

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

DATE: **October 12, 2023**

TIME: **Closed Session – 5:00 P.M.**
 Regular Session – 6:00 P.M.

PLACE: **Woodley Island Marina Meeting Room, 601 Startare Drive, Eureka, CA 95501**

How to Observe and Participate in the Meeting:

Observe: Members of the public can attend the meeting in person or observe the meeting on Zoom at the following link: <https://us02web.zoom.us/j/6917934402>

Meeting ID: 691 793 4402
One tap mobile
(669) 900-9128, 6917934402#

Public members observing on Zoom will not be able to participate or provide comment. Members of the public who may wish to provide public comment during the meeting must attend in person.

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 (707) 443-0801 at least 24 hours in advance of the meeting.

1. Call to Order Closed Session at 5:00 P.M.

2. Public Comment

Note: This portion of the Agenda allows the public to speak to the Board on the closed session items. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Closed Session Agenda. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners.

3. Move to Closed Session

- a) Public Employee Evaluation: Executive Director
- b) Public Employee Evaluation: Development Director
- c) Public Employee Evaluation: Director of Administrative Services

Agenda for October 12, 2023 Regular Board Meeting

- d) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Property: All or Portions of Humboldt County Assessor Parcel Nos.: 401-112-024-000, 401-031-040-000, 401-031-078-000, and 401-031-083-000, and portions of the tidelands along the Samoa Peninsula adjacent to Redwood Marine Terminal I. Agency negotiator: Larry Oetker, Executive Director; Ryan Plotz, District Counsel. Negotiating parties: Crowley Wind Services, Inc. Under negotiation: price and terms of payment.
- e) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 and 401-112-024 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Humboldt Bay Development Association (Non-Profit Organization). Under negotiation: price and payment terms.

4. Call to Order Regular Session at 6:00 P.M. and Roll Call

5. Pledge of Allegiance

6. Report on Closed Session

7. Public Comment

*Note: This portion of the Agenda allows the public to speak to the Board on the **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 any 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 for each speaker 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.*

8. Consent Calendar

- a) Adopt Minutes for September 14, 2023 Regular Board Meeting
- b) Receive District Financial Reports for July 2023
- c) Review and Approve a Lease Agreement with the United States Army Corps of Engineers at Woodley Island
- d) Consider Accepting Application for Filing for Harbor District Permit 2023-06: City of Eureka Flood Reduction and Sea Level Rise Resiliency Project
- e) Approve First Amendment to Employment Agreement for Director of Administrative Services

Agenda for October 12, 2023 Regular Board Meeting

- f) Approve First Amendment to Employment Agreement for Director of Development
- g) Approve Third Amendment to Employment Agreement for Executive Director

9. Communications, Reports and Correspondence Received

- a) Correspondence Received
- b) Executive Director's Report
- c) Staff Reports
- d) District Counsel and District Treasurer Reports
- e) Commissioner and Committee Reports

10. Unfinished Business

- a) **Consider Adopting Resolution No. 2023-18 Amending the Salary Schedule for Middle-Management Unclassified Employees of the Humboldt Bay Harbor, Recreation and Conservation**

Recommendation: Staff recommends that the Board adopt Resolution 2023-18, A Resolution Amending the Salary Schedule for Middle-Management Unclassified Employees.

Summary: In September 2023, the Board of Commissioners approved a Collective Bargaining Agreement establishing a 3-year wage increase for all classified employees. The purpose of this resolution is to increase the salaries of middle management, unclassified employees on the same schedule.

11. New Business

- a) **Receive Status Update Regarding Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project**

Recommendation: Receive report and provide direction.

Summary: The District is actively working to develop a Heavy Lift Multipurpose Terminal to support the offshore wind industry. The District has expended a \$570,000 grant from the State Lands Commission, is in the process of expending a \$10.45M grant from the California Energy Commission, has submitted a \$8,672,986 PIDP grant application to the Federal Maritime Administration (MARAD), and has submitted a \$426,719,810 MPDG grant application (also known as "MEGA grant") to the Federal Department of Transportation. Per the current project schedule, project permitting is scheduled to be completed in early-2025 and construction is scheduled to begin in mid-2026. This report will provide an update on project schedule, budget, tasks completed, tasks underway, upcoming tasks, and the latest overall project strategy.

b) Consider Approval of Cooperative Agreement with Caltrans to Jointly Develop an Eelgrass Master Mitigation Project

Recommendation: 1) Approve the Eelgrass Master Mitigation Project (Project) Cooperative Agreement with Caltrans; 2) Authorize the Harbor District Council to make nonmaterial amendments to the Agreement as may be required by Caltrans; 3) Authorize the Executive Director to execute the amendment and contracts based on these terms; and 4) Direct staff to bring the final agreement back to the Board for public disclosure.

Summary: Caltrans and District staff developed a Cooperative Agreement that outlines terms and conditions for the District to manage the special studies needed to complete permitting and design for a Master Eelgrass Mitigation Project. The mitigation project is intended to mitigate two development projects being pursued by Caltrans and several other development projects pursued by the Harbor District. The Agreement states that Caltrans will fund these Phase 1 special studies in exchange for the right to utilize a portion of the overall eelgrass mitigation project on District-controlled property. The Agreement also explicitly allows for amendments so that the agreement will eventually include permitting, design, and construction.

c) Review and Approve an Agreement to Stay Loan and Rent Payment Obligations Between the Harbor District and the Humboldt Bay Development Association, Related to the Chase Community Capital New Market Tax Credit Loan

Recommendation: Staff recommends the Board: Review, approve, and authorize the execution of an Agreement to Stay Loan Payments related to the New Market Tax Credit Exit Agreement dated March 10, 2023, and the Fund Interest Purchase Agreement dated March 10, 2023.

Summary: In March of 2016, the Humboldt Bay Harbor District, (District), in partnership with the Humboldt Bay Development Association, (HBDA), invested in and entered into a New Market Tax Credit (NMTC) loan fund for ongoing site clean-up and capital improvements of the vacant former Evergreen Pulp Mill. Such an agreement required the District and HBDA to enter into certain credit and lease agreements to carry out the intended improvements.

12. Future Agenda Items

13. Adjournment

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

September 14, 2023

The Humboldt Bay Harbor, Recreation and Conservation District met in regular session on the above date, Closed Session met at 5:00 P.M., Regular Session met at 6:00 P.M. at the Woodley Island Marina meeting room, 601 Startare Drive, Eureka, CA 95501.

CLOSED SESSION – 5:00 P.M.

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters on the closed session meeting agenda: No one.

BUSINESS

- a) Public Employee Evaluation: Executive Director
- b) Public Employee Evaluation: Deputy Director
- c) CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Larry Oetker, Executive Director
Employee organization: Operating Engineers Local Union No. 3, AFL-CIO

REGULAR SESSION – 6:02 P.M.

ROLL CALL

PRESENT: BENSON
DALE
KULLMANN
NEWMAN

ABSENT: HIGGINS

QUORUM: YES

PLEDGE OF ALLEGIENCE

REPORT ON SPECIAL CLOSED SESSION: No reportable action.

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters not on the regular session meeting agenda: No one.

CONSENT CALENDAR

- a) Adopt Minutes for August 10, 2023 Regular Board Meeting
- b) Adopt Minutes for August 22, 2023 Special Board Meeting
- c) Receive District Financial Reports for June 2023
- d) Rejection of Claim Submitted by Claimant Cari McCormick
- e) Approve PO No. 2007 to Solink for Security Cameras at Woodley Island Marina

Draft Minutes for September 14, 2023 Regular Board Meeting

- f) Administrative Permit A-2023-05 Chevron Dock Maintenance Dredging
- g) Approve PO 2014 to Ron's Quality Auto Repair for Transmission Replacement
- h) Approve Rebate Agreement with TEAA for Replacement of Hot Water Heaters

Commissioner Kullmann recused himself from item 8h and left the room.
COMMISSIONER BENSON MOVED TO ACCEPT CONSENT CALENDAR ITEM H.
COMMISSIONER NEWMAN SECONDED.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: KULLMANN

COMMISSIONER BENSON MOVED TO ACCEPT CONSENT CALENDAR ITEMS A-G.
COMMISSIONER NEWMAN SECONDED.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, KULLMANN, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: NONE

COMMUNICATIONS, REPORTS AND CORRESPONDENCE RECEIVED

a) Correspondence Received

1. *How to Protect Native Women, Girls and People in Humboldt and Del Norte County as Offshore Wind Enters the Region: MMIP Prevention Planning and Recommendations.* Report by Yurok Tribal Court, authorized by Katherine Katcher & Chief Judge Abby Abinanti
2. Letter from Yurok Tribe dated August 28, 2023
3. Letter from Surfrider Humboldt Chapter dated September 7, 2023

b) Executive Director's Report

- I. Executive Director presented Executive Director's report.

c) Staff Reports

- I. No report.

d) District Counsel and District Treasurer Reports

- I. No report.

e) Commissioner and Committee Reports

- I. Commissioners reported on recent activities and subcommittees.

UNFINISHED BUSINESS - None

NEW BUSINESS

- a) Discuss and Consider Approving Collective Bargaining Agreement with Operating Engineers Local Union No. 3, AFL-CIO Regarding the Terms of Employment, Working Conditions, Compensation, and Benefits for the Represented Employees of the District**

- I. Executive Director presented the item.

- II. The Commission discussed the item.
- III. Chair Dale opened the item to public comment. No one commented.
- IV. Chair Dale moved the discussion back to the Commission.

COMMISSIONER KULLMANN MOVED TO AUTHORIZE THE BOARD PRESIDENT AND SECRETARY TO SIGN A COLLECTIVE BARGAINING AGREEMENT WITH OPERATING ENGINEERS LOCAL UNION NO. 3, AFL-CIO REGARDING THE TERMS OF EMPLOYMENT, WORKING CONDITIONS, COMPENSATION, AND BENEFITS FOR THE REPRESENTED EMPLOYEES OF THE DISTRICT.

COMMISSIONER NEWMAN SECONDED.

COMMISSIONER KULLMANN AMENDED HIS MOTION TO INCLUDE DIRECTING DISTRICT STAFF TO A) PREPARE A REVISED SALARY SCHEDULE FOR MID-MANAGEMENT EMPLOYEES SIMILAR TO WHAT IS INCLUDED IN THE BARGAINING AGREEMENT FOR BOARD CONSIDERATION AND B) TO COORDINATE WITH CALPERS TO SWITCH TO CALPERS HEALTH INSURANCE AND ENROLL IN THE SOCIAL SECURITY PROGRAM.

COMMISSIONER NEWMAN SECONDED AMENDED MOTION.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, KULLMANN, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: NONE

b) Consider Adopting Resolution 2023-17: Adopting an Initial Study/ Mitigated Negative Declaration and Establishing Findings Relative to and Approving Harbor District Permit 2023-02 with Conditions for the Manila CSD Flood Reduction and Drainage Enhancement Project

- I. District staff presented the item.
- II. The Commission discussed the item.
- III. Chair Dale opened the item to public comment. No one commented.
- IV. Chair Dale moved the discussion back to the Commission.

COMMISSIONER KULLMANN MOVED TO ADOPT RESOLUTION 2023-17, ADOPTING AN INITIAL STUDY/MITIGATED NEGATIVE DECLARATION AND ESTABLISHING FINDINGS RELATIVE TO AN APPROVING HARBOR DISTRICT PERMIT 2023-02 WITH CONDITIONS FOR THE MANILA CSD FLOOD REDUCTION AND DRAINAGE ENHANCEMENT PROJECT.

