

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

**DATE:** August 12, 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)**
    - 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. 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 purchase of new slings and pads for the Fields Landing Boat Yard marine travelift from Marine Travelift, Inc. \$8,866.99
- b. Consideration of approval of minutes from the July 8, 2010 Board meeting.
- c. Consideration of approval of minutes from the July 22, 2010 Board meeting.

**8. Communications and Reports**

- a. Chief Executive Officer's Report
- b. District Counsel's Report
- c. Staff Reports
- d. Commissioner Reports
- e. Advisory Committee Reports
  - Report on research into improved process and equipment for televising District Board meetings (Commissioner Wilson and Commissioner Marks).
- f. Other
  - Informational presentation of general concepts and processes for municipal bankruptcy proceedings (District Counsel and District Treasurer).

**9. Non Agenda**

**10. Unfinished Business**

**11. New Business**

- a. Consideration of approval of letter to the California Air Resources Board (ARB) regarding the Mobile Cargo Handling Equipment (MCHE) regulation.
- b. Consideration of approval of Confirmation of Second Option of Renewal of Lease and Acknowledgement of Rent Increases for Coast Seafoods Company Tideland Lease.
- c. Consideration of Sixth Extension and Amendment of Agreement with the International Longshore and Warehouse Union AFL-CIO, Local 14, Unit A.

**13. Administrative and Emergency Permits**

**14. ADJOURNMENT**



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

**August 12, 2010**

**PRESENT:**

Commissioner Pellegrini  
Commissioner Curless  
Commissioner Wilson  
Commissioner Higgins  
Commissioner Marks

**ABSENT:**

None

President Curless called the Executive Closed Session to order at 6:00 p.m.

President Curless adjourned the Executive Closed Session to order at 6:42 p.m.

President Curless called the regular meeting of the Board of Commissioners to order at 7:00 p.m.

President Curless asked CEO, whose daughter delivered a baby girl yesterday, to lead those present in the Pledge of Allegiance.

District Counsel reported on the Executive Closed Session as follows: Status of negotiations with the Harbor District labor union – No action was taken.

**PUBLIC COMMENT**

David Elsebusch said he would like to see the Board meetings occur once per month. He also said he hoped the Board would not approve a raise in pay or benefits to the employees.

**CONSENT CALENDAR**

Item (c) was pulled for further discussion.

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

Item (c): Commissioner Pellegrini made a correction to the minutes from the July 22, 2010 Board meeting.

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

**CEO REPORT**

- ❖ CEO passed around a picture of the Travelift at the Fields Landing Boat Yard hauling an \$8 million yacht. CEO stressed this is just one of the important reasons for new straps.
- ❖ One quarter of the 5 million board feet of lumber has been loaded onto the 550' ship EcoVanguard at the Fairhaven Terminal.
- ❖ 8/11: CEO received word from the US Department of Transportation that three of the Harbor District's requests related to the marine highway applications have been granted. This opens up the opportunity to apply for \$7 million in grant funds for this federal FY budget and an opportunity to apply in the next FY budget. Only 14 out of 35 projects were selected and CEO thanked Congressman Thompson for his work on behalf of the Harbor District.

- ❖ 8/12: A North Coast Local Agency Coastal Coordination Committee meeting was held. MLPA issues and the timeline for final proposals were discussed. In September a resolution supporting an MLPA array will come before the Board for consideration.
- ❖ A letter to NCRA in support of the removal of billboards between Eureka and Arcata was written.
- ❖ A letter endorsing Dr. Chad Roberts appointment to the Bureau of Land Management Advisory Council was written.
- ❖ Staff continues to work with the Governor's Office of Economic Development in support of the pulp mill.
- ❖ Weather buoy #22 is back in place; Scripps' wave rider buoy will be moved in place on August 14.

**DISTRICT COUNSEL REPORT:** None

**STAFF REPORT:** None

### **COMMISSIONERS REPORTS**

Commissioner Pellegrini:

- ❖ Reported she, Supervisor Smith and CEO met with PG&E representatives regarding King Salmon canal.
- ❖ Communicated with Bob Simpson about how the Harbor District can help the pulp mill, possibly working with legislators in Sacramento.

Commissioner Wilson:

- ❖ Reported the water trails grant from the Coastal Conservancy was approved. CEO stated the grant is for phase 2 of the water trails project, which consists of implementation of the environmental documentation, final design and construction at four put-in/take-out sites in Humboldt Bay. The Harbor District will be the lead agency for this phase.
- ❖ Attended a "green" employers council meeting where they discussed various projects to move forward; i.e. aquaculture expansion and business park.
- ❖ Read the North Coast Journal article about the ship EcoVanguard currently in Humboldt Bay.
- ❖ Made a presentation to the Fortuna Rotary on August 5.

Commissioner Higgins:

- ❖ Stated he has garnered interest for a community dialogue on the Independent Fishing Quotas (IFQ). He would like to schedule an IFQ workshop for early November and would like a Board discussion to be agendaized for the next meeting.

Commissioner Marks:

- ❖ Reported local labor leaders are working for Senators Feinstein and Boxer's support to release state funds for the pulp mill.

Commissioner Curless:

- ❖ Reported old men should not play softball.

### **ADVISORY COMMITTEE REPORTS**

Commissioner Marks:

- ❖ Said the negotiations with the District's employee union are ongoing.



Commissioner Wilson:

- ❖ Said he is continuing his analysis of the District's employee medical insurance plan for cost-savings.

**Report on research into improved process and equipment for televising District Board meetings.**

Commissioner Wilson said there are two issues to be considered for televising the District's Board meetings: quality of equipment and the process of transferring the recording from the camera to air. Currently the process seems cumbersome and time-consuming for District staff. He said there will be a meeting with Steve Spain of Access Humboldt, who will look closer at the requirements and revise the cost to be affordable to the District's budget.

**OTHER**

**Information presentation of general concepts and processes for municipal bankruptcy proceedings.**

District Counsel stated the Harbor District is by no means on the verge or close to filing for bankruptcy. He commended the Board for looking into the future and planning long-term.

Under Federal law, there is some protection for government agencies. The Harbor District is a political subdivision of the State of California and 1) there must be specific State authorization to be a debtor under bankruptcy law; 2) the District must be insolvent; 3) there must be a desire to effect a plan to adjudicate the District's debts and 4) there must be consent from a majority of the District's creditors to a proposed plan or must have been unsuccessful in negotiating in good faith or must show negotiation is impractical or the creditor has stepped to the forefront in front of other creditors.

Chapter 9 (reorganization) is preferred as opposed to a discharge plan. One way to get some breathing room is to plan how to pay debts; do the planning now before you get to the bankruptcy stage.

District Treasurer said to determine insolvency, current liabilities must exceed available reserves. The Harbor District makes the determination on its own judgment and the court reviews the judgment to see if it agrees. Consideration must be made to the timing of the cash flow, collection of accounts receivable and the availability of short term financing.

One main question is: Will the Harbor District be insolvent if available reserves fall below \$1 million due to the bond requirements or if insolvency occurs at zero reserves? A committee of the bond holders would reviews the situation if reserves fall below \$1 million and would have a say in budget expenditures – the District would not necessarily be insolvent.

District Counsel stated despite the economy and so many public entities in turmoil, bankruptcy is not usual and usually happens due to a major incident.

District Treasurer said court decisions on insolvency are a long and costly event.

Commissioner Higgins asked if the Harbor District could be forced to sell Woodley Island Marina. District Counsel said it would be unlikely for the court to determine the marina is not an essential service.

**NON-AGENDA:** None

**UNFINISHED BUSINESS** None

**NEW BUSINESS**

**A. CONSIDERATION OF APPROVAL OF LETTER TO THE CALIFORNIA AIR RESOURCES BOARD (ARB) REGARDING THE MOBILE CARGO HANDLING EQUIPMENT (MCHE) REGULATION.**

Commissioner Wilson stated new regulations tailored to address large ports in California are adversely affecting the small terminal operators.

Rick Martin, North Coast Air Quality Control Board (NCAQCB) Air Pollution Control Officer, said the local terminal operators are asking for options from CARB; to delay indemnification and/or relief overall. He said the regulations were passed for larger port areas. Humboldt Bay was included because it is a deepwater port. There are no funds available for relief of the regulations. The NCAQCB sent a letter in support of the local terminal operators from a regulatory standpoint; the Harbor District letter would be from an operational standpoint.

Bob Phipps said this area has been hit hard economically. The funds to comply with the regulations are not available. In the past, CARB has been open to offer relief to areas of Northern California. This letter presents the case from an industry point of view.

Theresa Livingston thanked Mr. Martin and the Harbor District for their support and letters. She said they have been trying to abide by the regulations, but are not doing the business to pay for the cost of the upgraded equipment.

COMMISSIONER WILSON MOVED FOR THE APPROVAL OF LETTER TO THE CALIFORNIA AIR RESOURCES BOARD (ARB) REGARDING THE MOBILE CARGO HANDLING EQUIPMENT HANDLING EQUIPMENT (MCHE) REGULATION. COMMISSIONER MARKS SECONDED. MOTION CARRIED WITHOUT DISSENT.

**B. CONSIDERATION OF APPROVAL OF CONFIRMATION OF SECOND OPTION OF RENEWAL OF LEASE AND ACKNOWLEDGEMENT OF RENT INCREASES FOR COAST SEAFOODS COMPANY TIDELAND LEASES.**

COMMISSIONER HIGGINS MOVED FOR THE APPROVAL OF CONFIRMATION OF SECOND OPTION OF RENEWAL OF LEASE AND ACKNOWLEDGEMENT OF RENT INCREASES FOR COAST SEAFOODS COMPANY TIDELAND LEASE. COMMISSIONER PELLEGRINI SECONDED. MOTION CARRIED WITHOUT DISSENT.

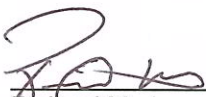
**C. CONSIDERATION OF SIXTH EXTENSION AND AMENDMENT OF AGREEMENT WITH THE INTERNATIONAL LONGSHORE AND WAREHOUSE UNION AFL-CIO, LOCAL A4, UNIT A.**

This item was tabled.

**ADMINISTRATIVE AND EMERGENCY PERMITS: None**

The Regular Meeting of the Board of Commissioners adjourned at 8:01 p.m.

APPROVED BY:



Richard Marks  
Secretary

RECORDED BY:



Patricia L. Tyson  
Director of Administrative Services