Neumann | TITLE Harbormaster |
|--|-----------------------|

| | |
|---------------------------------|-------------|
| CONTRACTOR AUTHORIZED SIGNATURE | DATE SIGNED |
|---------------------------------|-------------|

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Employment Development Department

| | | | |
|--|--------------------|-------------|--------------|
| CONTRACTING AGENCY ADDRESS 722 Capitol Mall, MIC-62 | CITY Sacramento | STATE CA | ZIP 95814 |
|--|--------------------|-------------|--------------|

| | |
|---|---|
| PRINTED NAME OF PERSON SIGNING Lauren Prizmich | TITLE Chief, Office of Procurement Contracting & Admin |
|---|---|

| | |
|---|-------------|
| CONTRACTING AGENCY AUTHORIZED SIGNATURE | DATE SIGNED |
|---|-------------|

| | |
|--|--|
| CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL | EXEMPTION (If Applicable) SCM Vol. 1 section 4.06 |
|--|--|

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

1. This Agreement is entered into by and between the Employment Development Department, hereinafter referred to as the EDD, and the Noyo Harbor District, hereinafter referred to as the Grantee, for the purposes of Completion of the Noyo Harbor Revitalization Project.
2. The Grantee will comply with the terms and conditions set forward in this Agreement, guidance provided by the EDD and the Community Economic Resilience Fund (CERF) Inter-Agency Leadership Team during the agreement period, the Solicitation for Proposal (SFP) for the Economic Development Pilot Program Year 2022-23, and the Grantee's response to the SFP, which, by this reference are both incorporated and made part of the Agreement.
3. The Project Representatives during the term of this Agreement will be:

State Agency

Employment Development Department
Attn: Adriana Avalos
722 Capitol Mall, MIC 50
Sacramento, CA 95814
Phone: 916-839-9958
E-Mail: adrianac.avalos@edd.ca.gov

Grantee

Noyo Harbor District
Attn: Anna Neumann
19101 S. Harbor Drive
Fort Bragg, CA 95437
Phone: 707-964-4719
E-mail: noyohd@yahoo.com

Changes to the EDD contract representative will not require an amendment to the contract.

4. Required Collaboration
 - A. Collaboration with the CERF Inter-Agency Team:
Project monitoring and oversight is essential to ensure the Project stays within scope and is completed on schedule and within budget in accordance with this Agreement. The Grantee is required to work with the CERF Inter-Agency Team and participate in regularly scheduled reporting meetings. The Grantee may be required to participate in larger CERF convenings in person or virtually depending on the scope of the meeting.
 - B. Collaboration with CERF High Road Transition Collaboratives:
The Grantee is required to participate in the High Road Transition Collaborative in the region applicable to this project. Participation will be facilitated by the State upon the start of the project.

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

- C. Collaboration with the CERF Program Evaluator:
The State will pursue a statewide developmental evaluation to explore the success of the CERF Program and of the activities awarded through the Economic Development Pilot alongside other grant activities. The Grantee is required to participate in that evaluation by providing the requested data and information. Therefore, throughout the period of performance, the Grantee and its subrecipients and subcontractors must document lessons learned and effective practices ascertained through this project. At designated points throughout the fiscal year, the CERF Inter-Agency Leadership Team may set annual priorities, evaluate progress against goals and objectives, discuss new strategies to improve program outcomes and align available funding to maximize results for the State.
5. The State shall have no obligation to disburse money for the project under this Grant Agreement until the Grantee has satisfied the following conditions:
- A. For the term of this Agreement, the Grantee submits timely required reports.
 - B. The Grantee submits all deliverables as specified in this Agreement and in Attachment A-1 "Proposal Narrative".
 - C. Prior to the commencement of construction or implementation activities, the Grantee shall submit the following to the State:
 - i. When applicable, final plans and specifications certified by a California Registered Civil Engineer as to compliance for the approved project as described in Attachment A-1 "Proposal Narrative" of this Agreement.
 - ii. A final Monitoring and Maintenance Plan as required in the Attachment A-2 Fiscal and Program Reporting Requirements.
 - iii. Work that is subject to the California Environmental Quality Act (CEQA) and/or environmental permitting shall not proceed under this Agreement until the following actions are performed:
 - a. The Grantee submits to the State all applicable environmental permits;
 - b. Documents that satisfy the CEQA process are received by the State;
 - c. The State has completed its CEQA compliance review as a Responsible Agency; and
 - d. The Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

The EDD's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations, or other mitigation. The Grantee must also demonstrate that it has complied with all applicable permits and/or requirements, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

6. Security Interest

Where the Grantee acquires property in fee title or funds improvements to real property using funds provided through this Grant Agreement, the Grantee shall not use the property for purposes other than, different from, or inconsistent with the purposes set forth in the Agreement (“Use Restriction”). The Grantee shall grant a security interest, approved by the EDD, to the EDD to secure the Use Restriction and the Grantee’s obligations under the Grant Agreement. Prior to the close of escrow, Grantee must provide signed escrow instructions, approved by the EDD, showing that the security interest will be recorded in first position, ahead of any recorded mortgage or lien on the property, unless this requirement is waived by the EDD. Failure to provide a security interest or other title restriction acceptable to the EDD may result in termination of this Agreement.

7. Operation and Maintenance of Project

For the useful life of construction and implementation projects and in consideration of the funding made by the EDD, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted.

The EDD shall not be liable for any cost of such maintenance, management, and/or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Agreement, “useful life” means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; “operation costs” include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and “maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of the Grantee to ensure operation and maintenance of the Project in accordance with this provision may, at the option of the EDD, be considered a breach of this Agreement and may be treated as default under “Default Provisions.”

8. Default Provisions

The Grantee will be in default under this Agreement if any of the following occur:

- A. The Grantee has materially and substantially breached the terms and conditions of this Agreement.
- B. Making any false warranty, representation, or statement with respect to this project or the application filed to obtain this Agreement.
- C. Failure to operate or maintain the project in accordance with this Agreement.
- D. Failure to submit timely progress reports.
- E. Failure to routinely invoice the State.
- F. Failure to meet project requirements, including but not limited to permit requirements, CEQA and/or NEPA requirements.

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

Should an event of default occur, the EDD shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to address the default from the date the electronic notice is sent. If the Grantee fails to address the default within the time prescribed by the EDD, the EDD may do any of the following:

- A. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- B. Terminate any obligation to make future payments to Grantee.
- C. Terminate the Agreement.
- D. Take any other action that it deems necessary to protect its interests.

In the event the EDD finds it necessary to enforce this provision of this Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the EDD including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

9. Project Inspections

The EDD shall have the right to inspect the work being performed at any and all reasonable times during the term of the Agreement. This right shall extend to any subcontracts, and the Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Agreement with the EDD.

10. Required Notices

The Grantee shall promptly notify the EDD, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget or work performed under this Agreement. The Grantee agrees that no substantial change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to the EDD and the EDD has given written approval for such change. Substantial changes generally include but are not limited to changes to the scope of work and/or budget.
- B. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by the CERF Inter-Agency Team representatives. The Grantee shall make such notification at least 14 calendar days prior to the event.
- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the EDD has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the EDD.
- D. The initiation of any litigation or the threat of litigation against the Grantee regarding the Project or that may affect the Project in any way. Grantee shall notify the EDD within 10 calendar days.
- E. Final inspection of the completed work on a project as required by any city, county, state, and/or federal requirements associated to the project. Grantee shall notify the EDD of the inspection date at least 14 calendar days prior to the inspection.

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

11. Agreement Amendments

The Grantee will have the opportunity to submit modifications during the period of performance to accurately reflect necessary adjustments for the success of the Economic Development Pilot. All modifications will require written approval from the EDD. Except as otherwise specified, the Grantee must request and obtain prior written approval before any modification (amendment) to this Agreement is valid.

A. Request for amendments must:

- i. Be prepared, in writing, on official letterhead and signed by the Authorized Signatory or designee on file with the Department.
- ii. Include a detailed explanation of the proposed amendment, reason for the amendment, and the effect of not approving the request.
- iii. Include a copy of the document(s) requested for amendment that shows the requested changes.

B. Funding Amendments:

- i. The proposed funding is based on the anticipated availability of relevant funds. Should funding availability change, the EDD reserves the right to make any necessary amendments to the agreement amount.

C. Period of Performance Amendments:

- i. Failure to successfully meet Economic Development Pilot scope of work requirements may result in full or partial de-obligation of the funding and/or a shorter period of performance of this Contract.
- ii. Amendment extensions beyond September 30, 2026, are subject to CERF legislative changes and final approval from the CERF Inter-Agency Leadership Team.

D. The EDD reserves the right to request project modifications and agreement amendments as necessary for the success of the project.

E. No oral understanding or change not incorporated in this Agreement is binding on any of the parties.

12. Glossary of Terms

CERF Program: The CERF program is designed as a two-phase grant structure (Planning Phase and Implementation Phase) that supports bottom-up regional planning processes and invests in projects to advance regional economic and community development. The CERF Planning Phase focuses on five objectives: equity, sustainability, job quality and access, economic competitiveness, and economic resilience. During the CERF Planning Phase (2022-2024), each region must establish their own planning tables – termed High Road Transition Collaboratives (HRTCs) - with regional collaboration, partnerships, and key sectors to ensure they build equitable, inclusive, and sustainable economic plans.

CERF High Road Transition Collaboratives: During the Planning Phase, the CERF program provided up to \$5 million dollar planning grants per HRTC per region in 13 regions for a total of \$65 million in planning grants. The HRTCs will be composed of an administrative Fiscal Agent, a Regional Convener, and a wide range of diverse partners reflecting the diversity of each region. Planning grants will be administered jointly by the Fiscal Agent and/or Regional Convener.

EXHIBIT A
SCOPE OF WORK
(Standard Agreement)

The HRTCs are expected to implement transparent and inclusive processes to advance long-term prosperity and equity, work directly with Regional Climate Collaboratives, and include balanced representation from diverse stakeholders. These stakeholders include labor, business, community, government, and other stakeholders, including, but not limited to, economic development, philanthropy, education, and workforce partners.

CERF Inter-Agency Leadership Team: The Inter-Agency Leadership Team, comprised of the Labor and Workforce Development Agency, the Governor's Office of Planning and Research, and the Governor's Office of Business and Economic Development, is responsible for planning, oversight, and decision-making for the CERF program.

CERF Inter-Agency Team:

- A. The Labor and Workforce Development Agency (LWDA): LWDA will provide oversight to ensure that CERF program and this project remain in alignment with labor and workforce development objectives.
- B. The EDD: EDD's Workforce Services Branch (WSB) will be responsible for the management and execution of this grant, including the administration of and accountability of this project.
- C. The Governor's Office of Planning and Research (OPR): OPR will manage the design and operations of the program. In addition, OPR will be responsible for providing technical assistance, intended to support and guide processes and deliverables for this project.
- D. The Governor's Office of Business and Economic Development (GO-Biz): GO-Biz will provide support with outreach, technical assistance, and capacity building in collaboration with the Evaluation and Technical Assistance providers.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

Applicant Name: Noyo Harbor District

Project Name: Noyo Harbor Revitalization Project

Project Category: Infrastructure and Community Facility Development; Entrepreneurship and Access to Capital

Project includes workforce component: Yes No

Number of projected participants: 600 Not Applicable

Section I. Alignment with CERF

A. General Project goals, outputs, and outcomes

Over the decades, the Noyo Harbor District in rural Mendocino County has had to confront economic, environmental, and regulatory changes that have both reduced and changed fishing opportunities and practices. What has arisen is a strong, resilient community that is both strategically and geographically positioned to become a vital economic driver and essential player in California's thriving blue economy, defined by the World Bank as "the sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean ecosystem health." The concept of the blue economy emphasizes the importance of using ocean resources in a way that balances economic benefits with the need to conserve marine biodiversity and protect the ocean's ecosystem. It aims to create a future where ocean-based industries are sustainable and contribute to the overall well-being of coastal communities, as well as the global economy.

The Noyo Harbor Revitalization Project will increase commercial and recreational economic capacity in the disinvested, high poverty/low-income area of Fort Bragg, and also throughout the northern coastal communities, increasing the quality and quantity of jobs while serving as a foundation in the overall structure of the high road blue economy. A significant investment now in access to competitive production-assisting technologies that are energy efficient and environmentally sustainable, combined with innovative entrepreneurial marine-based business training programs, will serve as the cornerstone of equitable and environmentally responsible economic growth and shared prosperity for the entire region, ensuring steady employment at living wages, increased job opportunities, and a more educated and informed workforce. For more than 72 years, Mendocino County's Noyo Harbor, an all-weather port receiving the most traffic of all ports between Bodega Bay and Humboldt Bay, has played a central role in the region's commercial and recreational fishing industry. Consistently ranked in the top 10 commercial ports in California in terms of ex-vessel value of commercial fish landings, the harbor consistently provides important healthy food sources, enhanced careers, economic community benefits, and serves as an enduring part of the area's cultural heritage. Commercial and recreational fishing, tourism, restaurants, and marine services are dependent on this working harbor, both supporting and relying upon port infrastructure, waterfront businesses, and informed consumers. Maintaining a working waterfront is a key priority for the region, as identified by the Noyo Harbor District's Community Sustainability Plan (CSP), a comprehensive strategic plan for harbor activities and improvements that are intended to generate broad economic, community, and environmental benefits.

ATTACHMENT A-1 PROPOSAL NARRATIVE (Standard Agreement)

Project Goals

The first goal of the Noyo Harbor Revitalization Project is to purchase and install a new ice house (ice-making facility) for Noyo Harbor, a critical piece of infrastructure it desperately needs. Flake ice is critically important for both commercial and recreational fishermen. The existing privately owned ice house structure is extremely dilapidated and not economically viable. It provides lower quality ice at a price per ton 100% more expensive than ice in Bodega Bay and over 160% more expensive than in Humboldt Bay. The need is great for the harbor to have climate friendly, energy-saving technology to assist in growing a future carbon neutral economy whilst preserving and strengthening the blue economy. An economically sustainable, solar-powered functional ice house will directly serve the needs of the fishing community by lowering one of their major operating costs, thus making the entire fleet more competitive and ensuring the continued viability of the working waterfront.

Outputs & Outcomes

1. Ice house: *Infrastructure and Community Facility Development*

The purchase and installation of a new environmentally sustainable ice house is one of the first steps in supporting the revitalization and sustainable redevelopment of Fort Bragg's Noyo Harbor and will serve as the catalyst for Mendocino County's new blue economy. This Project will specifically benefit 80 commercial fishing vessels which are currently located in Noyo Harbor. These 80 commercial vessels represent over 240 vessel-based jobs and another 60 land-based jobs.

Ice house Project Outcomes:

- Over a two-year period, Noyo Harbor expects to increase the current fleet roster by 10% to 88 vessels, which will in turn increase by 16% the number of deckhands and crew working for living wages. This is a direct increase in the number of quality jobs and businesses in the disinvested community of Fort Bragg and surrounding areas.

- This Project will stabilize and retain 300 deckhand/captain, processor, and shipper jobs in the commercial fishing industry of Noyo Harbor, and transition at least 100 jobs to higher wage positions. This stabilization will increase the quality of jobs in the disinvested community of Fort Bragg and surrounding areas. After the ice house is launched it is anticipated there will be a 10% growth in high-wage jobs.

Ice house Project Outputs:

Stabilize and retain businesses within and around Noyo Harbor: There are five fish buyers that purchase fish from the fishermen and sell fish into the global markets. Of the five fish buyers, three also have processing capacities to filet or otherwise process seafood before it is shipped out of the harbor. There is a retail fish market, vessel maintenance and repair facilities, and a shipbuilding facility. Noyo Harbor also supports six charter fishing vessels, sport fishermen, pleasure boaters, numerous restaurants, gift shops, a distillery, and a vacation rental business, all of which are frequented by tourists who flock to the coast.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

Stabilize and Retain Agencies' Ability to Protect the Environment: In addition to the businesses that surround the commercial fishing industry, government agencies provide a significant number of jobs to manage the commercial fleet. The California Department of Fish and Wildlife field office in Noyo Harbor employs marine scientists, dockside catch monitors, dockside biological samplers, and marine resource managers, as well as an enforcement division of Fish and Wildlife Wardens. The West Coast Groundfish Observation program stations fisheries observers in Fort Bragg who act as the federal oversight for many local fisheries. All of these jobs require advanced education. The U.S. Coast Guard maintains a station at the harbor and houses its two 47-foot motor lifeboats on the Noyo River. Each of these agencies is supported by the commercial fishing fleet.

Metrics can be achieved by providing technologically advanced infrastructure for the fishing industry. An ice house that is owned and operated by the Harbor District free and clear will reduce the fleet's reliance on outdated, dilapidated, and unreliable infrastructure, and the ability to purchase ice at a competitive market rate will increase the overall profitability of the commercial and recreational fishing industry in the area.

**2. Entrepreneurial Marine-Based Training Program & Community Fish Market:
*Entrepreneurship and Access to Capital***

The second Project goal will capitalize on the energy and community investment currently being directed toward the Harbor. West Business Development Center, with over 30 years of experience serving this area with technical assistance, will a) develop an Entrepreneurial Marine-Based Business Training Program to foster job creation, skill development, and improve job quality and access to capital for commercial and recreational fishing and related industries, areas that have been traditionally underserved and underrepresented from an economic standpoint, and b) establish a robust Community Fish Market to increase opportunities for revenue generation and expanded profitability.

The development of a marine-based entrepreneurship training program will provide small business owners and emerging entrepreneurs with skill development and opportunities for revenue generation, peer-to-peer learning, and community partnerships to grow and expand their businesses. The establishment of a consistent and robust community fish market will act as an incubator to allow businesses to experiment with the new skills, tools, and processes they acquire during training and mentoring. Since this work will take place in Fort Bragg and Noyo Harbor, it will directly benefit disinvested communities. The City of Fort Bragg is designated as a High Poverty and High Unemployment Area by the California Governor's Office of Business and Economic Development, and is designated low-income by the Department of Housing and Community Development.

Training Program & Community Fish Market Outcomes:

- Over the two-year period, the entrepreneurial marine-based training program will serve 120 entrepreneurs with innovative training models that build financial capacity and generate revenue; of those participants at least 80% will be from disinvested communities, and 10 will be women-owned businesses.
- The community fish market will secure between 20-25 vendors per month, increase off-the-boat fish revenue by 20%, and attract between 100-150 customers per market day.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

Entrepreneurial Marine-Based Training and Community Fish Market Output:
Increased awareness and understanding of new marine-based business opportunities:
Participants in the program will gain a deeper understanding of the latest trends and market opportunities of the blue economy.

Improved entrepreneurial skills: The program will provide training to develop entrepreneurial skills, including marketing, financial management, and business expansion planning.

Networking opportunities: Participants in the incubator marketplace will have the opportunity to network with other marine-based entrepreneurs, industry professionals, and community members.

Increased access to capital and support: Participants will have access to funding support to help them start or grow their marine-based businesses, including access to investors, lenders, mentors, and other resources.

Increased business revenue using sustainable business practices: With the knowledge of environmentally sound business practices, support will be gained to adopt new regenerative business models.

Facilitated Peer-to-Peer instruction: Adults often learn better from each other than they do from formal instruction. When peers engage in learning together, they can reinforce each other's understanding of the material, leading to better retention of the information.

B. Project Industry, Geography and Stakeholder group
Project Industry

The Project is focused on supporting the commercial and recreational fishing and related marine industries in Fort Bragg's Noyo Harbor District on the Mendocino County coast. Commercial fishing has had a significant economic impact on the California coast and is an important source of livelihood for many coastal communities in California, providing employment and income for a large number of people. In recent years, the industry has faced challenges such as declining fish populations due to climate change, fluctuations in consumer demand, and increased regulations, which have affected its overall economic impact. However, despite these challenges, the commercial fishing industry continues to be a major contributor to the state's economy generating billions of dollars in revenue each year. The seafood industry, including both commercial fishing and aquaculture, is estimated to support over 40,000 jobs in California and to have a total economic impact of over \$1 billion annually. Additionally, commercial fishing provides a valuable source of fresh and locally sourced seafood to consumers, which is important for both the local economy and the overall sustainability of the industry. Recreational and commercial fishing has been a significant contributor to the economy in Northern California. According to the California Department of Fish and Wildlife, the recreational fishing industry generates over \$4 billion in economic activity annually, while the commercial fishing industry generates over \$1 billion in economic activity. Commercial fishing provides jobs for fishermen and support industries, such as boat building and maintenance, fishing gear and equipment manufacturing, and seafood processing and distribution.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

The seafood industry also supports numerous small businesses and local restaurants, providing a significant boost to the local economy.

Project Geography

The Project location is Mendocino County, a rural county located on the north coast of California bordering Humboldt, Lake, Sonoma, Trinity, Glenn, and Tehama counties and the Pacific Ocean. The county spans 3,878 square miles and is mostly forested, with high mountains, broad valleys, steep canyons, lakes, rivers, and a rugged coastline shaping its topography. Its coastline stretches 90 miles between Sonoma County to the south and Humboldt County to the north. Mendocino County is home to 10 federally recognized Native American tribes and a number of non-federally recognized tribes.

The specific Project site is the Noyo Harbor in Fort Bragg, a small city on the coast of Mendocino County approximately 164 miles north of San Francisco. The Harbor is part of the Noyo Harbor District, which encompasses 43 square miles and extends from the community of Cleone on the north to the community of Caspar on the south. It includes all of the land within the City of Fort Bragg and extends inland approximately four miles.

Fort Bragg has just under 7,000 residents and it is a popular tourist destination because of its spectacular coastline and majestic redwood forests. Among its notable points of interest are Glass Beach, the California Western Railroad's "Skunk Train," the Noyo Center's "Discovery Center," and the recently opened Noyo Headlands Park which features a four-mile section of the California Coastal Trail.

Stakeholder Group

This Project will directly target a stakeholder group from a disinvested community that for decades has experienced a lack of investment and economic development, which led to a decline in infrastructure, services, and job opportunities.

The City of Fort Bragg has a current population of 6,970: 34.9% are Hispanic or Latino and nearly 25% speak a language other than English at home. The poverty rate is 18.6% and 23% of residents have a bachelor's degree or higher. According to the Department of Housing and Community Development, the median area income for a family of four in Mendocino County is \$80,300. In the City of Fort Bragg alone, the median household income (in 2021 dollars) was \$46,174, which, according to the Department of Housing is considered low-income for a family of one (\$46,000), and very low-income for a family of four (\$40,150). From 2019 to 2020, employment in Fort Bragg declined at a rate of -8.29%, from 3.05k employees to 2.8k employees.

Both Mendocino County and the City of Fort Bragg are disinvested communities:

- The tribal communities of Manchester/Point Arena on the south coast, Sherwood Valley to the east, and Laytonville and Round Valley to the northeast are identified as disadvantaged communities by the California Environmental Protection Agency;
- The City of Fort Bragg is designated as a High Poverty and High Unemployment Area by the California Governor's Office of Business and Economic Development;

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

- The City of Fort Bragg is designated low-income by the Department of Housing and Community Development.

C. Project Regional Need

Mendocino County is a rural community in transition. Historically, commercial fishing played a key role in the economic base of Mendocino County. Fort Bragg's Noyo Harbor produced quality fish products that were distributed to major metropolitan markets. In recent years, largely due to the impacts of climate change, the commercial and recreational fishing industries have declined precipitously. The decline of these industries - combined with the COVID-19 pandemic, a series of climate-related natural disasters such as drought and wildfire, demographic shifts, and years of muted economic growth – has pushed long-standing, systemic vulnerabilities to the forefront and exposed a fragile economy that lacks the resiliency needed to weather transitions and environmental and economic changes.

Today service and tourism industries dominate the economy in Fort Bragg, industries that do not lend themselves to full-time, high wage employment opportunities.

As a vital piece of the area's economic base, Noyo Harbor has the potential to grow and thrive providing high-wage employment opportunities that are environmentally sustainable and accessible to a broader and more diverse working population.

Noyo Harbor consistently ranks in the top 10 commercial ports in California in terms of ex-vessel value of commercial fish landings. One of four main fishing ports between San Francisco and the Oregon border, it is the only harbor of refuge between Bodega Bay in Sonoma County and Humboldt Bay in Humboldt County. Between 2013 and 2017, commercial fishermen landed 5 to 8.4 million pounds of fish annually in Noyo Harbor, with an annual inflation-adjusted value of \$8.2 to \$14.5 million. Noyo Harbor is also one of California's top four producing ports for Dungeness Crab, the West Coast fishery that is valued at between \$34 million and \$84 million annually.

Because Noyo Harbor is the only viable fishing port between Humboldt and Bodega Bay, and with the rise of a multi-million dollar Noyo Ocean Marine Science center to be built a few miles away, Noyo Harbor is a strategic opportunity within the blue economy. It will not only benefit nearshore ocean ecosystems and improve livelihoods and quality of life for locals, this Project will also enrich the coastal experience of visitors, bolster the economy of the State of California, as well as inform the body of global research tasked to develop solutions to a rapidly changing climate.

D. How the Project Relates to the Process from Which it Emerged

In 2019, the Noyo Harbor District adopted a Community Sustainability Plan (CSP) which offers a long-term, strategic roadmap to help identify key priorities and allocate resources to support commercial fishing and broader harbor-related interests. The CSP process is community-driven, and it is intended to give the commercial fishing industry a stronger voice about decisions regarding physical infrastructure and harbor management, as these decisions can directly affect their livelihood.

ATTACHMENT A-1 PROPOSAL NARRATIVE (Standard Agreement)

The Harbor District and the community it serves recognize Noyo Harbor's importance in providing jobs in the commercial fishing industry as well as in marine-related recreation and tourism. The CSP recommends eleven priority projects, the first of which is to replace the fuel dock at the harbor, an undertaking that has many budgetary and regulatory challenges. The second priority, which is one of the goals of this grant, is to replace the existing, privately-owned, and dilapidated ice house with a modern prefab facility, because the current ice house is inadequate to support the Harbor District's revitalization strategic roadmap and is an essential element to the refurbishment and redevelopment of Noyo Harbor.

Alignment with CERF Priorities & Values

A. Relevant labor standards align with the high road vision of the program

The development of the new ice house and entrepreneurship training is the first step in the Noyo Harbor District's three-stage plan to reinvigorate commercial fishing. Relevant labor standards of fair wages and benefits, safe and healthy working conditions, training and career development, and equal employment opportunities align with the high road vision of the Project. Improved infrastructure conditions, access, and communications at Noyo Harbor will attract a more diversified and higher-compensated workforce on boats as well as associated harbor businesses, such as restaurants, maritime repair businesses, and other service industries. This will result in an increase in quality jobs and more employment opportunities for the low-to-moderate income population of Fort Bragg and surrounding areas.

Job Quality & Access

Despite Noyo Harbor's active role in the coastal fishing economy and industry, its fishermen struggle financially as the overhead to acquire and process their catch is much higher than at other ports in California. Every fishing vessel in Noyo Harbor is its own small business. Just like a shore-based business, the boat captain invests in equipment, hires staff and pays wages, sets hours, and sells a product. The cost of ice is more than double at Noyo Harbor versus other ports and the lack of a fuel dock results in diesel fuel costing between \$1.50 to \$2.00 more per gallon. Deckhands are typically paid a portion of what the fishing vessel makes over the course of the fishing season after expenses are taken off the top. Higher vessel operating costs mean less money in the pockets of these workers. A functional ice house, additional markets for revenue generation, and programs focused on business skills development will help lower major operating costs and increase opportunities for profitability, thus making the entire sector more competitive. Additionally, reducing overall expenses for vessels contributes to more stabilized jobs and higher wages for workers.

Economic Resilience

A Harbor District-owned ice house is the best way to ensure ongoing stability and economic resiliency for the harbor itself, the region, and fishing industry. The District will own the infrastructure free and clear with the only inputs being power and water when ice is being made and stored. Improved harbor infrastructure such as increased access, additional boat slips and berths, and safer conditions will increase revenue for the Harbor District. Harbor fees vary based on time periods and length of vessel or berth so attracting additional vessels to the area will benefit the entire district.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

The ice house directly ties into an off-the-boat sales model that the Harbor District has been working to develop with the smaller commercial fishing vessels. Selling fish off their own vessels allows the fishermen to sell directly to the end consumer at a higher price than selling to a fish processor or fish buyer. The availability of ice has always been a limiting factor in off-the-boat sales. When fishermen return to shore their ice is usually dirty and half-melted, making it unappealing to customers, so re-icing their fish before they begin off-the-boat sales is critical for public appeal. Education on consumer buying practices and packaging techniques for their fish before they begin off-the-boat sales is one of the critical steps to increasing public sales.

Economic competitiveness

A functional ice house and lower-priced ice will allow fishermen to hold products longer to take advantage of higher market prices, expand market opportunities for vertical integration resulting in higher profits, and facilitate new and competitive niche local and regional markets in which buyers such as restaurants and households can reliably purchase small quantities of fish on a regular and dependable schedule.

The off-the-boat fish sales are part of a plan for a larger monthly community fish market to be held in Noyo Harbor. The market will be open to food, craft, and other vendors as well as musicians and food trucks with the goal of attracting community members and tourists alike to the marina to introduce them to multiple fishermen in one event. The event is designed to break down the barriers between the fishing fleet and the community when it comes to buying fish off a boat, rather than from a grocery store. It will serve as an incubator to hone selling techniques and point of sales marketing.

B. The Project will Provide Direct, Long-Term Benefits to Disinvested Communities

In alignment with the CERF value of Equity, this Project serves the disinvested community of Fort Bragg as well as women and BIPOC individuals who comprise a meaningful portion of the harbor workforce and will be positively impacted by this Project. Although traditionally fishing has been thought of as "man's" work, today more and more women are entering the industry. Noyo Harbor's Harbormaster is a woman, and the harbor is also home to two female captains who have made names for themselves in the industry, not because of their gender but because of their skill, knowledge of the industry, and the respect they have rightfully earned over their 30 year careers. One was the first female commercial urchin diver in California, and the other is making waves with her business, the F/V Princess, that has an all-woman fishing crew, successful restaurant, and thriving seafood market, which are highly popular among locals and tourists alike.

A large Hispanic population is also employed by Noyo Harbor and surrounding service industries: Hispanic men work as crew or deckhands on commercial vessels and a significant number of Hispanic women work in fish processing facilities fileting fish, cleaning urchins, and packing fish to ship to the global market. They are a critical piece of the local workforce. It is many of these lower paying jobs that will be directly affected by this Project, leading to higher wages and more consistent employment opportunities.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

C. Greenhouse Gas Emissions Mitigation

This Project directly ties to the CERF value of Sustainability, as one of the primary drivers of this Project is to address and mitigate the effects of climate change and an over-reliance on traditional extractive industries in Mendocino County by supporting the development and expansion of the blue economy as a strategy to bolster the region's economy and preserve and protect its important environmental assets.

The new ice house will be energy efficient and environmentally sustainable. The structure will be powered by solar energy via installed panels on the top container and use green energy from the local energy aggregator. More efficient ice-making and refrigeration systems will reduce energy consumption and water use, and by enabling boats to ice up locally versus steaming to other ports, will reduce the carbon footprint of diesel engine emissions. The structure will be built with an eye to the future and its relative portability means it can be adjusted and/or relocated if required by the effects of climate change, such as sea level rise.

D. Community Outreach and Engagement Process

In addition to the CSP commissioned by the Noyo Harbor in 2019, which identified the replacement of the ice house as a main priority, over the past two years the City of Fort Bragg has led an inclusive regional conversation exploring the potential of blue economy investment in the region in order to develop a resilient and vibrant coastal community.

This regional planning effort spurred the formation of the Noyo Ocean Collective, a unique partnership among the City of Fort Bragg, Noyo Harbor District, Sherwood Valley Band of Pomo Indians, Mendocino College, West Business Development Center, Mendocino County and Noyo Center for Marine Science, and nurtured strong partnerships with California's Sea Grant Program and the Nature Conservancy as well as the Port of San Diego's Aquaculture and Blue Economy Innovation Program. In May 2022, the City convened a Blue Economy Symposium & Learning Festival event that showcased local harbor entrepreneurs, conservation and commercial aquaculture leaders throughout California, and attracted keynote speeches from California State Controller Betty Yee and U.S. Second District Congressman Jared Huffman. Fort Bragg has recently received funding through the California Coastal Commission to conduct an analysis – the Noyo Harbor Blue Economy Visioning, Resiliency and Implementation Plan – to gather comprehensive baseline information about the existing environmental, physical, and economic conditions of Noyo Harbor In order to prepare the area in and around Fort Bragg for a changing climate and position the region for sustainable blue economy investment and coastal resiliency. Inclusive regional collaboration and agency coordination will be required in order to accomplish the plan and will involve effective and efficient community engagement. The proposed communication and engagement component of the plan will provide opportunities for input by the public, direct stakeholders, harbor and marina tenants, businesses, other facility users, as well as the surrounding communities and other relevant stakeholders, as well as provide a clear guide, an understanding of roles, responsibilities, actions, accountability, and outcomes of the Project. The findings of the plan will result in updates to both the City of Fort Bragg and the County of Mendocino Local Coastal Programs (LCPs).

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

Section II: Project Design and Implementation

A. Project Goals, Objectives, Outputs and Outcomes

1. Ice House

The new ice house building will consist of a pre-assembled ice plant housed in three 40-foot containers that can be stacked. The plant's only inputs will be power and water. The plant will be powered by solar energy via panels installed on the top container and an adjacent building and/or green energy from the local energy aggregator. The structure is relatively portable meaning it can be adjusted and/or relocated if required by the effects of climate change, such as sea level rise.

The new ice house will use more efficient ice-making and refrigeration systems that will reduce energy consumption and water use. Boats can ice up locally versus steaming to other ports for ice, thus reducing the carbon footprint of diesel engine emissions.

A functional ice house with competitive pricing keeps more money circulating in the area, contributing to positive reverberating economic impacts throughout the region. Boat captains will also save time by not having to load ice at other ports. The ice house will have modern technology in the form of keycard access, making the ice house accessible 24/7 for the fishing community, and an automated billing system that will streamline operations for the harbor staff. The ice house will also be available for use by recreational fishermen who use the harbor as a base for tuna fishing and other catch. Improved infrastructure at the harbor, including increased access, additional boat slips and berths, and safer conditions, all will increase revenue for the Harbor District.

In addition to supporting economic and climate resilience, the Project will encourage social resilience, which is built on the capacity of a community to inform, marshal broad and meaningful engagement, and find common ground to collectively address problems and move forward.

Ice house Metrics

- Over a two-year period, Noyo Harbor is expecting to increase the current fleet roster by 10% to 88 vessels which would in turn increase by 16% the number of deckhands and crew working for living wages. This will be a direct increase to the number of quality jobs and businesses in a disinvested community.
- The Project will stabilize and retain 300 deckhand/captain, processor, and shipper jobs in the commercial fishing industry in Fort Bragg and transition at least 100 jobs to higher wage positions. This stabilization will increase the quality of jobs in a disinvested community.
- After the ice house is launched it is anticipated there will be a 10% growth in high-quality jobs.

2. Entrepreneurial Marine-Based Training Program

Every fishing vessel in Noyo Harbor is a unique small business. Training and learning experiences must be flexible, varied, and targeted to the needs of the moment.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

West Business Development Center has over 30 years of experience with business technical assistance training. Noyo Harbor District will subcontract with West Center to develop a relationship with the fishing fleet and ancillary businesses to provide business technical assistance services specifically tailored for them. West Center will hire a full-time marine program manager and utilize its 12 contracted business advisors to foster new connections and seek out more opportunities for growth.

Once created and documented, this model can be used by other working waterfronts to expand their fleet and increase revenue. The fishing community has been a neglected part of the business community. This Project will provide the opportunity to make lasting connections and bring new insights for diversification opportunities as the blue economy grows in the region. In addition to education on financial capacity building and cost flow management, our training will also focus on mitigating or adapting to present day hazards and developing low-carbon alternatives to reducing GHG emissions.

With the community fish market as an incubator space, fishermen can put into practice new marketing skills they learn and test their assumptions. For example, using mobile technologies to alert customers when certain fish will be arriving to dock for sale, growing their distribution lists, and tracking pre-ordered sales can all be tested and compared at each monthly marketplace. As our maritime industry grows in Mendocino County, over time West Center will be able to measure success by collecting economic impact information in their database.

Training Program Metrics

- Over the two-year period, the entrepreneurial marine-based training program will serve 120 entrepreneurs; of those participants at least 80% will be from disinvested communities, and 10 will be women-owned businesses.

3. Community Fish Marketplace Incubator

The community fish market incubator will complement the off-the-boat fish sales. The market will be open to food, craft, and other vendors as well as musicians and food trucks with the goal of attracting community members and tourists alike to the marina to introduce them to multiple fishermen in one event. The market is designed to break down the barriers between the fishing fleet and the community when it comes to buying fish off a boat and will act as an incubator for the fleet to test what they have learned during the training program and practice customer acquisition techniques. These activities will incubate new products, services, and processes to advance the maritime industry in this low-wealth community.

West Center, as a subcontractor with the Harbor District, will develop the in-person community fish market that will run monthly from May through September and will align to specific catches that are running each month e.g., May/Rockfish, June/Petrals Sole, July/Salmon, August/Dover Sole, etc. (these dates can be adjusted; the assumption is that work begins Sept 2023 when funding is secure). A marketing and branding plan will be developed and executed to secure at least 20-25 vendors each month as well as a sponsorship plan to support the continuation of the community fish market after the two-year pilot funding expires.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

To maximize attendance at the monthly markets, partnerships will be developed with local and regional tourism promotional organizations such as Visit Fort Bragg and Visit Mendocino County to market and advertise the markets. Other local marketing partners will include KOZT, one of Fort Bragg's radio stations, KZYX, the local public radio station, and print outlets, such as Word of Mouth, a quarterly magazine that highlights local foods and food events.

Community Fish Market Metrics

- Over the two-year period, the community fish market will secure between 20-25 vendors per month, increase off the dock fish revenue by 20% and attract between 100-150 customers per market day.

B. Alignment with Existing Investments

Momentum continues to build as more agencies, and private industries see the benefit of investing in the revitalization of the Noyo Harbor and improving access to competitive production-assisting technologies A few of these are:

- \$1.5 million for an innovative pilot using wave-powered Desalination Demonstration Project Oneka Technologies Inc.
- \$3 million from the coastal commission to the County of Mendocino and the City of Fort Bragg to update the Local Coastal Plan amendment and LCPs related to the Noyo Harbor's function as a commercial fishing village. It supports the development of analysis for informed decision-making as the region prepares for the impacts of a changing climate and ensure that Coastal Act goals are equitably fulfilled.
- Study produced on the infrastructure need for ocean water intake and facilitation on economic development activities on the former Georgia Pacific Mill site. conducted by TWB Environmental Research and Consulting, Inc.
- \$1.4 million EDA awarded grant for Improving Coastal Resilience: Planning & Design of the Noyo Ocean Science Center, business plan development, and blue economy incubation study.
- \$250,000 for TA services from GoBiz TAP program
- \$150,000 Women's Business Center funding to West Business Development Center
- \$85,000 Small Business Development Center funding to West Business Development Center

C. Applicant Capacity

Noyo Harbor District is a special public district and political subdivision of the State of California. It is governed by the five-member Noyo Harbor Commission which directs all phases of operations at Noyo Harbor and plans for the future use and development of Harbor District property and facilities. The harbor contains a mooring basin made up of 256 berths of which approximately 43% contain commercial vessels. The slips can accommodate most vessels up to 65 feet in length. The Noyo Harbor District maintains a work hoist available for rental on the main pier for loading vessels, two boat launch facilities, parking, some storage areas, restrooms, showers, life jackets for loaning, trash bins, and oil disposal services.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

In 2018, the Noyo Harbor District undertook a major renovation project which included resurfacing the parking lot, a new drainage system for runoff into the Noyo River, a new sidewalk, new handicapped-accessible bathrooms, and a reconstructed boat ramp. Another important project undertaken by the Noyo Harbor District was to repair the District's high dock, which includes replacing approximately 6,500 square feet of existing decking boards and bump rails with new decking composed of treated lumber.

Key Personnel

Noyo Harbor District key personnel include: Jim Hurst, Chairman; Doug Albin, Vice Chairman, Grant Downie, Dan Platt, Richard Shoemaker. Noyo Harbor Staff include: Anna Neumann, Harbormaster; Kim McLaughlin, Administrative Assistant; Jay Koski, Lead Maintenance; Bruce Koski, Maintenance; Robert Scofield, Maintenance.

Section III. Risk Assessment and Mitigation

Two of the largest implementation challenges are the unstable fishing season and regulations affecting the community markets and off-the-boat sales. While there has been no talk of closing commercial rockfish or lingcod for the 2023 season there is always speculation about when and where the California King Salmon season will open. Much like the fishing fleet will have to, the Harbor District and West Center will need to adapt and focus on new, different, or emerging fisheries if the salmon season does not open. Fisheries management describes this as diversification within industry and it has the potential to create a unique opportunity to help overcome the hurdles that are beyond the control of the fleet.

Severe weather events also pose a potential risk to the development of any infrastructure on or near the water. This, however, is only a hurdle that can be mitigated through thoughtful design and construction. The City of Fort Bragg and the County of Mendocino have received over two million dollars to conduct sea level rise and tsunami inundation studies for the entire Mendocino coastline with a specific focus on Noyo Harbor. This updated information will allow the District to better understand how to work through any design flaws in the establishment of the ice house. In addition, the ice house is constructed of shipping containers, which could be moved if more information is brought to light that location is too high a risk.

Section IV. Budget

The Noyo Harbor Revitalization Project is projected to cost \$ 3,203,872. Of this amount \$2,276,575 will go toward the Ice House Infrastructure and Community Facility Development. Noyo Harbor District will contract with West Business Development Center to create and deliver the outcomes for Entrepreneurial Marine-Based Training Program & Community Fish Market Incubator. We are requesting advance payment of \$800,968.

Section V. Work Plan: Activities, Timelines, and Milestones

Ice House

Permitting: Submit Coastal Development Permit to County of Mendocino (Q1 and 2)

- *Output:* A viable project that meets the requirements of the County of Mendocino and a coastal development permit.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

Purchase Equipment: Place order with Northstar Ice and Mendocino Solar for the ice house and solar system (Q4)

- *Output:* A prefabricated ice system is the fastest and most efficient way to complete this Project.

Installation: Trench power and water to site and place structure on concrete slab (Q6)

- *Output:* Icehouse production of 30 tons of flake ice in 24 hours and store 20 tons.

Entrepreneurial Marine-Based Training Program

Identify and hire resources: Identify and secure the program manager, trainers and advisers (Q1)

- *Output: Increased business revenue:* Participants are more likely to start or grow successful marine-based businesses.

Research: Conduct research with the harbor fish businesses (Q1)

- *Output: Increased motivation:* When adults learn alongside their peers, they can feel a sense of camaraderie and competition.

Curriculum Development: Develop a comprehensive curriculum that covers the key aspects of industry specific growth needs. (Q2)

- *Output: Increased access to capital and support:* Participants have access to investors, lenders, mentors, and other resources.

Participant Orientations: Individual orientations assess participants business goals (Start Q2 and ongoing)

- *Output:* Develops a bond of trust between the entrepreneur and advisors.

Technical Assistance: Provide ongoing education. (Start Q3 and ongoing)

- *Output: Increased knowledge retention:* When peers engage in learning together, they can reinforce each other's understanding of the material.

Evaluation: Quarterly evaluation of progress (Each quarter)

- Sound economic impact data into our database on each client.

Dissemination: Disseminate program results to stakeholders/partners. (Q4 and Q8)

- *Output:* Stakeholders will have content to share in the form of success stories, videos and data sheets.

Community Fish Market Incubator

Concept Planning: Ideation and planning, market research, community outreach to surveys, focus groups, roundtables (Three months; Q1)

- *Output:* A viable project plan that addresses who, what, where, when, and why and determines the value proposition for suppliers and vendors.

**ATTACHMENT A-1
PROPOSAL NARRATIVE
(Standard Agreement)**

Branding/ Outreach: Locate suppliers and vendors for marketplace products/services. Create an identity for the incubator marketplace and advertising materials. (Q2)

- *Output:* Social tool kits for vendors and PSAs, radio promotions and website.

Launch Activities: Secure banners, tents, tables and other inventory; create social tool kits for vendors and other marketing collateral. (Q3, Q4, and Q7, Q8)

- Incubators launch 12 times over 24 months

Scale and Grow: Analyze expanding the marketplace to reach more users. Secure sponsorship funding, develop video success stories, track revenue growth. (Q7 and 8)

- *Output:* The community fish marketplace incubator revitalizes the harbor as a place that integrates community and tourists in purchasing locally sourced seafood.

**ATTACHMENT A-2
FISCAL AND PROGRAM REQUIREMENTS
(Standard Agreement)**

1. Fiscal Reporting Requirements

- A. All invoices shall be sent monthly, 20 days after the end of the month, with the corresponding supporting documentation and monthly report of activities performed during the invoiced month to the EDD contact below for review and approval:

**Employment Development Department
Central Office Workforce Division
Special Initiatives Support Unit 1
Attn: Adriana Avalos
722 Capitol Mall, MIC 50
Sacramento, CA 95814
Email: CERFAdmin@edd.ca.gov**

Invoice and reporting template will be provided by the EDD upon the signing of this Agreement.

- B. Projected Budget Expenditures
- The Grantee will be required to submit a quarterly projected budget expenditures plan.
- C. Advance payment recipients must submit monthly activities and associated expenditures, 20 days after the end of the month.

2. Program Monitoring and Reporting (Reporting to: Project Manager)

- A. A team of program support will be assigned after the signing of this Contract, at which time the EDD will provide all contact information.
- B. Schedule monthly calls with the program support team to discuss:
- Project updates: status and goals
- C. Project Readiness Checklist: This checklist requires the Grantee to provide detailed information and documentation about the Project, which should demonstrate that Project is ready to get implemented. The checklist is due to the EDD within one month of contract execution.
- D. The Grantee will be required to submit monthly Progress Status Reports (PSR) along with all invoices.
- Reports are due 20 days after the end of the month.
 - PSR: Summarizes the Project key activities, what the next steps are, any relevant lessons learned, any challenges, and/or course corrections. A template will be provided upon the signing of this Contract.
 - PSR should be one to five pages.

**ATTACHMENT A-2
FISCAL AND PROGRAM REQUIREMENTS
(Standard Agreement)**

- E. The Grantee shall submit Quarterly Progress Reports on a consistent basis using the EDD template provided to meet the EDD's requirement for disbursement of funds. Quarterly Progress Reports shall be submitted no later than 20 days after the end of the corresponding quarter. The Quarterly Progress Report should describe the work performed during the reporting period. The 4th quarter report shall contain a summary of the overall progress for the year.

Quarterly Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Agreement during the reporting period.

Project Status

Describe the work performed during the time period covered by the report, including but not limited to:

- Project information, including an estimate of the percentage of completion for the overall Project;
- Legal matters;
- Additions or changes to Project partners, subcontracts, or subrecipients;
- Environmental Document and Permit Planning Status, including a list of compliance and permitting deliverables and dates of completion, receipt, or an estimated date of completion;
- Property Access Status, including easements, rights-of-way, rights of entry and related approvals;
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc.);
- Describe differences between the work performed and the work outlined in the Overall Work Plan;
- Identify key issues/concerns that need to be resolved, including those that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter;
- Photos documenting progress.

Budget Details

Provide a list showing all Project costs incurred during the quarter covered by the report by the Grantee and each contractor working on the Project and which of these costs are Eligible Project Costs.

State if the Project is on budget and discuss how the budget is progressing in comparison to the Project budget included in the Work Plan.

Upcoming Activities

Provide a list and description of anticipated activities for the next quarterly reporting period.

**ATTACHMENT A-2
FISCAL AND PROGRAM REQUIREMENTS
(Standard Agreement)**

Fourth Quarter Annual Reporting

- The Grantee shall provide either a written report or presentation, per direction from the CERF Inter-Agency Team and provided to the Grantee six (6) months prior to deadline.
- The Grantee will provide a half page article that the CERF Inter-Agency Team would use for blogs or newsletters at the discretion of the CERF Inter-Agency Team. Include related picture(s).

3. Monitoring and Maintenance Plan

The "Monitoring and Maintenance Plan" shall outline the Grantee's plans for monitoring the site, assessing maintenance needs, and carrying out known and unanticipated maintenance actions necessary or required during and after completion of the Project in accordance with Attachment A-1 "Proposal Narrative" and work plan. The Grantee shall prepare a Draft Monitoring and Maintenance Plan during the design phase of the Project and submit it to the EDD.

4. Services to Participants

Projects that include services to participants must ensure the following:

- A. The Grantee shall prepare a draft of intended services during the period of performance of the project.
- B. The Grantee shall track all participants and costs associated to the services.
- C. The Grantee may be required to utilize the State's case management system, CalJOBSSM, if the Project includes participant services.
- D. The Grantee shall follow performance metrics associated to the Project.
- E. The Grantee may be required to participate in trainings as necessary to ensure accurate data collection of participants.

Additional guidance will be provided the by the EDD related to participant data collection.

5. Reporting Clause:

- Reporting requirements are subject to change based on program legislative requirements.
- The EDD reserves the right to change, modify, or update reporting requirements as necessary for the successful implementation of this program.
- Evaluation report details will be provided upon the selection of an evaluator.
- All reports submitted are subject to review before considered finalized.
- All reporting requirements must be submitted to CERFAdmin@edd.ca.gov
- All reporting requirements must be submitted in the reporting templates as provided by the EDD.

**ATTACHMENT A-2
FISCAL AND PROGRAM REQUIREMENTS
(Standard Agreement)**

Monitoring and Maintenance Plan Requirements

This Monitoring and Maintenance Plan (Plan) reflects the realistic long-term monitoring and maintenance needs of the Project and should acknowledge recommended activities even if each will only be performed pending the availability of future funding for such purposes.

Purpose

The purpose of this Plan is to ensure that Grantees: (1) understand the potential Project performance risks to inform Project design and future maintenance needs; (2) establish a scientifically sound mechanism for measuring performance through routine monitoring; (3) realistically plan for a scope of maintenance that enables you to maximize performance and the life of the Project; (4) compile all monitoring, maintenance, performance analysis, and reporting tasks in one place.

Project Information

- A. Project goals, measurable objectives, and the specific tasks undertaken to meet the objectives. Include the expected life of the Project.
- B. Site location and brief general history.
- C. Responsible parties, roles, and commitment timelines for activities described below (include any yet-to-be-determined parties where appropriate for long-term monitoring and maintenance activities)

Potential Project Performance Risks – Evaluate the current maintenance needs of the Project site to understand future impacts to Project sustainability, which may reduce Project performance and the functional life of the Project.

- A. Current Site Issues: Describe the pre-project site conditions and inventory current maintenance needs that may continue after completion of the Project.
- B. Snapshot of Completed Project: Describe what the Project site will look like at Project completion to compare to future conditions.
- C. Expected Risks and Maintenance Needs: List and describe the anticipated risks to Project performance and maintenance needs of the Project site.

Performance-Based Monitoring - List and describe how you will monitor the Project area during the pre-construction, construction, short-term post-construction (within the term of Grant Agreement), and long-term management periods for baseline conditions, environmental compliance, Project completion, and performance, and to reduce the long-term costs of maintenance.

Maintenance Activities – List and describe a suite of maintenance actions for the Project site based on your understanding of anticipated problems that are likely to or may occur at the Project site. All construction sites are expected to require ongoing maintenance in order to maximize performance and the life of the Project. Since this Grant does not fund long-term management of the Project site, we want you to make a recommendation for a maintenance schedule that would extend performance and sustainability of the Project into perpetuity. The plan should include, but not be limited to, the following:

- A. Maintenance schedule: Describe maintenance activities, including frequency, duration, and maintenance metrics to be collected.

**ATTACHMENT A-2
FISCAL AND PROGRAM REQUIREMENTS
(Standard Agreement)**

- B. Adaptive Management Strategy: Discuss what you will do if monitoring reveals an unanticipated and complex problem that poses a catastrophic risk to Project performance.

Documenting and Reporting – Describe how you will track implementation of this plan and report out on your activities. We recommend listing monitoring visits and maintenance actions performed by date, and noting any recommendations for changes to this Plan based on lessons learned.

EXHIBIT B
BUDGET DETAILS AND PAYMENT PROVISIONS
(Standard Agreement)

1. Invoicing and Payment

- A. The total amount of this agreement shall not exceed **Three Million Two Hundred Three Thousand Eight Hundred Seventy-Two Dollars and No Cents (\$3,203,872.00)**. The EDD will closely monitor the Contract expenditures through the end of August 31, 2025.
- B. All invoices must be submitted on a monthly basis, 20 days after the end of the month. If invoices are not received timely, written justification must be provided within 15 days of the due date.
- C. All final invoices must be submitted by October 31, 2025. In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Agreement, any remaining funds revert to the State. Any remaining balance will be disencumbered and unavailable for further use under this Agreement.
- D. All administrative costs must follow the 10% combined cap.
- E. All invoices must be submitted using the template provided after the signing of this Contract and include at a minimum the following information:
- i. Costs incurred for work performed in implementing the Project during the period identified in the invoice.
 - ii. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - iii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B "Budget Summary". The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iv. One set of supporting documentation (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
- F. Quarterly projected expenditures must be submitted to the EDD by the end of each quarter using the template provided after signing this Contract.
- G. Invoices must be submitted even if there are \$0 expenditures for the reporting month. If \$0 expenditures, a detailed description of monthly activities must be provided in the Progress Status Report.
- H. All invoices shall be sent **monthly** with the corresponding supporting documentation and monthly report of activities performed during the invoiced month to the EDD contact below for review and approval:

**EXHIBIT B
BUDGET DETAILS AND PAYMENT PROVISIONS
(Standard Agreement)**

**Employment Development Department
ATTN: Adriana Avalos
Central Office Workforce Division
Special Initiatives Support Unit 1
722 Capitol Mall, MIC 50
Sacramento, CA 95814
Email: CERFAdmin@edd.ca.gov**

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks associated to the Project as described in Attachment A -1 "Proposal Narrative". The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources. Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to the "Audits" provisions of this Agreement and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

2. Disbursement of Funds

Following the review and approval of each invoice, the EDD will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations.

3. Withholding of Grant Disbursements

- A. If the EDD determines that the Project is not being implemented in accordance with the provisions of this Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the EDD may withhold all or any portion of the grant funds provided for by this Agreement.
- B. The EDD will not reimburse the Grantee for costs identified as ineligible for grant funding. If grant funds have been provided for costs subsequently discovered to be ineligible, the EDD may either withhold an equal amount from subsequent payments to the Grantee or require repayment of an equal amount to the State by the Grantee.
- C. Where a portion of the State funding has been disbursed to the Grantee and the EDD determines that the Grantee has materially and substantially breached the terms and conditions of this Agreement, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the EDD notifies the Grantee.

In the event that grant funds are withheld from the Grantee, the EDD designee shall notify the Grantee of the reasons for withholding and advise the Grantee of the time within which the Grantee may remedy the situation leading to the withholding.

EXHIBIT B
BUDGET DETAILS AND PAYMENT PROVISIONS
(Standard Agreement)

4. Advance Payment

The Grantee is required to follow all requirements of Section 11019.1 of the Government Code and cooperate with any audits by the Department of Finance related to the advance payments. The Grantee shall deposit any funds received as an advance payment into a federally insured, interest-bearing account that provides the ability to track interest earned and withdrawals. Any accumulated interest shall be deemed to be grant moneys, subject to federal laws and regulations, and the recipient shall report interest earned on the advance payment to the EDD. The Grantee shall establish procedures to minimize the amount of time that elapses between the transfer of funds and the spend down of those funds.

- A. Assignment of Advance Payment Funds to Subrecipients
 - i. Grantees with Advance Payment may provide an Advance Payment option to community-based non-profit organizations or a Native American tribe. The Advance Payment option should aim to reduce barriers in participating in the Economic Development Pilot.
- B. Advance Payment Requirements for Subrecipients:
 - i. For the request to be considered, subrecipients must adhere to the following minimum requirements at the time of the Grant Agreement with the Grantee.
 - i. Provide a one-page statement of need for advance pay. Statement must clearly outline barriers to participation and how the advance pay funds reduce such barriers.
 - ii. Provide a Proposed Budget Narrative. Narrative must clearly describe how the advanced pay funds will be used by the subrecipient.
 - iii. Provide a Budget Summary outlining the uses of the Advance Payment funds. Summary must clearly outline the budget categories where advance pay funds will be used by the subrecipient.
 - iv. Provide a high-level 6-month spending timeline including anticipated spend down and categories for the projected period of time.
 - v. Demonstrate good standing with the Internal Revenue Service (IRS).
 - ii. The Grantee may require additional information and/or documentation from subrecipients to assist with the advance payment approval.
- C. The Grantee Responsibilities of Advance Payments to Subrecipients:
 - i. The Grantee is required to review the subrecipient's documentation for advance payment and ensure the request complies with the requirements.
 - i. Review one-page statement of need for advance pay.
 - ii. Review and approve Proposed Budget Narrative.
 - iii. Review and approve Budget Summary outlining the uses of the Advance Payment funds.
 - iv. Review and approve a high-level 6-month spending timeline including the anticipated spend down and categories for the projected period of time.
 - v. Confirm subrecipient's good standing with the IRS.
 - vi. Submit approved package (items 1 to 5) to CERFAdmin@edd.ca.gov within 10-days of the approval.

EXHIBIT B
BUDGET DETAILS AND PAYMENT PROVISIONS
(Standard Agreement)

- D. The Grantee must establish procedures to minimize the amount of time that elapses between the transfer of funds and the spend down of those funds by the subrecipient.
- E. The Grantee must provide progress reports on the subrecipient's spend down of advance funds every other month or until the funds are expended.
- F. The Grantee must provide a progress report to the EDD following the expenditure of an advance payment by a subrecipient that includes a summary or work completed, proof of expenditure, and other associated information.

Regardless of any transfer or assignment of advance payments to subrecipients, the Grantee is responsible for complying with any Advance Payment requirements and for any failures by subrecipients to perform contractual and/or program obligations. All unused funding provided as an advance payment, but not spent down within the Agreement timeline, shall be returned to the EDD.

5. Budget Contingency Clause

It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional and legislative appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.

This Agreement is valid and enforceable only if (1) sufficient funds are made available by the State Budget Act of the appropriate State Fiscal Year(s) covered by this Agreement for the purposes of this program; and (2) sufficient funds are made available to the State by the United States Government or by the State of California for the Fiscal Year(s) covered by this Agreement for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations or conditions established by the United States Government and/or the State of California, or any statute enacted by the Congress and Legislature, which may affect the provisions, terms or funding of the Agreement in any manner.

The parties mutually agree that if the Congress and/or Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

The EDD has the option to terminate the Agreement under the 30-day termination clause or to amend the Agreement to reflect any reduction of funds.

6. Eligible Project Cost

The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Attachment B-1 "Budget Summary". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, grant administration, Project monitoring, community education and outreach, Project construction and long-term management plan development. Reimbursable administrative expenses such as overhead expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs that are not eligible for reimbursement include, but are not limited to the following items:

- A. Costs incurred prior to the execution of this Agreement.

EXHIBIT B
BUDGET DETAILS AND PAYMENT PROVISIONS
(Standard Agreement)

- B. Operation and maintenance costs, including post construction performance and monitoring costs.
- C. Purchase of equipment not an integral part of the Project.
- D. Establishing a reserve fund.
- E. Purchase of water supply.
- F. Monitoring and assessment costs for efforts required after Project construction is complete.
- G. Replacement of existing funding sources for ongoing programs.
- H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- I. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
- J. Payment of federal and state taxes.
- K. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- L. Overhead and indirect costs not directly related to the Project. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded Project (i.e., costs that are not directly related to the funded Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee; non-project-specific accounting and personnel services performed within the Grantee's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition; conference fees; and, generic overhead or markup. This prohibition applies to the Grantee and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.
- M. Lobbying or advocacy work, such as direct lobbying for the passage of specific bills or local propositions.
- N. Commission fees.
- O. Using funds for mitigation activities that are already mandated by local or state governing bodies or agencies.
- P. Expenses for publicity not directly related to Project efforts.
- Q. Bonus payments of any kind.
- R. The purchase of alcohol.
- S. Payments on debt or debt servicing fees.
- T. Damage judgments arising from the acquisition, construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise.
- U. Services, materials, or equipment obtained under any other state program.
- V. Stewardship of legal defense funds.

7. California Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code § 927, et seq.

**ATTACHMENT B-1
 PROPOSED BUDGET
 (Standard Agreement)**

| |
|--|
| Grantee: Noyo Harbor District |
| Project Name: Noyo Harbor Revitalization Plan |

| | |
|---------------------------|---|
| Advance Payment*** | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Advance Payment (percent) | 25% |
| Advance Payment (amount) | \$800,968 |

| Line Item | Expense Item | Administrative Cost | Program Cost | Contract Amount (If Applicable) | Total Project Budget | Advance Pay*** |
|-----------|--|---------------------|--------------|---------------------------------|----------------------|--------------------------|
| A. | Staff Salaries | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |
| B. | Number of full-time equivalents () | | | | | <input type="checkbox"/> |
| C. | Staff Benefit Cost | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |
| D. | Staff Benefit Rate (percent) () | | | | | <input type="checkbox"/> |
| E. | Staff Travel | \$ | \$5,000 | \$ | \$5,000.00 | <input type="checkbox"/> |
| F. | Operating Expenses | \$4,800 | \$6,000 | \$ | \$10,800.00 | <input type="checkbox"/> |
| G. | Research | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |
| H. | Data, Planning and Communication Tools | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |
| I. | Direct Program Costs | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |
| J. | Participant Services: Training Costs and Supportive Services | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |

**ATTACHMENT B-1
 PROPOSED BUDGET
 (Standard Agreement)**

| Line Item | Expense Item | Administrative Cost | Program Cost | Contract Amount (If Applicable) | Total Project Budget | Advance Pay*** |
|-----------|---|---------------------|--------------------|---------------------------------|----------------------|-------------------------------------|
| K. | Furniture and Equipment | | | | | |
| 1. | Small Purchase (unit cost of under \$5,000) | \$ | \$ | \$ | \$ | <input type="checkbox"/> |
| 2. | Large Purchase (unit cost of over \$5,000) | \$ | \$1,855,000 | \$ | \$1,855,000.00 | <input checked="" type="checkbox"/> |
| 3. | Equipment Lease | \$ | \$ | \$ | \$ 0.00 | <input type="checkbox"/> |
| L. | Contractual Services | \$82,210 | \$405,775 | \$722,454 | \$1,210,439.00 | <input type="checkbox"/> |
| M. | Indirect Costs** | \$81,528 | \$ | \$ | \$81,528.00 | <input type="checkbox"/> |
| N. | Other (Permits and Engineering Design)****: | \$41,105 | \$ | \$ | \$41,105.00 | <input type="checkbox"/> |
| | TOTAL FUNDING** | \$209,643 | \$2,271,775 | \$722,454.00 | \$3,203,872.00 | |
| | | | Total Award | | \$3,203,872.00 | |

** A maximum of 10% of the total project budget will be allowed for **Administrative Costs** or **Indirect Costs (Total/Awarded Amount)**.

The definition of administrative costs is provided in Appendix E of the SFP.

***Advance Payment column is only necessary if requesting up to 25% of the total grant request. Note that all funds under Advance Payment must be spent prior to transitioning into reimbursables. See SFP Section V Funding Requirements and Section V.G. for Advanced Payment requirements.

**ATTACHMENT B-1
PROPOSED BUDGET
(Standard Agreement)**

****See budget narrative for additional details.

| STATE USE ONLY | EXHIBIT B |
|-----------------------------|------------------|
| Contract Number | |
| Contract Start Date | |
| Modification Number | |
| Modification Date | |
| Project Manager Initials | |

ATTACHMENT B-2
ALLOWABLE COSTS AND COST ITEMS AND DISALLOWABLE COSTS
(Standard Agreement)

Allowable Costs

In general, to be an allowable charge, a cost must meet the following criteria:

- Be necessary and reasonable for the performance of the award;
- Be allocable to the award;
- Conform to any limitations or exclusions set forth in the award;
- Be consistent with policies and procedures that apply uniformly to allowable uses of general funds;
- Be accorded consistent treatment;
- Be determined in accordance with generally accepted accounting principles; and
- Be adequately documented.

Direct Costs: Direct costs incurred during the grant term and specified in the Grant Agreement will be eligible for reimbursement. Direct costs are defined as costs directly tied to the implementation process including, but not limited to:

Research: To conduct, compile, or gain access to data or research (e.g. accessing land-use data)

Data, Planning, and Communication Tools: Video conferencing, Project management, translation of documents, mapping and any other related software subscription that can facilitate or improve participation of stakeholders during the Project implementation process.

Consultant Fees: Costs of consultants that provide training, research, Project planning or capacity building services.

Supportive Services: Interpretation services, transportation and transportation stipends, rental costs of equipment and facilities, and childcare.

Disallowable Costs

The following costs are ineligible uses of planning grant funds:

- Exceeding the 10 percent cost cap for Administrative and/or Indirect Cost.
- Lobbying or advocacy work, such as direct lobbying for the passage of specific bills or local propositions.
- Expenses not related to the Economic Development Pilot efforts.
- Commission fees.
- Ongoing operational costs beyond the grant term.
- Using funds for mitigation activities that are already mandated by local or state governing bodies or agencies.
- Expenses for publicity not directly related to Project efforts.
- Bonus payments of any kind.
- The purchase of alcohol.
- Payments on debt or debt servicing fees.
- Damage judgments arising from the acquisition, construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise.
- Services, materials, or equipment obtained under any other state program.

ATTACHMENT B-2
ALLOWABLE COSTS AND COST ITEMS AND DISALLOWABLE COSTS
(Standard Agreement)

- Stewardship of legal defense funds.

**ATTACHMENT B-3
ADMINISTRATIVE COSTS
(Standard Agreement)**

Under the Economic Development Pilot, there is an administrative cost limit of 10 percent. The following functions and activities constitute the costs of administration subject to the administrative cost limitation:

1. The costs of administration are expenditures incurred by direct grant recipients, as well as local grant recipients, local grant subrecipients, local fiscal agents, and which are not related to the direct provision of services, including services to participants and employers. These costs can be both personnel and non-personnel and both direct and indirect.
2. The costs of administration are the costs associated with performing the following functions:
 - A. Performing the following overall general administrative functions and coordination of those functions:
 - i. Accounting, budgeting, financial and cash management functions.
 - ii. Procurement and purchasing functions.
 - iii. Property management functions.
 - iv. Personnel management functions.
 - v. Payroll functions.
 - vi. Coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports.
 - vii. Audit functions.
 - viii. General legal services functions.
 - ix. Developing systems and procedures, including information systems, required for these administrative functions.
 - x. Fiscal agent responsibilities. Performing oversight and monitoring responsibilities related to administrative functions.
 - B. Performing oversight and monitoring responsibilities related to administrative functions
 - C. Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space.
 - D. Travel costs incurred for official business in carrying out administrative activities or the overall management of the grant.
 - E. Costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting, and payroll systems) including the purchase, systems development and operating costs of such systems.

**ATTACHMENT B-3
ADMINISTRATIVE COSTS
(Standard Agreement)**

3. Awards to subrecipients or contractors that are solely for the performance of administrative functions are classified as administrative costs:
 - A. Personnel and related non-personnel costs of staff that perform both administrative functions specified in item 2 of this section and programmatic services, or activities must be allocated as administrative or program costs to the benefitting cost objectives/categories based on documented distributions of actual time worked or other equitable cost allocation methods.
 - B. Specific costs charged to an overhead or indirect cost pool that can be identified directly as a program cost are to be charged as a program cost. Documentation of such charges must be maintained.
 - C. Except as provided item 2A of this section, all costs incurred for functions and activities of subrecipients, and contractors are program costs.
 - D. Continuous improvement activities are charged to administration or program category based on the purpose or nature of the activity to be improved. Documentation of such charges must be maintained.

4. Costs of the following information systems including the purchase, systems development, and operational costs (for example, data entry) are charged to the program category:
 - A. Employment statistics information

5. Where possible, entities identified in a line item must make efforts to streamline services in item of relevant section to reduce administrative costs by minimizing duplication and effectively using information technology to improve services.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS
(Standard Agreement)

1. Compliance with Laws and Regulations

By signing this Agreement, the Grantee certifies that it shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits and shall secure any new permits required by authorities that have jurisdiction over the project and maintain all presently required permits.

2. Subcontractors or Subgrantees

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors or subgrantees, and no subcontract or subgrant shall relieve the Grantee of their responsibilities and obligations hereunder. The Grantee agrees to be as fully responsible to the State for the acts and omissions of its subcontractors or subgrantees and of persons either directly or indirectly employed by the Grantee. The Grantee shall manage, monitor, and accept responsibility for the performance of its own staff, partners, and subcontractors, and will conduct project activities and services consistent with professional standards for the industry and type of work being performed under this Agreement. The Grantee's obligation to pay its subcontractors or subgrantees is an independent obligation from the State's obligation to make payments to the Grantee.

The State shall have no obligation to pay or to enforce the payment of any monies to any subcontractor or subgrantee.

3. Consultant–Staff Expenses

The Grantee represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have contractual relationships with any governmental entity.

4. Independent Capacity

The Grantee, and the agents and employees of the Grantee, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

5. Public Contract Code (Consultant Services)

The Grantee is advised that they have certain duties, obligations, and rights under the Public Contract Code §§ 10335 – 10381 and 10410 - 10412, with which the Grantee should be familiar.

6. Labor Code Compliance

The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met.

The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS
(Standard Agreement)

7. Prohibition Against Disposal of Project

The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project without prior permission of the State. The Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of the Grantee to meet its obligations under this Grant Agreement, without prior written permission of the State. The State may require that the proceeds from the disposition of any real or personal property be remitted to the State.

8. Competitive Bidding and Procurements

The Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by the State under this Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.

9. Contractor Evaluation

A. Within sixty (60) days after the completion of this Agreement, the Special Initiatives Support Unit 1 shall complete a written evaluation of the Grantee's performance under this Agreement. If the Grantee did not satisfactorily perform the work, a copy of the evaluation will be sent to the State Department of General Services (DGS), Office of Legal Services, within five working days of the completion of the evaluation, and to the Grantee within 15 working days of the filing of the evaluation with DGS.

10. Termination Clause

Either Party may terminate this Grant Agreement upon thirty (30) days advance written notice. The notice shall specify the reason for early termination which may include but is not limited to the "Default Provisions" listed under Exhibit A – Scope of Work

EDD reserves the right to take any action that it deems necessary to protect its interests.

11. Advance Work

Should the Grantee begin work before receiving a copy of the approved Agreement, any work performed before approval shall be considered as having been done at the Grantee's own risk and as a volunteer.

12. Force Majeure

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and acts of God such as earthquakes, floods and other natural disasters such that performance is impossible.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS
(Standard Agreement)

13. Change in Staffing

All replacements are subject to EDD approval. Switching staff that were identified in the proposal with alternates without prior approval, after execution of this Agreement, are grounds for termination of this Contract. EDD has the right to request removal and/or replacement of staffing resources.

14. Avoidance of Conflicts of Interest by the Grantee

A. The Grantee agrees that all reasonable efforts will be made to ensure that no conflict of interest exists between its officers, agents, employees, consultants or members of its governing body.

B. The Grantee shall prevent its officers, agents, employees, consultants or members of its governing body from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others such as those with whom they have family, business or other ties.

C. A determination by EDD that a conflict-of-interest situation exists is grounds for termination.

D. Certain consultants designated by the EDD's Conflict of Interest Code are required to file a Statement of Economic Interests, Form 700. The Grantee agrees that if the Director of EDD determines that a Statement of Economic Interests, Form 700, is required, the consultant shall obtain the Form 700 and filing instructions from the EDD Personnel Office.

15. Travel Clause

The travel and per diem shall be set in accordance with Department of Human Resources for comparable classes and that no travel outside the State of California shall be reimbursed unless prior written authorization is obtained from EDD.

16. Disputes

If the Grantee disputes an action of the EDD in the administration of this Contract Agreement, the Grantee may appeal to the EDD Executive Director or designee. Such appeals shall be filed within 30 calendar days of the notification from Grantee of such dispute. The appeal shall be in writing and 1) state the basis for the appeal, 2) state the action being requested of the Executive Director, and 3) include any documentation relating to the dispute.

The EDD Executive Director (or designee) will review the correspondence and related documentation and render a decision of the appeal within 30 calendar days, except in those cases where the Grantee withdraws or abandons the appeal. The procedural time requirement may be waived with the mutual consent of the Grantee and the Executive Director.

17. Audits

The EDD reserves the right to conduct an audit at any time between the execution of this Agreement and the completion of the Project, with the costs of such audit borne by the State. After completion of the Project, the State may require the Grantee to conduct a final audit to the State's specifications, at the Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS
(Standard Agreement)

Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Agreement, and the State may elect to take any action it deems necessary to protect its interests.

The Grantee agrees it shall return any audit disallowances to the State. Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Agreement with respect of all matters connected with this Agreement, including but not limited to, the cost of administering this Agreement. All records of the Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the California State Auditor or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Pub. Resources Code, § 80012, subd. (b).)

18. The Grantee shall cooperate with the EDD, Labor and Workforce Development Agency (LWDA), Governor's Office of Research and Planning (OPR), and Governor's Office of Business and Economic Development (GO-Biz) with regard to the performance of this agreement within the response time requested by the agencies.
19. The Grantee shall cooperate with EDD, LWDA, OPR, and GO-Biz to provide timely responses to any requests for data and/or reports the EDD, LWDA, OPR, and GO-Biz deem necessary for the oversight of the CERF program. The Grantee further understands and agrees that this data will be shared with the EDD, LWDA, OPR, and GO-Biz and any other stakeholders.
20. The Grantee is responsible for the Economic Development Pilot activities identified in the original grant proposal submitted to the EDD, which is incorporated by reference and made a part of this Agreement as if attached hereto.
21. The Grantee shall fulfill all assurances, declarations, representations, and statements made by the Grantee in the submitted proposal, documents, amendments, approved modifications, and communications filed in support of its request for grant funds.
22. The Grantee agrees to procure all permits and licenses necessary to complete the project, pay all charges and fees, and give all notices necessary or incidental to the due and lawful proceeding of the project work.
23. Insurance Requirements
The Grantee agrees to obtain and maintain for the term of this Agreement the following insurance policies that cover any acts or omissions of the Grantee, its subcontractors, or its employees engaged in the provision of services specified in this Agreement:
 - A. Workers' Compensation Insurance in an amount of not less than \$1,000,000 in accordance with the statutory requirement of the State of California (California Labor Code § 3700 et seq.).
 - B. Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence for bodily injury and property damage combined.

**EXHIBIT D
SPECIAL TERMS AND CONDITIONS
(Standard Agreement)**

- C. Motor vehicle liability with limits not less than the amounts below for combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned or hired, and non-owned motor vehicles.
 - i. 7 or fewer passengers: \$1,000,000
 - ii. 8-15 passengers: \$1,500,000
 - iii. 16+ passengers: \$5,000,000

- D. The State of California, its officers, agents, and employees are included as additional insured for activities undertaken pursuant to this Grant Agreement. The additional insured endorsement must accompany the certificate of insurance.

- E. The Grantee shall submit proof of insurance documents referencing this Agreement number to the EDD electronically.

- F. The Grantee shall notify the EDD in writing within five (5) working days of any cancellation, non-renewal, or material change that affects required insurance coverage.

- G. The Grantee shall submit proof of new or updated policy based on insurance requirements within thirty (30) days of policy cancellation or substantial policy change. Failure to provide proof of insurance may result in termination of this Grant Agreement.

24. Indemnification

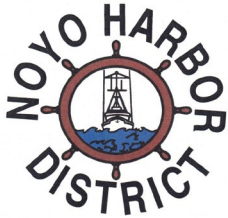
The Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to, any claims or damages arising from planning, design, construction, maintenance and/or operation of this Project and any breach of this Agreement. The Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

25. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.



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NOYO HARBOR DISTRICT AGENDA ITEM SUMMARY

AGENDA ITEM #: 3

**MEETING DATE:
12/14/2023**

TITLE

FEMA projects

RECOMMENDED ACTION

Discussion and recommendations

ANALYSIS

Harbor Office has begun the process of updating Harbor District Policies. Originally this document was called Policies and Procedure, however we should consider developing a separate procedures document. This could more thoroughly detail actual procedure that District might not to be made publicly available.

All text proposed to be removed has been marked in strike through text and all proposed additions are added in red text.

The changes made reflect either updated state requirements or involve the removal of old or irrelevant policies and have been updated.

Entirely new sections added:

- Commission meetings
- Special meetings
- Emergency meetings
- Berth Rental Policies
- Long Term Tenants
- Short Term Tenants
- Cancellation Policy -pre-approved by commission
- Found Vessel Policy-pre-approved by commission
- Flat Rate Electricity Policy -pre-approved by commission
- Parking Policy- pre-approved by commission
- Family Medical Leave
- Employee Review

Sections that have yet to be worked on

- Dredging and Deeping

- Investment Policy
- Records management
- Retirement Policy

FISCAL IMPACT

None

ATTACHMENTS

Noyo Harbor District Policies and Procedures



Noyo Harbor District Policies &

Procedures

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 - Emergency Meetings..... 4
- Berth Rental Policies 4
 - Long Term Tenants 4
 - Short Term Tenants 5
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 - Found Vessel Policy 5
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Commission Meetings

Commission meetings will be held on the 2nd Thursday of each month.

Five commissioners will comprise the Noyo Harbor District Commission. Two commissioners will be appointed by the City of Fort Bragg, two commissioners will be appointed by the County of Mendocino and the Chair will be jointly appointed by the City of Fort Bragg and the County of Mendocino.

Commissioners will serve a 4-year term.

Agendas will be published in accordance with the Brown Act 72 hours prior to the meeting on the Noyo Harbor District website and on the message board outside the District Office.

A Public comment period will be hosted at the start of each meeting to allow the public to make comments on non-agenda items. No action can be taken on items not posted on the agenda.

If the public wishes to present to the Commission or put an item on the agenda, they will contact the Harbormaster at least two weeks prior to the meeting. The Harbormaster reserves the right to approve or deny any request to present to the Commission as they see fit. Any support materials the public wishes to be included in the agenda packet must be submitted to the Harbormaster by the 1st Thursday of the month. Failure to submit supporting documentation may result in the removal of the item from the agenda.

Special Meetings

The Harbormaster or Commissioners can call for a special meeting at any given time for any reason. Special meetings will be held in accordance with the Brown Act and agendas will be posted 24 hours prior to the start of the meeting.

Emergency Meetings

The Harbormaster or Commissioners can call for an emergency meeting at any given time if an emergency presents itself. An emergency as defined in the Brown Act as a work stoppage, crippling activity or other activity that severely impairs public health, safety or both, as determined by the majority of the members of the legislative body. In the case of an emergency involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, a legislative body may hold an emergency meeting without complying with either the 24-hour notice requirement or the 24-hour posting requirement of Section 54956 or both of the notice and posting requirements.

Berth Rental Policies

Long Term Tenants

Long term tenants are tenants with a signed lease agreement and who are held liable for slip payment until an end of lease agreement is signed, upon eviction, or termination of lease agreement from the harbormaster is issued. A lease agreement can be terminated for the violation of any rules laid forth by the Noyo Harbor District, for non-payment, or at the discretion of the Harbormaster or Commissioners of the Noyo Harbor District.

A long-term tenant is not allowed to sublet their slip to other vessels or transfer ownership of their slip to another party.

Short Term Tenants

Short term tenants are tenants who do not have a signed lease agreement with the Harbor District. Short term tenants may, with permission, occupy a slip for no more than 7 months per calendar year. Reservations for short term tenants can be made with the harbor office staff.

All reservations must have a credit card on file and are subject to the Noyo Harbor District cancellation policy.

Any vessel found in the marina by staff without a reservation will be subject to the found vessel policy.

Short term tenants who book more than one month may get a parking pass from the harbor office. Tenants who book less than one month are subject to parks and launch fees.

Cancellation Policy

Reservations can be cancelled 72 hours prior to their start date with a \$40 cancellation fee. Any cancellations within 72 hours are non-refundable and all cancellations 2 nights or less are non-refundable

Found Vessel Policy

Any vessel that is found in a slip is subject to the Noyo Harbor District's found vessel policy. This includes but is not limited to vessels that have overstayed the length of their reservation, vessels that occupy a slip without permission from the Harbor Office, and vessels that are not the vessel on record with the Harbor Office. For the purposes of this policy the vessel on record is the vessel(s) identified on the lease agreement between the Harbor District and the slip holder.

For vessels that overstay reservations: The 1st time the vessel is found a \$50 fee will be added to the boater's account in addition to the monthly rate for that slip. If the vessel remains in the slip 30 days, or one month past that initial overstay a \$100 fee will be added to the boater's account for each 30 period in which the boater overstayed their reservation, in addition to the monthly slip fees. After 3 months the Harbor Office will place a lien on the vessel and sell the vessel at a public auction. All late fees will also apply.

For vessels that enter a slip without a reservation, permission or slip assignment or are not the vessel on record for that slip a fee of \$50 will be placed onto the boaters account each night that the vessel is in the slip, in addition to the normal slip rental. All late fees will also apply.

Slip holders do not have permission to sublet their slips.

Flat Rate Electricity Policy

All full-time tenants are subject to flat rate electricity charges for the privilege of using shore provided power in the Noyo Harbor mooring basin. Flat rate charges are subject to change as fluctuations in the utilities price occur over time.

Flat rate charges will be added to the tenants bill on the first of every month and applied to their power usage in that month. Vessel owners are responsible for communicating with the office if their vessel will not be in the slip for that month or for an extended period.

Vessel owners that pay annually can also pay their electricity charges annually and those payments are due at the same time their annual payments are due. If a vessel is out of the water for a certain percentage of the year that can be adjusted into the flat rate charges.

If a vessel is not using electricity, it will not be subject to flat rate charges.

Parking Policy

All long-term tenants must display a parking pass in the lower left of their front windshield. Failure to display a parking pass may result in a day use fee.

Parking pass is included in long term slip rental fees for boat owners, captains and crew. Parking passes can be obtained from the Harbor Office for any new crew members.

Parking and launch pass is included in rental fees for short-term tenants staying over one month. Pass can be obtained from the Harbor Office. Each short-term tenant is limited to one parking passes.

Parking and Launch is not included for any short-term tenants staying less than one month.

Overnight parking is only permitted for long-term tenants while they are actively at sea.

Camping in the parking lots is strictly prohibited.

Overnight parking is strictly prohibited, including trailers.

All trailers need to be attached to a vehicle.

The parking lot shall not be used as a storage lot for trailers, boats on trailers or fishing gear.

All trucks and trailers need to be parked in the front or back launch ramp parking lots. They cannot be parked in the H dock parking lot or another the road.

Parking in the loading zone for an extended period of time will result in a fine of \$20.

Procurement Policy

Dollar Thresholds for the Purchase of Supplies and Equipment

\$0.00-\$4,999.99- Direct Purchases

No Purchase Orders are required unless the vendor requires one.

No competitive bids are required.

~~NHD Office Administrative Staff (Harbor Manager or Assistant Harbor Manager) is authorized to make purchases within this price range.~~

Purchases must be authorized by the **Harbormaster**. ~~NHD Manager.~~

Any requirements by a vendor to open a new account must be routed to the Harbormaster. Employees making purchases must ensure fair and reasonable prices are received for the supplies and/or equipment being purchased.

\$5,000.00-\$24,999.99- Informal Quotes

For the purchasing of any equipment, new construction or projects involving maintenance of building and improvements that do not fall under Public Contract Code Section 20751 the Harbormaster will gain approval from the Commission before funds are allocated.

Purchase Orders are required within this price range, **and will be presented to the Commission along with a justification of the required expense.**

~~Complete a Procurement Form to be submitted to the Noyo Harbor Commission.~~

~~Three informal quotes should be obtained by telephone, fax or mail and be attached to the request.~~

The Harbormaster will obtain three informal quotes or provide justification of why three quotes cannot be provided and background information on how cost where developed and justified.

~~Informal quotes must be signed by the N.H.D. Manager.~~

Harbor District staff may initiate a Request for Quotes which will be posted on the Harbor District website and in the local newspaper. The Request will specify the nature of the work, the timelines and deadlines for submittal. N.H.D. Office Administrative Staff may also initiate a Request for Quote (RFQ), which is a written request for informal quotes. The N.H.D. Manager will review and approve the RFQ prior to mailing.

~~Awards will be made by the N.H.D. Office Administrative Staff at the direction of the Noyo Harbor Commission.~~

Public Contract Code Section 20750

The NHD is governed by Public Contract Code Section 20750 et seq. Section 20751 states that contracts for new construction work, the cost of which exceeds \$10,000 or the purchasing of supplies, the cost of which exceeds \$25,000, or projects involving maintenance of buildings and improvements, the cost of which exceeds \$10,000, shall be let by the Board upon competitive bidding in accordance with the provisions of Section 20751. These provisions include but are not limited to publication of notice of the proposed contract, the solicitation of sealed bids, and the opening of bids and award of contract at a public session of the Board. The award of any contract must be made to the lowest responsible bidder. Any proposed contracts within the thresholds established by Section 20751 shall be awarded in accordance with that section. The following provision shall only apply to contracts which are not subject to Public Contract Code Section 20751.

\$25,000.00 and Higher- Formal Bids Process

The Noyo Harbor District will follow all codes, policies and procedures set forth by Public Contract Code.

The Harbor District staff is responsible for administering the contracts and purchase orders in this price range.

The Harbor District staff will provide the Commission with a copy of the Notice Inviting Bids, Bid Schedule, and Contract prior to publishing the Notice Inviting Bids.

The Harbor District staff is responsible for administering the bid process which includes but is not limited to:

- developing the schedule
- addendums to the Notice Inviting Bid
- advertisements in the local paper
- contractor walk-throughs
- the question-and-answer period
- and the collection of sealed bids

~~N.H.D. Office Administrative Staff is responsible for administering the invitation to bid and purchase order in this price range.~~

~~Specifications are submitted with a completed Procurement Request as a cover sheet.~~

~~N.H.D. Office Administrative Staff develops an Invitation to Bid (ITB) package, which is reviewed by the N.H.D. Manager.~~

~~N.H.D. Office Administrative Staff schedules an opening date.~~

~~A legal advertisement is published in the designated local newspaper and other media.~~

~~N.H.D. Office Administrative Staff is responsible for submitting the advertisement to the appropriate source. ITBs are mailed to a list of potential bidders.~~

~~N.H.D. Office Administrative Staff receives sealed bids by a specified time and date.~~

~~A public bid opening on the specified date, at the specified time is conducted by N.H.D. Office Administrative Staff.~~

~~Bids are tabulated and analyzed by N.H.D. Office Administrative Staff.~~

~~If the winning bid is over the formal bid amount, award of the bid must be approved by the Noyo Harbor Commission.~~

~~An agenda item is established by Harbor District staff and an agenda report prepared for approval. After Commission approval, a purchase order or contract is issued.~~

Parking & Launch Fee Collection

Small pre-printed envelopes with consecutive numbers are used to collect parking and launch fees. The maintenance staff is responsible for monitoring the parking lot and placing envelopes on the windshield of vehicles. The envelopes are recorded sequentially on a log with vehicle license numbers.

The vehicle owner is responsible for placing the payment in the envelope and depositing the envelope in one of the parking posts in the main lot. Envelope collection frequency varies with the vehicle volume. ~~All posts are cleared each evening before 5PM.~~

The Harbor Manager opens envelopes, logs the payments in the ~~Marina program~~ **marina management program** and makes the bank deposit. Parking receipts are primarily cash with some occasional personal checks.

Annual parking passes can be purchased in the District office **passes are valid for 365 after purchase.** for \$140 annually (as of 2013).

Adhesive passes are placed in vehicles windshields to indicate prepaid parking.

IT Systems

Harbor Manager and Treasurer use standalone PCs using Microsoft Office. The Harbor Manager uses Yahoo for email communication and archive management. ~~The Treasurer uses Microsoft Outlook for email communication and archive management.~~

Internet and phone services are purchased from the company that can provide the most reliable, affordable services.

~~Internet access and the primary voice service are purchased from MCN, a local service provider managed by the Mendocino School District in partnership with Sonic Telephone. All employees use personal cell phones for personal and District use. The monthly invoice is auto-charged on the~~

~~Treasurers NHD credit card and the invoice is emailed to the Harbor Manager and Treasurer.~~

~~The Marina Program marina management program is used to invoice customers, track payments, manage accounts receivable, wait list deposits and customer berthing records. The Marina Program only works on the Harbor~~

~~Manager's computer. The District's version of this program will not run in a Microsoft environment newer than Windows XP. Windows 7 can emulate XP but the program is not stable. The Harbor Manager backs up Marina data to a thumb drive each month and removes the drive from the office for safe keeping. The program resides on diskettes (3.5" floppies). The Marina Program does not export data electronically, all reporting is on paper.~~

Accounting software is used for the general ledger, accounts payable, financial reporting, budget tracking and general finance management. The software is backed up 1-2 times per week, and an external cloud backup is used to secure information off site. Sage 50 is used for the general ledger, accounts payable, payroll and financial reporting. ~~The District has a single user system set up on the Treasurer's PC using Microsoft 7, internal hard drive back ups are completed 1-2 times per week, external hard drive back ups are completed once every 10-14 days and thumb drive back ups are completed every month. The external drive is placed in a fire proof safe every day. The thumb drive back up is maintained in the custody of the Treasurer. System support has been purchased and updates (primarily payroll) are loaded when they become available. The Sage Company profile was set up as cash based system transactions do not reflect in the GL reporting until checks are issued, deposits are made or general journal entries are completed.~~

A marina management system is used to store all tenant information.

Accounts Payable / Disbursements

Accounts payable are managed with the **accounting software.** the Sage 50 Program.

Vendor set up – The Harbor Manager and Treasurer approve all new vendors. If necessary, vendors are supplied with W9 forms. All new vendors are required to complete a W9, in addition to providing basic set up data. Prior to 2013 some vendors did not submit W9 forms, all active vendors who are not publicly traded corporation, have been retroactively required to provide W9 forms.

The Harbormaster is responsible for approving all AP and disbursements monthly. The Harbor Manager approves all AP disbursements. Invoices are entered into the Sage accounting software after they have been reviewed and approved for payment. Although the data is recorded in the AP module, the GL information does not record until the check is issued. At the end of each month all activity in AP that has not been paid is recorded in the GL with a reversing entry in the following month.

Two signatures are required on each check cut to vendors. The Harbormaster and at least one commissioner is responsible for signing and reviewing checks.

Payroll checks are issued twice a month on the 1st and 16th, AP checks are generally issued the day before the payroll on the 1st to reduce accrual entries and on the 16th to combine the AP with payroll checks for processing efficiency.

Payroll and AP checks require two signatures. The individuals who are authorized to sign checks are the Harbor Manager, Treasurer, Commissioner Caito, Commissioner Ancona and Commissioner Burns. The Harbor Manager and Treasurer generally sign all disbursements.

Pay checks are hand delivered to all employees; AP checks are mailed to the vendors address via USPS; Auto debits to the checking account are limited to Chase credit card processing fees and checking account service fees.

Accounts Receivable / Receipts

Accounts receivables are managed with a marina management program. the Marina Program.

Customer setup is managed by the Harbor office staff. Manager.

Permanent Long term berth tenants are auto billed charged by the system monthly, payment is due 30 days after billing.

Less than 7 month tenants / Short terms transients Short term/transient guest will be billed monthly, weekly or daily as appropriate.

Submerged Tidelands Leases are charged annually in January.

Parking receipts are on a cash basis.

Flat rate electrical charges are billed monthly for long term tenants, payment is due 30 days after billing.

Ground rent is billed monthly, payment is due 30 days after billing.

Service fees (hoist, forklift, pump station, ect) are generated upon usage and added to billing.

Hoist / Late Fee / Electricity / Ground Rent / Recycled Oil Revenue – (Jere describe) Wait List

Deposits (no activity since FY2012)

County Property Tax receipts are on a cash basis.

Grant reimbursement or receipts are tracked in the general ledger and denoted as "Other Income" and recorded under the grant name. Grant Receipts are accrued in the GL cash receipts books as sales, month end entries distribute to appropriate GL accounts.

Payments can be made by cash, check or credit cards.

Credit card payments are processed as needed in the marina management system. Customers with cards on file in the auto-pay system are billed on the first of the month for the total owed.

All cash or check payments are logged by office staff in the receipts journal. Payments are logged as they are received by office staff. Payments are entered into the marina management system when the receipts journal is full or has over \$2,000 in cash. All checks and cash are deposited into Chase Bank and the receipt journal will exactly match the payments received into the marina management system, and the daily deposit record into Chase Bank.

Payments are received via checks, cash and credit cards. All payments are logged in a manual cash receipts journal by the Harbor Manager and Treasurer. Payments are made individually in person or over the phone, these transactions are recorded when payment is made, a majority of the payments are received via USPS; these payments are logged each afternoon when the mail is delivered. A small number of customers have credit cards on file for monthly charges.

When a full page of transactions is completed (or \$2,000 of cash on hand is exceeded) the Harbor Manger compiles a deposit which is recorded into the Marina Program. All checks and cash (minus \$200 for the cash drawer) are deposited at the local Chase Bank branch in Fort Bragg. The deposit receipt is given to the Treasurer. Each deposit is recorded as sales at the time of deposit checks and cash are recorded in aggregate on the date deposited, credit cards are recorded in aggregate for the date of anticipated credit into the bank account.

Credit card transactions for each deposit are confirmed with the Chase Resource Online Reporting tool to ensure all cash receipts journal entries for credit card transactions are recorded in the Chase system.

Payroll Policies

Payroll is processed bi-annually on the 1st and 16th of each month for the prior two-week period. Daily timecards are submitted to and approved by Harbormaster. Paychecks are signed by Harbormaster and at least one Commissioner.

Payroll Procedures

Open Sage 50 — Select "Employees & Payroll"

- 1) Employee hours worked & accruals used, submitted by Harbor Manager to Treasurer for each payroll on daily time sheets.
- 2) Confirm salaried employee vacation / sick usage with Harbor Manager
- 3) Click on Pay Employees Icon
- 4) Select Enter Payroll for Multiple Employees
- 5) Select Correct Payroll Date (1st or 16th)
- 6) Include Pay Frequencies (uncheck all boxes except — Semi-monthly)
- 7) Review each employees payroll record
- 8) Ensure that payroll is confirmed for only active employees
- 9) Review Gross pay field for accuracy
- 10) All vacation & sick accruals, usage and balances appear on each check stub, Harbor Manager and Treasurer review, accruals, usage and balances prior to signing checks.
- 11) Select each employee that has taken sick or vacation time and enter amount taken in appropriate fields
- 12) XXXX YYY — \$100 auto garnish — (on going — adjust if changed)
- 13) Print Checks — (Put check stock in printer first)
- 14) Issue Garnishment check(s) — Currently Jeff Ball — California State Disbursement Unit — fill out coupon with amount and date.
- 15) Issue — SEP IRA for vested employees issue payments to fund managers (Jere & Jeff) — Payment coupons in SEP IRA folder.
- 16) Harbor Master & Treasurer sign checks and distribute to employees on the 1st & 16th
- 17) On the 16th issue CA State and Federal tax deposits.
- 18) Reports & Forms — General Ledger — GL Trial Balance (print Trial Balance for reference)
- 19) Confirm garnish GL#24100 is zeroed out
- 20) Click on Forms Icon (State Form — DE88 Federal Form — EFTPS Electronic Federal Tax Deposit) — Follow instructions confirm amounts against Trial Balance
- 21) Federal Payment on line EFTPS Bookmark — Enrollment trace #71600101
- 22) CA EDD Payment write check — envelopes in Tax Deposit Folder

Cash Drawer

A cash drawer with \$200 is kept to make change for cash payments and to use as change during events when necessary. Small bills take preference and large bills are exchanged for small bills are required. Revenue from small purchases (selling hats, cups, stickers, ect) can be placed in the cash drawer and excess funds deposited as necessary into the Chase Bank account and recorded as "other income" in the accounting software.

~~Manual drawer paper registers.~~

~~The reception counter / cabinet houses a cash drawer, where payments are placed and change for cash transactions is maintained. The Harbor Manger and Treasurer accept payments; the Harbor Manager manages the deposit process. After hours policy, requires cash drawer to be locked in fireproof file cabinet in harbor office.~~

Credit Card Payment Processing

Payment by check or cash is preferred due to the credit card processing fees incurred.

Credit card processing is done by the marina management system. Deposits of credit card payments are made into the Chase Bank account once per week. Deposits are recorded into Quickbooks once transactions are made.

~~Payment by swiping card is preferred to entering card number in machine due to lower processing fees.~~

~~Chase Online Paymentech is available online to the Harbor Manager and Treasurer. The District has one credit card swiping device generally connected to the Harbor Manager's computer.~~

~~Batches are auto closed every evening at approximately 11 PM and posted to the main checking account each day a transaction occurs.~~

~~Each credit card transaction is logged into the cash receipts journal. The Harbor Manager logs the cash receipts into the Marina program 6 times per month on average, typically when one full page of transactions have been logged or sooner if a cash balance over \$2,000 accumulates or a large check is received.~~

~~Each deposit register is logged into Sage debiting cash and crediting sales. A Chase Resource Online report is generated to print out all credit card activity during the date range on the deposit register. The Chase report is compared to the deposit register to verify agreement with the two systems.~~

~~Each month a processing fee statement is generated out of Chase Resource Online, reviewed for reasonableness and posted in the GL to reduce cash and record the expense.~~

Cash Accounts Reconciliation

At the end of the month, prior to generating monthly reports, the Harbormaster will reconcile all bank accounts with the accounts management software. Checks cleared, deposits made and interest generated from the savings account or LAIF will be reconciled so all accounts match the Chase or LAIF monthly statements.

During the month end close process the Treasurer reconciles all cash and investment GL balances with online reporting tools from Chase Bank for the main checking account and two business savings accounts; Mendocino Lake Credit Union savings account and LAIF investment accounts. Interest is posted with general journal entries on a monthly basis as recorded on statements with the exception of LAIF which is accrued due to quarterly interest postings.

Month End GL Process

- 1) Reconcile cash and investment accounts, post entries related to interest earned and fees charged on the checking account for credit card processing and general account fees.
- 2) Post depreciation entries from capital asset spreadsheet.
- 3) Analyze Marina monthly reports and prepare journal entry to record activity in appropriate GL accounts. Reconcile Marina cash receipts with Sage cash receipts, record change in AR balance, change in Wait List balance
- 4) AR reserve – review non-performing accounts with Harbor Manager adjust reserve requirements as needed based on management assessment of recovery expectations.
- 5) Post debt interest accruals
- 6) Post insurance amortization (prepaid to expense)
- 7) Analyze compensated absence balance report, calculate liability and post entry to reflect increase or decrease to liability and corresponding entry to labor expense.
- 8) Payroll accrual, post first of the month payroll activity from Sage payroll register.
(Reversing)
- 9) Post expense entries for all invoices in AP that are unpaid on the first of the month, invoices received after the end of the month and estimates for services received that have not yet been invoiced. (Reversing)
- 10) Analyze unearned grant revenue for potential adjustments

11) Analyze grants receivable for potential adjustments

12) Capital Assets minus related debt — analyze and post needed adjustments

Commission Financial Reporting

Each month the Harbormaster will provide financial reports for the previous months at the Commission meetings. The financial reports will include an overview of all cash accounts, a profit and loss statement for the previous month, an report detailing actual expense verse budgeted expenses for the previous month, and a list of all payroll checks for the previous month.

The Treasurer provides a report to the Commission at each meeting. The Treasurer's report contains:

~~Narrative Document — Discusses revenue and expense differences compared to the prior year and any significant budget variances. Significant changes in balances on the Statement of Net Assets are discussed to identify activity driving the change. The narrative also contains a listing of all checks over the \$5,000 Harbor Manager approval authority, with vendor name and underlying activity.~~

~~Receipts and Disbursements — Recaps cash receipts by major activity; enterprise revenue (slip rental, parking, ground rent), grant revenue, tax revenue and interest income. Recaps disbursements by Payroll and AP. Lists check numbers and total amount with a signature page for each Commissioner and the Treasurer.~~

~~Detailed Disbursement Listing — Sage check register for all monthly disbursements with check number, date, payee, amount of check and a separate column with payroll checks.~~

~~Statement of Net Assets (Balance Sheet) & Statement of Revenues and Expenses (P&L)~~

~~Balance sheet and P&L are sourced from Sage but manual aggregation to fit Commission reporting format completed each month by Treasurer.~~

Capital Assets

Capital assets, which include land, structures and improvements, facilities and equipment, are reported in the financial statements at historical cost. Capital assets are currently defined by

~~the District as assets with an initial individual cost of more than \$500. These assets are being depreciated using the straight line method over the assets' useful lives as follows:~~

~~Structures and improvements — 10-20 years~~

~~Facilities — 10-40 years~~

~~Equipment — 5-10 years~~

Dredging and Deepening

1. Maintenance dredging is considered asset maintenance and is therefore not a capitalized expenditure.
2. It is District's policy to capitalize the deepening of channels and berths and to categorize such expenditures to the asset "Land." (The deepening is expected to be maintained indefinitely; therefore, there is no finite life for deepening projects.) Land is not depreciated.

Budgeting

~~The Noyo Harbor District fiscal year runs July 1-June 30 annually.~~

~~At the end of May, the Harbormaster forecasts the current fiscal year's spending to obtain expected expenditures. This data, in conjunction with the previous year's audits, an understanding of current fishing and/or other regulations that could affect occupancy rates, the Harbormaster and Finance Ad Hoc build a draft budget for the following fiscal year. The draft budget is presented at the April meeting. Changes and recommendations can be made in May and the draft budget is brought back at the June meeting for final approval.~~

~~The Treasurer prepares a forecast for the current fiscal year in April. Historical actual results, the current year forecasts and expectations for the upcoming year are analyzed to form the basis of assumptions for the next budget year.~~

~~The Treasurer prepares a presentation that recaps prior year's actual results, current year forecast and next year's budget. The budget is supported by assumptions and has detailed supporting spreadsheets to illustrate how annual numbers were derived.~~

~~The Harbor Manager reviews the draft presentation provides comments and feedback, the draft is updated and the Treasurer schedules a meeting with the Budget Committee prior to the May f~~

~~Commission meeting. The budget Committee provides comments and feedback, the draft is updated and presented to the Commission meeting in May. The Commission either approves the budget as presented or provides comments and feedback for a follow up presentation of the budget at the June Commission meeting for final approval.~~

Noyo Harbor District Investment Policy (adopted 5.09.13)

Government Code section 53600 et seq. provides authorization for investment of funds of local agencies. All investments of the Noyo Harbor District shall conform to the requirements of those laws, using prudent investment standards and practices. Responsibility for administering the District's adopted Investment Policy shall rest with the District Treasurer under the supervision of the Harbor Manager and District Commission. The Treasurer shall at all times adhere to the "prudent investor rule" acting as a fiduciary of District funds. Investment objectives as set forth in California Government Code Section 53600.5 in descending order of priority:

- 1) Safety and Preservation of Principal
- 2) Liquidity and Matching of Cash Flow Needs
- 3) Yield

Permitted Investments:

In accordance with State Law, cash may be invested in the following instruments, obligations and securities, but in no event with stated maturities greater than five years beyond the purchase date:

- 1) Federally insured collateralized bank deposits (CD's)
- 2) Money Market Mutual Funds holding only U.S. Treasury and Government Agency obligations and cash
- 3) Local Agency Investment Fund (LAIF is part of the State of California Pooled Money Investment Account PMIA)

Competitive Bidding:

When purchasing bank CD's the District shall to the extent possible solicit competitive bids from at least 3 banks to ensure the best possible return.

Delivery and Custody of Securities:

Payment for purchased securities shall be contingent upon immediate delivery to the District or its designated custodian bank or trust company (delivery versus payment method). All investments shall be held in the name of the District with the exception that Certificates of Deposit in the name of FDIC member banks may be held at said bank in District named accounts. Custodial banks must be members of the Federal Reserve Bank System.

Reporting:

In accordance with Government Code Section 53646, the Treasurer shall submit periodic investment reports to the District Commission on a quarterly basis. On an annual basis, the Treasurer shall review the Investment Policy for any changes to be recommended to the Commission.

Records Management Policy

RESOLUTION OF THE NOYO HARBOR DISTRICT

Adopting the California Secretary of State's Local Government Records Management Guidelines

WHEREAS, the Noyo Harbor Commission wishes to formalize a records management protocol to retain and

destroy Noyo Harbor District records in an appropriate and efficient manner.

WHEREAS, the Noyo Harbor Commission wishes to adopt a records disposition and destruction policy in compliance with the Harbors and Navigation Code Section 6860.5 and California Government Code sections 60200-60204.

WHEREAS, the Harbors and Navigation Code provides the option to adopt the California Secretary of State's Local Government Records Program described in California Government Code Section 12236.

This web address takes you to the current version of the Local Government Records Retention Program:

<http://www.sos.ca.gov/archives/local-gov-program/pdf/records-management-8.pdf>

NOW, THEREFORE, BE IT RESOLVED: The Noyo Harbor District Commission is adopting the California Secretary of State's Local Government Records Management Guidelines pursuant to California Government Code Section 12236 which are applicable to Noyo Harbor District records.

PASSED AND ADOPTED: This 11th day of April, 2013, at a regular meeting of the Noyo Harbor Commission by the following vote.

Employee Benefits

~~*Effective March 8, 2001 Employee Benefits:~~

Medical and Dental Insurance for Employees

~~Full time employees only. Policy parameters to be approved by P&P Committee~~

Only full-time employees are eligible for medical and dental benefits. Families of full time employees are not eligible for benefits.

~~Effective January 1, 2014,~~ Regular full time employees will be eligible for insurance coverage on the first of the month following a 60 day waiting period. (Adopted 11-15-12) (ACA modification 10.10.13)

Retirement

SEP IRA: 15% of gross salary or wages after 3 years full time employmentThe wages, hours, and working conditions of all employees of the Noyo Harbor District, except for exempt employees, shall be in compliance with orders of the Department Of Industrial Relations of the State of California regulating wages, hours and working conditions of employees. (Adopted 2-8-01)

Compensating Time Off (CTO):

The Harbor Manager and Assistant Harbor Manager positions are executive and administrative positions exempt from California Industrial Welfare Commission orders regulating wages, hours and working conditions. These exempt employees may be required to work beyond an eight hour day or 40 hours work week when circumstances require that they stay on duty. There will be no monetary consideration under such circumstances. Compensated time off will be provided. ~~(Adopted 2-8-01)~~

Three paid CTO days per year for Harbor Manager and Assistant Harbor Manager. May take either compensating time off or be paid for the 3 days at the end of the year. ~~(Adopted 7/99)~~

Overtime:

Hourly employees will be paid at one and a half times their hourly wage or may take compensating time off at one and a half time.

Overtime must be pre-approved by the Harbormaster or Lead Maintenance.

Paid Holidays:

| | |
|-------------------------------------|------------------|
| New Years Day | Veterans Day |
| Colombis Day/Indigenous Peoples Day | President's Day |
| July Fourth | Thanksgiving Day |
| Martin Luther King Day | Memorial Day |
| Labor Day | Christmas Day |

(If a holiday falls on a Saturday or Sunday the preceding Friday or the following Monday may be observed as the holiday)

Vacation Policy

During the first **two** years of full-time employment, employee is entitled to 1 week (5 days) paid vacation. ~~(Adopted 8-12-99)~~

After 3 years full time employment, employee is entitled to 2 weeks (10 days) paid vacation. ~~(Adopted 2-10-94)~~

After 5 years full time employment, employee is entitled to 3 weeks (15 days) paid vacation. ~~(Adopted 2-10-94)~~

After 8 years full time employment, employee is entitled to 4 weeks (20 days) paid vacation. ~~(Adopted 2-10-94)~~

After 1 year, REGULAR PART TIME employment (29 hours or less per week), employee is entitled to 8 hours paid vacation for every 416 hours worked. (adopted 3-10-94)

TEMPORARY EMPLOYEES, those employees who might work as many as 40 hours or more, per week, but for a limited period of time or those employees who might be hired for a specific project, shall not be eligible for vacation pay. (Adopted 3-10-94)

Subject to the following conditions: (adopted 2-10-94)

Vacation paid at current wage or salary. Vacation time may be used after it is earned.

Vacation time must be used by the end of the following calendar year in which it is earned. (Under special circumstances vacation time may be accumulated with prior approval of the Harbor Commission.) (Adopted 2-8-01)

Vacation time is to be coordinated with other employees. Seniority (employee with longest accredited time with the District) has first choice of time off.

Chairman or Vice-Chairman shall be made aware, six weeks in advance, if an employee plans to take more than three consecutive vacation weeks.

WEEKENDS AND HOLIDAYS: Chairman or Vice-Chairman shall be notified if all employees will be out of town and/or unavailable to respond to an emergency.

Sick Leave Policy

After 1 year of full-time employment, an employee is entitled to 12 days of paid sick leave. ~~Made retroactive to 6-1-99. (Adopted 3-8-01)~~

~~REGULAR PART-TIME AND TEMPORARY employees SHALL NOT be eligible for paid sick leave. (Adopted 3-10-94)~~

Part-time and temporary employees are entitled to 40 hours (5 days) of paid sick leave in the first year of employment. Part-time and temporary employees may be accumulate up to 40 hours of paid sick leave. (SB 616)

Subject to the following conditions:

Employee sick leave paid at current wage or salary (adopted 3-10-94)

Sick leave may be accumulated up to 100 days (800 hours). (Adopted 3-8-01)

Upon separation of employment, employees having 10 years of continuous service are allowed 15% of unused sick leave. The employee has the option of being paid or receiving credit service toward their retirement plan. (Adopted 3-8-01)

After 3 consecutive days of absence a doctor's confirmation of illness may be required. (Adopted 3-10-94)

Bereavement leave

An employee shall be granted bereavement leave with pay for the death of a person related by blood, adoption or marriage or any person residing in the immediate house-hold of an employee at the time of death. The bereavement leave shall not exceed three days. If additional bereavement leave is necessary the employee may use accrued vacation or sick leave.

Leave of Absence

Regular full-time or regular part-time employees may apply for a leave of absence for reasons of illness, pregnancy, illness in the immediate family, involuntary or voluntary active military reserve duty, or personal reasons. All leaves are without pay. Requests must be submitted in writing to the Harbor Commission and specify the type, reason, and duration of the leave requested. Request must be approved by the Harbor Commission. Employees returning from an approved leave are required to provide five (5) days advance notice. Failure to return from an approved leave within three (3) days of expiration is grounds for dismissal.

Family Medical Leave

As required by the Family Medical Leave Act and California Family Rights Act, employees are entitled to 12 work weeks of unpaid, job-protected leave each calendar year for specified family and medical leave reasons.

Eligible reasons for leave:

- The birth and care of a newborn child of the employee.
- Placement of a child in the employee's family for adoption or foster care.
- To care for a spouse, domestic partner, child, parent, parent-in-law (parent of a spouse or domestic partner), grandparent, grandchild, sibling, or designated person with a serious health condition.
- To take medical leave when the employee is unable to work because of a serious health condition.
- For qualifying exigency leave to assist families of members of the Armed Forces of the United States (including the National Guard and Reserves) to manage their affairs while the military member is on active duty in support of a contingency operation.
- For military caregiver leave to care for a covered military servicemember who is undergoing medical treatment, recuperation, or therapy, who is otherwise outpatient status, or is otherwise on a temporary disability list for a serious injury or illness.

To be eligible for FMLA/CFRA benefits, an employee must:

1. work for a covered employer; and
2. have worked for the employer for a total of 12 months; and
3. have worked at least 1250 hours over the previous 12 months; and
4. for FMLA only, work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.

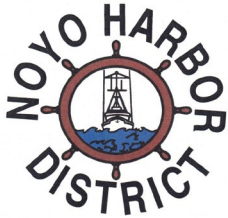
Employee Review

Harbor District employees are subject to annual performance reviews. The Harbormaster will perform reviews for part-time and full-time maintenance staff and part-time office staff. The Commissioners will be responsible for the performance reviews of the Harbormaster and Assistant Harbormaster.

Employees are also subject to review in the event of an accident where other employees, the public or themselves were injured, after negative altercations with the public or other employees, after emergency situations or when the Harbormaster or Commission see fit.



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NOYO HARBOR DISTRICT AGENDA ITEM SUMMARY

AGENDA ITEM #: 4

MEETING DATE:
12/14/2023

TITLE

IRS Denial to remove penalties.

RECOMMENDED ACTION

ANALYSIS

Harbor Office received letters from the IRS stating that our request to remove the penalty fees incurred for not paying the 2028-2019 payroll taxes was denied. The Harbor Office requested for the removal of fees due to staffing issues. However the IRS replied that staffing issues is not considered to be a “circumstance beyond our control and is not a basis for penalty removal.”

In May of 2023 we paid \$93,846.82 in taxes for the 2018-2019 years. We did not pay the \$48,659.70 in penalties. That amount would be due now and is subject to interest for non-payment.

We can attempt to appeal this denial, or we can pay the penalties.

FISCAL IMPACT

\$48,659.70 in penalty fees.

We have \$1,545,151.86 in total assets.

ATTACHMENTS



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Jim Hurst
Chair

Doug Albin
Vice Chair

Richard Shoemaker
Commissioner

Dan Platt
Commissioner

Grant Downie
Commissioner

Anna Neumann
Harbormaster

Staff Reports

Tommy's Marine Supply Project

The Harbor Office has run into some issues with the Tommys Marine Supply property acquisition project. Another group has out-bid the Harbor District on the purchase of the property. While the Harbor office looks into the validity of this groups ability to purchase the property the Coastal Conservancy has been notified and the project is on hold.

The Nature Conservancy

The Nature Conservancy has been recently awarded a grant by the Ocean Protection Council to work in the Fort Bragg/Mendocino Coast on the kelp deforestation and urchin barren issues. This is exciting news for our community as the state recognizes the issues we are facing and commits to continue their help.