COMMISSIONER BENSON SECONDED.

ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, KULLMANN, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: NONE

c) Consider Adopting Resolution 2023-16, A Resolution Adopting an Initial Study/ Negative Declaration and Establishing Findings Relative to and Approving Humboldt Bay Harbor, Recreation and Conservation District Permit 2022-06 with Conditions for the Mad River Slough Shellfish Nursery Project

- I. District staff presented the item.
- II. The Commission discussed the item.
- III. Chair Dale opened the item to public comment. William Rich commented.
- IV. Chair Dale moved the discussion back to the Commission.

COMMISSIONER NEWMAN MOVED TO ADOPT RESOLUTION 2023-16, A RESOLUTION ADOPTING AN INTITAL STUDY/NEGATIVE DECLARATION AND ESTABLISHING FINDINGS RELATIVE TO AND APPROVING HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT PERMIT 2022-06 WITH CONDITIONS FOR THE MAD RIVER SLOUGH SHELLFISH NURSERY PROJECT.

COMMISSIONER KULLMANN SECONDED.

ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, KULLMANN, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: NONE

d) Consider Approving a \$200,000 Budget Adjustment to Account Number 52109 Outside Services for Additional Consultant Services

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Dale opened the item to public comment. No one commented.
- IV. Chair Dale moved the discussion back to the Commission.

COMMISSIONER NEWMAN MOVED TO APPROVE A \$200,000 BUDGET ADJUSTMENT TO ACCOUNT 52109 FOR ADDITIONAL CONSULTANT SERVICES.

COMMISSIONER KULLMANN SECONDED.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, KULLMANN, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: NONE

e) Discuss and consider approving Employment Agreement with Chris Mikkelsen and discuss succession planning for the role of Executive Director

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Dale opened the item to public comment. No one commented.
- IV. Chair Dale moved the discussion back to the Commission.

COMMISSIONER NEWMAN MOVED TO APPROVE AN EMPLOYMENT AGREEMENT WITH CHRIS MIKKELSEN AS EXECUTIVE DIRECTOR.

COMMISSIONER BENSON SECONDED.

Draft Minutes for September 14, 2023 Regular Board Meeting

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: BENSON, DALE, KULLMANN, NEWMAN

Noes: NONE

Absent: HIGGINS

Abstain: NONE

ADJOURNMENT – 6:55 P.M.

APPROVED BY:

RECORDED BY:

Aaron Newman
Secretary of the Board of Commissioners

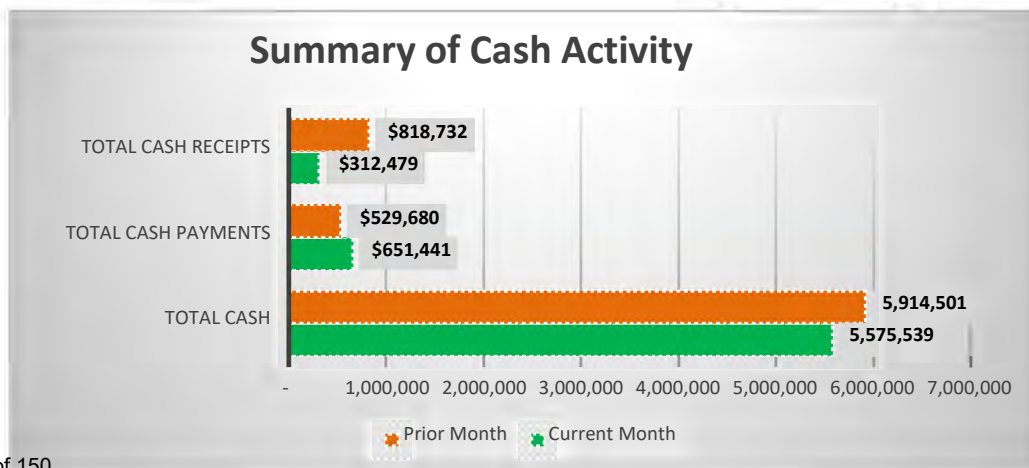
Mindy Hiley
Director of Administrative Services

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Monthly Cash Flow Analysis

For The Months Ended July 31, 2023 and June 30, 2023

| | <u>7/31/23</u> | <u>6/30/23</u> |
|---|---------------------|---------------------|
| <u>Account Balances</u> | | |
| Checking | \$ 111,803 | \$ 437,785 |
| Savings | 4,299,790 | 4,313,688 |
| County Treasury | 1,161,748 | 1,161,748 |
| Cash on hand | 2,198 | 1,280 |
| Total Cash | 5,575,539 | 5,914,501 |
| Less: Restricted cash for Marina surcharges | (1,890,175) | (1,919,929) |
| Unrestricted Cash | 3,685,364 | 3,994,572 |
| Less: Unexpended grant proceeds and Nordic deposits included in cash above | (1,150,884) | (1,154,932) |
| Cash Available (Deficit), excluding Marina surcharges and unexpended grant proceeds and deposits | 2,534,480 | 2,839,640 |
| <u>Change in Cash Balance</u> | | |
| Balance, Beginning of Month | \$ 5,914,501 | \$ 5,625,449 |
| Monthly Deposits | 312,479 | 818,732 |
| Monthly Payments | (651,441) | (529,680) |
| Balance, End of Month | \$ 5,575,539 | \$ 5,914,501 |
| <u>Monthly Expenses Summary</u> | | |
| Significant Individual Expenses: | | |
| BBVA bond and loan payment | | \$ 234,205 |
| Workers' comp insurance annual payment | \$ 79,461 | |
| Liability insurance annual payment | 99,970 | |
| Redwood Community Action Agency | 69,660 | |
| Moffat & Nichol expenditure | 132,586 | |
| Sub-total, Significance/Unusual Expenses | 381,678 | 234,205 |
| General operating expenses and other misc. expense | 269,764 | 295,475 |
| Total Cash Payments | \$ 651,441 | \$ 529,680 |
| <u>Monthly Deposits Summary</u> | | |
| Significant Individual Revenues: | | |
| California Energy Commission | | \$ 146,524 |
| Nordic Aquafarms | | 205,370 |
| Sub-total, Significant/Unusual Revenues | - | 351,894 |
| General revenues | 312,479 | 466,838 |
| Total Cash Receipts | \$ 312,479 | \$ 818,732 |



11:42 AM

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

10/06/23

July 2023

Accrual Basis

| | Jul 23 | Jul 23 |
|--|------------|------------|
| Ordinary Income/Expense | | |
| Income | | |
| Dredging Revenue | | |
| 41318 · Dredging Surcharge - T | 22,042.11 | 22,042.11 |
| Total Dredging Revenue | 22,042.11 | 22,042.11 |
| Fees | | |
| 40108 · PERMITS-T | 100.00 | 100.00 |
| 40808 · Pilotage Services - T | 1,151.07 | 1,151.07 |
| 41308.1 · Poundage - T | 1,238.29 | 1,238.29 |
| 41818 · Late Charges/Interest - T | 7,600.00 | 7,600.00 |
| 41819 · Late Charges/Interest - NT | 50.00 | 50.00 |
| Total Fees | 10,139.36 | 10,139.36 |
| Float Replacement Account | | |
| 41418 · Float Replacement | 6,995.50 | 6,995.50 |
| Total Float Replacement Account | 6,995.50 | 6,995.50 |
| Interest Revenue | | |
| 43108 · Interest Income - T | 10,557.42 | 10,557.42 |
| 43109 · Interest Income - NT | 14,317.00 | 14,317.00 |
| 43309 · Interest On Del Accts - NT | 58.19 | 58.19 |
| Total Interest Revenue | 24,932.61 | 24,932.61 |
| Other Revenue | | |
| 45908 · Other Revenue - T | 1.00 | 1.00 |
| 45909 · Other Revenue - NT | 544.18 | 544.18 |
| Total Other Revenue | 545.18 | 545.18 |
| Rent Income | | |
| 40218 · Slip Rents - T | 50,884.83 | 50,884.83 |
| 40318.1 · Transient Rentals - T | 2,641.16 | 2,641.16 |
| 40518 · Equipment Rent - T | 2,384.16 | 2,384.16 |
| 40809 · Yard Rent - NT | 1,261.20 | 1,261.20 |
| 41108 · Rents, Tidelands Leases - T | 31,123.61 | 31,123.61 |
| 41309 · Storage - NT | 5,066.49 | 5,066.49 |
| 41409 · Upland Rent - NT | | |
| 41409.2 · Redwood Terminal 2 - NMTC | 0.00 | 0.00 |
| 41409 · Upland Rent - NT - Other | 112,550.88 | 112,550.88 |
| Total 41409 · Upland Rent - NT | 112,550.88 | 112,550.88 |
| Total Rent Income | 205,912.33 | 205,912.33 |
| Sales | | |
| 40119 · Concession Sales - NT | 594.50 | 594.50 |
| Total Sales | 594.50 | 594.50 |
| Tax Revenue | | |
| 43509 · Property Tax Revenues | 100,000.00 | 100,000.00 |
| Total Tax Revenue | 100,000.00 | 100,000.00 |
| Utility Surcharge | | |
| 40409 · Utility Surcharge - NT | 4,214.77 | 4,214.77 |
| 40418 · Utility Surcharge, Marina Dock | 4,307.08 | 4,307.08 |
| Total Utility Surcharge | 8,521.85 | 8,521.85 |
| 47019 · Returned Check Charges | 35.00 | 35.00 |
| 52708.1 · Discount | 5.72 | 5.72 |
| Total Income | 379,724.16 | 379,724.16 |
| Gross Profit | 379,724.16 | 379,724.16 |

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

10/06/23

July 2023

Accrual Basis

| | Jul 23 | Jul 23 |
|---|------------|------------|
| Expense | | |
| Accounting/Auditing Services | | |
| 52500 · Accounting Fees - T | 2,557.50 | 2,557.50 |
| 52508 · Accounting Fees - NT | 852.50 | 852.50 |
| Total Accounting/Auditing Services | 3,410.00 | 3,410.00 |
| Communications | | |
| 51400 · Communications - NT | 1,801.14 | 1,801.14 |
| 51408 · Communications - T | 166.38 | 166.38 |
| Total Communications | 1,967.52 | 1,967.52 |
| Conference & Meetings | | |
| 51500 · Conferences & Meetings - NT | 623.60 | 623.60 |
| Total Conference & Meetings | 623.60 | 623.60 |
| Dredging Expense | | |
| 55608 · Dredging Expense - T | 54,702.71 | 54,702.71 |
| 56708 · Dredging - GT | 2,281.25 | 2,281.25 |
| 56718 · Dredging - MT | 675.00 | 675.00 |
| Total Dredging Expense | 57,658.96 | 57,658.96 |
| Dues, Subscriptions & Licences | | |
| 51600 · Dues & Subscriptions - NT | 1,224.00 | 1,224.00 |
| 51608 · Dues & Subscriptions - T | 1,341.25 | 1,341.25 |
| Total Dues, Subscriptions & Licences | 2,565.25 | 2,565.25 |
| Engineering Services | | |
| 52400 · Engineering Fees - NT | 3,846.50 | 3,846.50 |
| 52408 · Engineering Fees - T | 3,106.25 | 3,106.25 |
| Total Engineering Services | 6,952.75 | 6,952.75 |
| Fuel | | |
| 50400 · IMPUTED AUTO VALUE G/A | 120.00 | 120.00 |
| 51200 · Automotive, Fuel- NT | 446.43 | 446.43 |
| 51208 · Vessel Fuel | 370.45 | 370.45 |
| 51218 · Automotive, Fuel - T | 495.96 | 495.96 |
| Total Fuel | 1,432.84 | 1,432.84 |
| Grant Expenses | | |
| Harbor Grant Expenses | | |
| 54408.1 · Harbor Grant Exp | 133,408.34 | 133,408.34 |
| Total Harbor Grant Expenses | 133,408.34 | 133,408.34 |
| Recreation Grant Expenses | | |
| 54408.2 · Recreation Grant Exp | -35,138.56 | -35,138.56 |
| Total Recreation Grant Expenses | -35,138.56 | -35,138.56 |
| Total Grant Expenses | 98,269.78 | 98,269.78 |
| Insurance | | |
| 51800 · Insurance - NT | 10,912.52 | 10,912.52 |
| 51808 · Insurance - T | 1,145.18 | 1,145.18 |
| Total Insurance | 12,057.70 | 12,057.70 |
| Interest Expense | | |
| 55108 · Interest Expense - T | 4,156.00 | 4,156.00 |
| 55109 · Interest Expense - NT | 7,624.00 | 7,624.00 |
| Total Interest Expense | 11,780.00 | 11,780.00 |
| Legal Services | | |
| 52300 · Legal Fees - NT | 0.00 | 0.00 |

Humboldt Bay Harbor, Recreation & Conservation District

10/06/23

Profit & Loss

Accrual Basis

July 2023

| | Jul 23 | Jul 23 |
|--|-------------------|-------------------|
| 52308 · Legal Fees - T | 0.00 | 0.00 |
| Total Legal Services | 0.00 | 0.00 |
| Maintenance - Equipment | | |
| 51209 · Automotive, Repairs - NT | 41.67 | 41.67 |
| 52710 · Repairs & Maint, Equip - NT | -341.00 | -341.00 |
| Total Maintenance - Equipment | -299.33 | -299.33 |
| Maintenance - Facilities | | |
| 52708 · Repairs & Maint, Facilities - T | 3,117.32 | 3,117.32 |
| 52719 · Repairs & Maint, Facilities - N | 5,445.91 | 5,445.91 |
| Total Maintenance - Facilities | 8,563.23 | 8,563.23 |
| Maintenance - IT | | |
| 57008 · Maintenance, IT Equip - T | 503.50 | 503.50 |
| 57009 · Maintenance, IT Equip - NT | 287.50 | 287.50 |
| Total Maintenance - IT | 791.00 | 791.00 |
| Maintenance Supplies | | |
| 52008 · Maintenance Supplies - T | 94.64 | 94.64 |
| 52010 · Maintenance Supplies - NT | 2,388.42 | 2,388.42 |
| Total Maintenance Supplies | 2,483.06 | 2,483.06 |
| Office Supplies | | |
| 51900 · Office Supplies - NT | 3,767.54 | 3,767.54 |
| 51908 · Office Supplies - T | 620.25 | 620.25 |
| Total Office Supplies | 4,387.79 | 4,387.79 |
| Other Expenses | | |
| 55418 · Other Expenses - T | 47.50 | 47.50 |
| Total Other Expenses | 47.50 | 47.50 |
| Other Professional/Outside Serv | | |
| 52118 · Outside Services, Other - T | 0.00 | 0.00 |
| Total Other Professional/Outside Serv | 0.00 | 0.00 |
| Personnel Expenses | | |
| Commissioners Fees | | |
| 50200 · Commissioner's Salaries - NT | 2,100.00 | 2,100.00 |
| 50208 · Commissioner's Salaries - T | 900.00 | 900.00 |
| Total Commissioners Fees | 3,000.00 | 3,000.00 |
| Contract Temporary Services | | |
| 50318 · Contract Temporary Services - T | 4,247.21 | 4,247.21 |
| Total Contract Temporary Services | 4,247.21 | 4,247.21 |
| Payroll Burden | | |
| 50500 · Payroll Benefits, Other - NT | 36,146.22 | 36,146.22 |
| 50508 · Payroll Benefits, Other - T | 10,949.75 | 10,949.75 |
| 6560 · Workers' Comp | 3,924.82 | 3,924.82 |
| Total Payroll Burden | 51,020.79 | 51,020.79 |
| Salaries/Wages | | |
| 50100 · Salaries & Wages - NT | 103,149.03 | 103,149.03 |
| Total Salaries/Wages | 103,149.03 | 103,149.03 |
| Total Personnel Expenses | 161,417.03 | 161,417.03 |
| Planning Services | | |
| 52200 · Planning Fees - NT | 6,450.59 | 6,450.59 |

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

July 2023

| | Jul 23 | Jul 23 |
|---|-------------------|-------------------|
| 52208 · Planning Fees - T | 140.00 | 140.00 |
| Total Planning Services | 6,590.59 | 6,590.59 |
| Rent Expense | | |
| 54308 · Redwood Terminal 2 Lease Expens | 395.18 | 395.18 |
| Total Rent Expense | 395.18 | 395.18 |
| Small Tools | | |
| 52800 · Small Tools - NT | 233.34 | 233.34 |
| Total Small Tools | 233.34 | 233.34 |
| Utilities | | |
| 52909 · Utilities - NT | 21,700.70 | 21,700.70 |
| 52918 · Utilities - T | 6,042.96 | 6,042.96 |
| 53000 · Water, Sewer, & Refuse - NT | 14,471.03 | 14,471.03 |
| 53008 · Water, Sewer, & Refuse - T | 7,476.53 | 7,476.53 |
| Total Utilities | 49,691.22 | 49,691.22 |
| 57018 · Bank Service Charges | 378.87 | 378.87 |
| Total Expense | 431,397.88 | 431,397.88 |
| Net Ordinary Income | -51,673.72 | -51,673.72 |
| Net Income | -51,673.72 | -51,673.72 |

11:44 AM

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of July 31, 2023

10/06/23

Accrual Basis

| | Jul 31, 23 |
|--|----------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 10000 · PETTY CASH ON HAND | 150.00 |
| 10100 · CHANGE FUND ON HAND | 400.00 |
| 10111 · COIN MACHINE FUND | 730.00 |
| 10200 · CASH IN BANK, CHECKING | 31,132.34 |
| 10200.1 · Cash in PNC, Checking | 80,671.01 |
| 10400 · CASH IN COUNTY - FUND 2720 | 1,125,447.18 |
| 10500 · CASH IN COUNTY - FUND 3872 | 36,300.78 |
| 10600.1 · Cash in bank, Tariff PNC | 4,055,885.65 |
| 10700.1 · Cash in bank, Water PNC | 243,904.66 |
| 10901 · UNEXPENDED MARINA SURCHARGES | 1,890,175.33 |
| 10903 · RESTRICTED CASH | -1,890,175.33 |
| Total Checking/Savings | 5,574,621.62 |
| Accounts Receivable | |
| 12000 · ACCTS RECEIVABLE | 1,209,423.98 |
| Total Accounts Receivable | 1,209,423.98 |
| Other Current Assets | |
| 12100 · ALLOW FOR BAD DEBTS | -543,656.00 |
| 12200 · TAXES RECEIVABLE | 100,000.00 |
| 12300 · INTEREST RECEIVABLE | 27,020.00 |
| 12600 · Note Receivable - NMTC | 5,849,375.00 |
| 12700 · PREPAID EXPENSES | 186,461.02 |
| 1499 · Undeposited Funds | 918.25 |
| Total Other Current Assets | 5,620,118.27 |
| Total Current Assets | 12,404,163.87 |
| Fixed Assets | |
| CAPITAL ASSETS, NET | |
| 14910 · SAMOA PROPERTY | 208,149.00 |
| 14930 · TOWN OF SAMOA PROPERTY | 3,007,851.23 |
| 14940 · BAY STREET PROPERTY | 35,000.00 |
| 15000 · AUTOMOTIVE EQUIPMENT | 95,639.08 |
| 15100 · OFFICE EQUIPMENT | 193,303.88 |
| 15200 · OPERATING EQUIPMENT | 314,098.74 |
| 15600 · MARINA | 10,529,004.29 |
| 15700 · FL BOAT BLDG & REPAIR FACILITY | 4,302,259.53 |
| 15800 · SHELTER COVE | 2,386,247.10 |
| 15900 · DREDGING COSTS | 215,226.78 |
| 16000 · KING SALMON | 15,143.99 |
| 16100 · MARINA DREDGE, CONSTR IN PROGRES | 1,351,140.12 |
| 16400 · REDWOOD DOCK PROPERTY | 3,010,194.30 |
| 16500 · HOMELAND SECURITY EQUIPMENT | 2,254,007.60 |
| 16600 · TABLE BLUFF LIGHTHOUSE | 361.44 |
| 16700 · AQUAPONICS PILOT FACILITY | 96,036.61 |
| 16800 · REDWOOD TERMINAL 2 | 2,613,169.43 |
| 16900 · Dredge | 1,215,423.27 |
| 17000 · ACCUMULATED DEPRECIATION | -18,989,614.17 |
| Total CAPITAL ASSETS, NET | 12,852,642.22 |
| 14800 · SHIPWRECK PROPERTY | 50,088.05 |
| 14900 · DOG RANCH PROPERTY | 7,507.70 |
| Total Fixed Assets | 12,910,237.97 |
| Other Assets | |
| 18700 · Deferred Lease Asset | 3,679,190.00 |
| 19000 · Deferred Outflows of PERS | 702,529.00 |
| Total Other Assets | 4,381,719.00 |

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

10/06/23

As of July 31, 2023

Accrual Basis

| | Jul 31, 23 |
|---|----------------------|
| TOTAL ASSETS | 29,696,120.84 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 20000 · ACCOUNTS PAYABLE | 153,566.69 |
| Total Accounts Payable | 153,566.69 |
| Credit Cards | |
| 20112 · US Bank Visa | 3,075.40 |
| Total Credit Cards | 3,075.40 |
| Other Current Liabilities | |
| Payroll tax & Withholding Liab | |
| 2100 · PAYROLL LIABILITIES | -2,872.38 |
| 21100 · FEDERAL WITHHOLDING TAX | -418.00 |
| 21300 · STATE UNEMPLOYMENT TAX | 475.12 |
| 21400 · SOCIAL SECURITY/MEDICARE TAX | -133.84 |
| 21600 · PERS CARE/MEDICAL INSURANCE | 3,945.66 |
| 21700 · PERS RETIREMENT | 5.60 |
| 21900 · UNION DUES DEDUCTIBLE | 74.76 |
| Total Payroll tax & Withholding Liab | 1,076.92 |
| 20200 · NOTES PAYABLE | 258,577.33 |
| 20400 · ACCRUED WAGES PAYABLE | 37,333.75 |
| 20500 · ACCRUED INTEREST | 11,780.00 |
| 20600 · ACCRUED VACATION PAYABLE | 68,682.94 |
| 20800 · DEPOSITS ON HAND | |
| 20801 · KEY DEPOSITS ON HAND | 17,960.00 |
| 20802 · PLUG DEPOSITS ON HAND | 1,330.00 |
| 20803 · SLIP DEPOSITS ON HAND | 56,376.04 |
| 20804 · STORAGE DEPOSITS | 3,851.15 |
| 20806 · LEASE SECURITY DEPOSIT | 103,848.42 |
| 20807 · STORAGE DEPOSIT - REDWOOD DOCK | 2,943.31 |
| 20808 · WAIT LIST DEPOSIT | 5,050.00 |
| Total 20800 · DEPOSITS ON HAND | 191,358.92 |
| 24000 · Ground Lease Deferred Income | 3,906,000.00 |
| 24002 · Groundlease Current Def Income | 120,184.62 |
| 27201 · Deferred Inflows - OPEB | 3,223.00 |
| 28000 · DEFERRED INCOME | 163,450.39 |
| 28400 · DEFERRED INCOME CalTrans Spartina | 1,144,884.41 |
| 28500 · OTHER DEFERRED CREDITS | 723,523.92 |
| Total Other Current Liabilities | 6,630,076.20 |
| Total Current Liabilities | 6,786,718.29 |
| Long Term Liabilities | |
| 24001 · Gound Lease Amortization | -424,391.45 |
| 24003 · Groundlease Current Offset | -120,184.62 |
| 25500 · OPEB Liability | 169,351.00 |
| 25700 · BOND PAYABLE 2014 REFINANCING | 1,621,349.19 |
| 25800 · BBVA Loan Payable | 908,007.88 |
| 25900 · LESS CURRENT PORTION | -258,577.33 |
| 26100 · Rate Stabilization Fund | 5,454,000.00 |
| 27000 · Net Pension Liability | 1,408,435.00 |
| 27200 · Deferred Inflows of PERS | 115,823.00 |
| 27202 · Deferred Inflows - Leases | 3,545,298.00 |
| Total Long Term Liabilities | 12,419,110.67 |
| Total Liabilities | 19,205,828.96 |
| Equity | |

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of July 31, 2023

| | <u>Jul 31, 23</u> |
|---|-----------------------------|
| 30500 · INVESTMENT IN FIXED ASSETS | 9,299,245.07 |
| 30900 · RESTRICTED FUND BALANCE | |
| 30901 · Restricted Fd Bal-Curr Yr Chang | -29,753.92 |
| 30900 · RESTRICTED FUND BALANCE - Other | <u>1,919,929.14</u> |
| Total 30900 · RESTRICTED FUND BALANCE | 1,890,175.22 |
| 31200 · GENERAL FUND BALANCE | |
| 31000 · FUND BALANCE - TIDELANDS TRUST | -1,687,581.22 |
| 31201 · General Fund-Change is Restrict | 29,753.92 |
| 31200 · GENERAL FUND BALANCE - Other | <u>1,010,372.61</u> |
| Total 31200 · GENERAL FUND BALANCE | -647,454.69 |
| Net Income | <u>-51,673.72</u> |
| Total Equity | <u>10,490,291.88</u> |
| TOTAL LIABILITIES & EQUITY | <u>29,696,120.84</u> |

11:40 AM

Humboldt Bay Harbor, Recreation & Conservation District

10/06/23

Account QuickReport

Accrual Basis

As of July 31, 2023

| Type | Date | Num | Name | Memo | Amount |
|--|------------|-------|------------------------------|------------------------|------------|
| 10200.1 - Cash in PNC, Checking | | | | | |
| Liability Check | 07/03/2023 | E-pay | Employment Developme... | 499-0307-3 QB T... | -1,980.39 |
| Liability Check | 07/03/2023 | E-pay | Internal Revenue Service | 94-2262845 QB ... | -553.84 |
| Liability Check | 07/03/2023 | E-pay | Internal Revenue Service | 94-2262845 QB ... | -4,720.46 |
| Bill Pmt -Check | 07/03/2023 | | AT&T Phone | QuickBooks gen... | 0.00 |
| Liability Check | 07/03/2023 | E-pay | Employment Developme... | VOID: 499-0307-... | 0.00 |
| Liability Check | 07/05/2023 | 2257 | Operating Engineers Loc... | 94-2262845 | -199.36 |
| Liability Check | 07/06/2023 | | QuickBooks Payroll Serv... | Created by Payro... | -26,403.47 |
| Bill Pmt -Check | 07/07/2023 | 2244 | 314intermedia | | -60.00 |
| Bill Pmt -Check | 07/07/2023 | 2245 | Express Services, Inc. | 28590512 | -1,099.60 |
| Bill Pmt -Check | 07/07/2023 | 2246 | Redwood Community Ac... | PO 1759 03/01-0... | -69,660.22 |
| Bill Pmt -Check | 07/07/2023 | 2247 | SDRMA | Worker's Compe... | -79,461.37 |
| Bill Pmt -Check | 07/07/2023 | 2248 | Specialty Traffic Systems | | -51.33 |
| Bill Pmt -Check | 07/07/2023 | 2249 | Standard Insurance Com... | ST 908447 0001 | -293.00 |
| Bill Pmt -Check | 07/07/2023 | 2250 | Statewide Safety Systems | PO #1978 Penin... | -644.00 |
| Bill Pmt -Check | 07/07/2023 | 2251 | SDRMA | Property/Liability ... | -99,969.63 |
| Bill Pmt -Check | 07/07/2023 | 2252 | Mission Uniform & Linen | VOID: 299313 | 0.00 |
| Liability Check | 07/07/2023 | ACH | PERS Unfunded Accrue... | 2233447024 | -6,387.51 |
| Bill Pmt -Check | 07/07/2023 | ACH | CalPERS 457 Program | 457Match 07/07/... | -350.00 |
| Liability Check | 07/07/2023 | ACH | CalPERS 457 Program | 450348 | -1,860.75 |
| Liability Check | 07/07/2023 | ACH | California State Disburse... | 200000002142499 | -372.46 |
| Liability Check | 07/07/2023 | ACH | California State Disburse... | 200000002073316 | -500.76 |
| Liability Check | 07/07/2023 | ACH | State Disbursement Unit | 0230000067964 | -233.53 |
| Liability Check | 07/07/2023 | 2254 | Internal Revenue Service | 94-2262845 | -553.84 |
| Bill Pmt -Check | 07/07/2023 | ACH | PERS Unfunded Accrue... | 2233447024 | -7,930.50 |
| Bill Pmt -Check | 07/07/2023 | | Mill Yard, The | QuickBooks gen... | 0.00 |
| Bill Pmt -Check | 07/10/2023 | 2261 | 101Netlink | | -230.00 |
| Bill Pmt -Check | 07/10/2023 | 2262 | ACWA JPIA | 215 | -29,241.25 |
| Bill Pmt -Check | 07/10/2023 | 2263 | Advanced Security Syste... | RMT2 | -216.00 |
| Bill Pmt -Check | 07/10/2023 | 2264 | Alber's Tractor & Ag Work | PO#1983 | -480.00 |
| Bill Pmt -Check | 07/10/2023 | 2265 | B & B Portable Toilets | RWD | -137.28 |
| Bill Pmt -Check | 07/10/2023 | 2266 | City of Eureka (Sewer) | 2001-901804-02 | -8,130.24 |
| Bill Pmt -Check | 07/10/2023 | 2267 | City of Eureka (Water) | 2001-901802-01 | -5,950.74 |
| Bill Pmt -Check | 07/10/2023 | 2268 | Englund Marine Supply | | -11,370.56 |
| Bill Pmt -Check | 07/10/2023 | 2269 | Eureka Oxygen Company | | -92.50 |
| Bill Pmt -Check | 07/10/2023 | 2270 | Express Services, Inc. | 28590512 | -1,099.60 |
| Bill Pmt -Check | 07/10/2023 | 2271 | Hensell Materials, Inc. | | -85.43 |
| Bill Pmt -Check | 07/10/2023 | 2272 | Humboldt Bay Municipal ... | 9002.001 RMT2 | -1,132.73 |
| Bill Pmt -Check | 07/10/2023 | 2273 | Kernen Construction | Rip Rap for Clea... | -4,000.00 |
| Bill Pmt -Check | 07/10/2023 | 2274 | Mission Uniform & Linen | 299313 | -458.61 |
| Bill Pmt -Check | 07/10/2023 | 2275 | Mitchell Law Firm, LLP | | -2,701.00 |
| Bill Pmt -Check | 07/10/2023 | 2276 | MSC Industrial Supply Co. | 09809068 | -114.95 |
| Bill Pmt -Check | 07/10/2023 | 2277 | MSC Industrial Supply Co. | 09809068 | -264.17 |
| Bill Pmt -Check | 07/10/2023 | 2278 | Napa Auto Parts | 24290 | -460.53 |
| Bill Pmt -Check | 07/10/2023 | 2279 | Oetker, Larry. | Mileage Reimbus... | -486.01 |
| Bill Pmt -Check | 07/10/2023 | 2280 | Pacific Gas & Electric (8... | 0074698259-4 | -6,871.89 |
| Bill Pmt -Check | 07/10/2023 | 2281 | Pacific Gas & Electric (N... | 2072047 | -648.52 |
| Bill Pmt -Check | 07/10/2023 | 2282 | Pape Material Handling | 340686, 490169,... | -547.33 |
| Bill Pmt -Check | 07/10/2023 | 2283 | Recology Eel River | 061097997 | -446.02 |
| Bill Pmt -Check | 07/10/2023 | 2284 | Recology Humboldt Cou... | 061218064 | -729.18 |
| Bill Pmt -Check | 07/10/2023 | 2285 | RMI Outdoors | | -51.84 |
| Bill Pmt -Check | 07/10/2023 | 2286 | Saucedo, Doug. | Sea Level Rise I... | -15.29 |
| Bill Pmt -Check | 07/10/2023 | 2287 | Shafer's Ace Hardware #... | 1586 | -119.17 |
| Bill Pmt -Check | 07/10/2023 | 2288 | Shelter Cove Fishing Pre... | SC Janitorial July... | -2,083.33 |
| Bill Pmt -Check | 07/10/2023 | 2289 | SHN Consulting Enginee... | | -17,945.00 |
| Bill Pmt -Check | 07/10/2023 | 2290 | Southwest Answering Se... | 5/18-6/15/2023 ... | -244.00 |
| Bill Pmt -Check | 07/10/2023 | 2291 | StewTel, Inc. | | -332.77 |
| Bill Pmt -Check | 07/10/2023 | 2292 | Tenera Environmental Inc. | 20236001 | -5,273.50 |
| Bill Pmt -Check | 07/10/2023 | 2293 | US Bank Corporate Pay... | 4246044555706... | -4,874.53 |
| Bill Pmt -Check | 07/10/2023 | 2294 | World Oil Enviromental S... | 15055 | -100.00 |
| Check | 07/10/2023 | 2295 | Carr, John | Tenant Refund | -166.65 |
| Check | 07/10/2023 | 2296 | Kalson, Mario | Tenant Refund | -20.00 |
| Bill Pmt -Check | 07/10/2023 | ACH | Francotyp-Postalia | 466106100 | -300.00 |
| Liability Check | 07/12/2023 | E-pay | Employment Developme... | 499-0307-3 QB T... | -539.37 |
| Liability Check | 07/12/2023 | E-pay | Internal Revenue Service | 94-2262845 QB ... | -1,350.52 |
| Liability Check | 07/14/2023 | E-pay | Employment Developme... | 499-0307-3 QB T... | -1,478.44 |
| Liability Check | 07/14/2023 | E-pay | Internal Revenue Service | 94-2262845 QB ... | -4,272.90 |
| