

AGENDA
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

DATE: May 27, 2010

TIME: 6:00 p.m. Closed Session
7:00 p.m. Regular Session

PLACE: Woodley Island Marina Meeting Room

The Meeting Room is wheelchair accessible. Accommodations and access to Harbor District meetings for people with other handicaps must be requested of the Director of Administrative Services at 443-0801 five (5) working days in advance of the meeting.

1. **Call to Order at 6:00 p.m.**
 - a. **Move to Executive Closed Session pursuant to the provisions of the California Government Code Section 54957.6 (Negotiations with Represented Employees)**
 1. Conference with Labor Negotiator
Agency Negotiator: Chief Executive Officer, District Counsel, District Treasurer, two (2) or less of the members of the Board of Commissioners.
Employee organization: As recognized by the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District, including International Longshore and Warehouse Union, Local 14A.
2. **Adjourn Executive Closed Session**
3. **Call to Order Regular Session at 7:00 p.m. and Roll Call**
4. **Pledge of Allegiance**
5. **Report on Executive Closed Session**
6. **Public Comment**

Note: This portion of the Agenda allows the public to speak to the Board on various issues not itemized on this agenda. A member of the public may also request that a matter appearing on the Consent Calendar be pulled and discussed separately. Pursuant to the Brown Act, the Board may not take action on an item that does not appear on the Agenda. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Agenda. Each speaker is limited to speak for a period of three (3) minutes during the PUBLIC COMMENT portion of the Agenda regarding items of special interest to the public not appearing on the Agenda that are within the subject matter jurisdiction of the Board of Commissioners. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.

7. Proclamations

- a. Consideration of approval of Resolution 2010-09 Commemorating the 100th Anniversary of the Madaket

8. Consent Calendar

Note: All matters listed under the Consent Calendar are considered to be routine by the Board of Commissioners and will be enacted by one motion. There will be no separate discussion of these items. If discussion is required, that item will be removed from the Consent Calendar and considered separately.

- a. Consideration of approval of minutes from the April 20, 2010 Board meeting.
- b. Consideration of approval of minutes from the May 13, 2010 Board meeting.
- c. Consideration of approval of Charter Agreement with Kurt Akin for the purpose of providing charter service for the Collaborative Fisheries Research Project.
- d. Consideration of approval of Amendment 2 to Pilot Employment Agreement with Captain John Powell.
- e. Consideration of approval of Amendment 2 to Pilot Employment Agreement with Captain Tim Petrusha
- f. Consideration of approval of Amendment 2 to Employment Agreement with Wilson Lacy.
- g. Consideration of approval of payment to GR Sundberg, Inc for pavement repair services related to the Woodley Island Marina workdock rehabilitation.
\$996.00
- h. Consideration of approval of Chief Executive Officer travel to the Pacific Northwest Waterway Association Mid Year meeting June 28-30, 2010, Stevenson WA
- i. Consideration of approval of Chief Executive Officer travel to travel to the California Association of Port Authorities, June 10-11, 2010, San Francisco, CA

9. Communications and Reports

- a. Chief Executive Officer's Report
- b. District Counsel's Report
- c. Staff Reports
- d. Commissioner Reports
- e. Advisory Committee Reports
- f. Other
 - a. Humboldt Fishermen's Marketing Association presentation on marina operations

10. Non Agenda

11. Unfinished Business

- a. Public hearing on 2010/11 budget
- b. Consideration of approval of the Environmental Checklist for the Humboldt Bay Upland Dredge Disposal Site.
- c. Consideration of finding adequate the Mitigated Negative Declaration for the Humboldt Bay Upland

Agenda for May 27, 2010 Board Meeting
Dredge Disposal Site.

d. Consideration of adoption of Resolution 2010-08 which establishes findings relative to the Humboldt Bay Upland Dredge Disposal Site.

12. New Business

a. Consideration of approval of Proposed 2010/11 Harbor Grant Opportunities

13. Administrative and Emergency Permits

14. ADJOURNMENT

**MINUTES
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**

May 27, 2010

PRESENT:

Commissioner Pellegrini
Commissioner Curless
Commissioner Wilson
Commissioner Higgins
Commissioner Marks

ABSENT:

None

President Curless called the Executive Closed Session to order at 6:10 p.m. Executive Closed Session adjourned at 6:23 p.m.

President Curless called the regular meeting of the Board of Commissioners to order at 7:04 p.m.

Melvin McKinney led those present in the Pledge of Allegiance.

In District Counsel's absence, Russ Gans reported on the Executive Closed Session as follows: Status of negotiations with the Harbor District labor union – The Human Resources Committee was instructed to proceed with negotiations as discussed.

PUBLIC COMMENT

Susan Penn told the Board of Commissioners the Woodley Island grounds have never looked better and expressed her gratitude to Chris Miller, the District's newest Harbor Maintenance Worker 1. She said Chris is proactive in making the marina and island clean and beautiful.

Vern Korb echoed Ms. Penn's statements.

PROCLAMATION

A. CONSIDERATION OF APPROVAL OF RESOLUTION 2010-09 COMMEMORATING THE 100TH ANNIVERSARY OF THE MADAKET.

CEO invited the Humboldt Bay Maritime Museum Board members to stand be recognized. He then read the resolution and presented it to Larry Zerlang, President of the Maritime Museum.

Jonah Devine, Vice President of the Board of the Maritime Museum thanked the Board of Commissioners and all the volunteers that keep the Madaket "alive". Mr. Devine said the celebration of the Madaket's 100th Anniversary would take place on June 6 at 11:30 a.m. at the foot of Del Norte Street, where the Madaket will be re-blessed and re-christened.

CEO also presented Mr. Zerlang a photo of himself in the wheel house of the Madaket as special recognition for his decades of service to the community in promoting the Madaket.

COMMISSIONER PELLEGRINI MOVED FOR THE APPROVAL OF RESOLUTION 2010-09 COMMEMORATING THE 100TH ANNIVERSARY OF THE MADAKET. COMMISSIONER WILSON SECONDED. A ROLL CALL VOTE WAS TAKEN:

COMMISSIONER CURLESS – AYE
COMMISSIONER PELLEGRINI – AYE
COMMISSIONER WILSON – AYE
COMMISSIONER HIGGINS – AYE
COMMISSIONER MARKS – AYE

MOTION CARRIED WITHOUT DISSENT.

CONSENT CALENDAR

Commissioner Higgins asked for items (d), (e) and (f) for further discussion. Commissioner Wilson asked for item (h) be pulled for further discussion

COMMISSIONER PELLEGRINI MOVED FOR THE APPROVAL OF THE REMAINDER OF THE CONSENT CALENDAR. COMMISSIONER HIGGINS SECONDED. MOTION CARRIED WITHOUT DISSENT.

Items (d), (e) and (f): Commissioner Higgins said these items are integral to the budget discussions and should be considered a part of the budget. Commissioner Wilson said he has questions for District Counsel and concurs with Commissioner Higgins and suggested these items be tabled until the next meeting.

COMMISSIONER WILSON MOVED FOR CONSENT CALENDAR ITEMS (D), (E) AND (F) BE TABLED UNTIL THE NEXT BOARD MEETING. COMMISSIONER HIGGINS SECONDED. MOTION CARRIED WITH COMMISSIONER PELLEGRINI DISSENTING.

Item (h): CEO stated he is on the Board of Pacific Northwest Waterways Association (PNWA). The Harbor District is the only California member of PNWA. He said PNWA was instrumental in the WRDA amendment that took the use restrictions off the dredges Yaquina and Essayons and is now working on the Harbor Maintenance Tax issue.

COMMISSIONER PELLEGRINI MOVED FOR THE APPROVAL OF CONSENT CALENDAR ITEM (H). COMMISSIONER MARKS SECONDED. MOTION CARRIED WITHOUT DISSENT.

CEO REPORT

- ❖ Earlier today, Dockmaster and Director of Facilities Maintenance met with Crescent City Harbor District (CCHD) CEO, Commissioners and Engineer to discuss the best practices of Woodley Island Marina. CCHD is going to be doing some dock restoration and is meeting with other facilities.
- ❖ 5/20: CEO chaired the Harbor Safety Committee meeting.
- ❖ 5/29: Salmon season opens and extends until Labor Day.
- ❖ The tug *Humboldt* is docked in the marina to provide tug services while the tug *Koos King* is out of service with engine repairs.
- ❖ The dredge Essayons will be leaving Humboldt Bay on June 1.
- ❖ There will be a memorial service at the Fishermen's memorial on Woodley Island at 9 a.m. on Monday, May 31, Memorial Day.

DISTRICT COUNSEL REPORT: None

STAFF REPORT: None

COMMISSIONERS REPORTS

Commissioner Pellegrini:

- ❖ Reported the Pacific Fisheries Management Council is working on trawl quotas. If the ITQ consolidates the trawl fleet for efficiency, coastal communities and towns that rely on that resource will suffer. Commissioner Pellegrini stated the local fishermen have not asked the Harbor District to get involved yet, but that could be a possibility.
President Curless appointed Commissioners Pellegrini and Higgins to meet with local fishermen regarding this issue. Commissioner Pellegrini stated she does not own a trawl vessel, so there will not be a conflict of interest.

Commissioner Higgins:

- ❖ Reported new arrays and options for the MLPA have been unveiled, but Commissioner Higgins stated they are not compatible with the arrays already presented.
- ❖ Met with John Woolley and Zuey Goosby to discuss the North Coast Rail Authority and feels there is little prospect of the NCRA doing business in Humboldt County. He asked if the NCRA right of way was offered to the Harbor District, would the Commissioners approve to take it over for recreation around the bay. He said this would have to be coordinated with Mendocino and Sonoma Counties and he would like the Board to discuss this as a potential prospect.

Commissioner Marks:

- ❖ Reported McClellan Mountain Spring Water has customers for their new biodegradable bottle, but has concerns about how to ship the product.
- ❖ Stated the Freshwater Tissue Company tentatively will begin business by the end of the year and there is estimation that 82% of the previous pulp mill work force would return. Bob Simpson, owner of the mill, will meet with the North Coast Water Quality Control Board in July to discuss permits.

ADVISORY COMMITTEE REPORTS

Commissioner Marks:

- ❖ Continues to work with Commissioner Curless on the District's employee's union negotiations.

Commissioner Higgins:

- ❖ Asked for the Economic Development Committee's report be an agenda item on the Board's next meeting.

OTHER

Humboldt Fishermen's Marketing Association presentation on marina operations

Ken Bates, representing the Humboldt Fishermen's Marketing Association, addressed the Board of Commissioners regarding the Woodley Island Marina dredging surcharge. He suggested there are other ways of increasing revenue without passing the burden on to the tenants; for example, increase tenancy.

CEO stated Mr. Bates is oversimplifying management of marinas. Each marina has its own characteristics, different conditions and rules. CEO asked Dockmaster to answer Mr. Bates' concerns.

Dockmaster reported the marina is currently 91% full and there is no waiting list for 50'-70' boats. She said there are many variables when renting a slip, i.e. the length, width and draft of the vessel, what materials the vessel is made of, the size of the vessel in the adjoining slip, etc.

Mr. Bates said if the Harbor District Board is satisfied with how the marina is operated, he will take these facts back to his Board and will not bring up these issues again. He said the purpose of this discussion is to make sure the District is maximizing its revenue.

After discussion regarding the cost of the next dredge project, CEO stated the District would need to increase the slip rents by \$5.17 per foot per month in order to pay for the costs of the project.

NON-AGENDA: None

UNFINISHED BUSINESS

A. PUBLIC HEARING ON FY 2010/11 BUDGET

District Treasurer read the FY 2010/11 Budget Summary as follows: Revenue \$2,003,733; Operating Expenses \$1,967,467; Non-Operating Expenses \$372,669; Excess Revenues Under Expenses (\$336,403); and Transfers From Fund Balance Designations \$336,403. District Treasurer also reported the cash available invested in the County Treasury is approximately \$2.5 million.

Commissioner Pellegrini stated she is appreciative of Commissioners Higgins and Wilson taking the time to promote economic development and she agrees this is important to the Harbor District. However this is not a new change; economic development is supported in the District's Strategic Plan. She said she agrees the District's budget and financial situation are serious, but the reason is beyond the Board's control due to State take-aways, pulp mill closing, no shipping activity and costs of strict regulations on dredging projects. Diversification of revenue was a part of her first campaign. It takes a long time to get anything accomplished in government; the deep dredging was a 12-year process. Things are not happening fast enough; but do not give up the harbor portion of the District's charge. There has to be a balance.

Commissioner Higgins said it is a matter of focus. This Board is still committed to the Redwood Marine Terminal (RMT) due to previous Board action and staff still has the emphasis towards promoting the RMT. There is no priority to change the emphasis. At the next meeting, Commissioner Higgins will present a menu of options to move the District forward. He feels the Board needs to prioritize staff's emphasis. Right now it is too diffuse.

President Curless said he agrees it takes a long time to get projects done. He thought the Shelter Cove Breakwater Rehabilitation Project would be completed by now.

Commissioner Wilson stated if there is no increase in revenues over expenses, the District will default on its obligations in the year 2014. His advice is for the Board to revise their strategy as it pertains to the District's financial situation.

Melvin McKinney asked if staff is pursuing grants for recreation and conservation projects. Commissioner Wilson said staff was directed at the last meeting to pursue the grant for the feasibility study of increasing oyster beds in Humboldt Bay.

Susan Penn said the Board needs to increase revenues through maximum capacity of the marina.

Another tenant asked if the marina tenants can really afford the \$0.50/foot/month increase. There are several "junky" boats that do not run. The island's landscaping is beautiful, but put the money in the marina fund.

Sid Berg, Humboldt Trades Council, said in the history of the world there has been commerce and debt reconciliation. Humboldt Bay is a deep water port; do not eliminate the deep water and the Redwood Marine Terminal. The Harbor District is not the only agency having financial troubles.

Andy Colonna said with the British Petroleum oil spill disaster, this port is becoming more valuable.

Stephen Pepper said there is the public/private partnership seeking Federal funds for the marine highway, which could bring \$1.8 million in to the Harbor District annually.

B. CONSIDERATION OF APPROVAL OF THE ENVIRONMENTAL CHECKLIST FOR THE HUMBOLDT BAY UPLAND DREDGE DISPOSAL SITE.

COMMISSIONER HIGGINS MOVED FOR THE APPROVAL OF THE ENVIRONMENTAL CHECKLIST FOR THE HUMBOLDT BAY UPLAND DREDGE DISPOSAL SITE. COMMISSIONER WILSON SECONDED.

Commissioner Wilson stated the volume of the site is 54,000 cubic yards. The 2007 dredge project estimated 200,000 cubic yards. He said this area is more for smaller dredge activities.

Commissioner Pellegrini asked if the process would have to start over if the Board wanted to increase the disposal area. CEO stated the document allows increasing the area.

MOTION CARRIED WITHOUT DISSENT

C. CONSIDERATION OF FINDING ADEQUATE THE MITIGATED NEGATIVE DECLARATION FOR THE HUMBOLDT BAY UPLAND DREDGE DISPOSAL SITE.

COMMISSIONER PELLEGRINI MOVED FOR FINDING ADEQUATE THE MITIGATED NEGATIVE DECLARATION FOR THE HUMBOLDT BAY UPLAND DREDGE DISPOSAL SITE. COMMISSIONER WILSON SECONDED. MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF ADOPTION OF RESOLUTION 2010-08 WHICH ESTABLISHES FINDINGS RELATIVE TO THE HUMBOLDT BAY UPLAND DREDGE DISPOSAL SITE.

COMMISSIONER PELLEGRINI MOVED FOR ADOPTION OF RESOLUTION 2010-08 WHICH ESTABLISHES FINDINGS RELATIVE TO THE HUMBOLDT BAY UPLAND DREDGE DISPOSAL SITE. COMMISSIONER WILSON SECONDED. ROLL CALL VOTE WAS TAKEN:

COMMISSIONER PELLEGRINI – AYE
COMMISSIONER CURLESS – AYE
COMMISSIONER WILSON – AYE
COMMISSIONER HIGGINS – AYE
COMMISSIONER MARKS – AYE

MOTION CARRIED WITHOUT DISSENT.

NEW BUSINESS

A. CONSIDERATION OF APPROVAL OF PROPOSED 2010/11 HARBOR GRANT OPPORTUNITIES.

CEO reported that 2-3 years ago there were no federal programs for harbor improvement projects, but constant pressure from CMANC and other port and harbor associations have caused the US Maritime Administration, US Department of Transportation, US Congress and the California State legislature to look at developing funding programs for port projects. CEO made a presentation that detailed Staff's recommendation to pursue eight grant opportunities through four federal grant programs.

COMMISSIONER PELLEGRINI MOVED FOR THE APPROVAL OF PROPOSED 2010/11 HARBOR GRANT OPPORTUNITIES. COMMISSIONER WILSON SECONDED.

Commissioner Wilson said he favored the projects where there was an external partner, such as the projects developing with Humboldt Maritime Logistics, Inc. and Santa Maria Shipowning and Trading, Inc., but the Board needs to be cautious not to pursue these projects to the detriment of other beneficial projects.

Commissioner Higgins said the feasibility of the Redwood Marine Terminal has not been shown; there is no tangible prospects for trade.

Commissioner Higgins offered a friendly amendment to remove the Redwood Marine Terminal from the grant opportunities. Commissioner Pellegrini, the maker of the motion, denied the request.

CEO stated the Redwood Marine Terminal is the only project currently in planning and is not competing with any other projects. There are some who want to use the dock now; replacing the old dock with a modernized dock would be a prudent use of the property.

Stas Margaronis stated the pre-application (for TIGER II grant program) is due on July 16 and cautioned the Board that unless they give specific approval to one project, nothing will happen.

Sid Berg said the Harbor District needs something to turn it around financially; the more lines in the water, the more chance you will get a bite. Short sea shipping dovetails into deep water shipping. Humboldt County could lose their water rights without the pulp mill. He asked the Board not to eliminate any opportunities.

MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

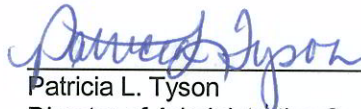
The Regular Meeting of the Board of Commissioners adjourned at 9:45 p.m.

APPROVED BY:



Richard Marks
Secretary

RECORDED BY:



Patricia L. Tyson
Director of Administrative Services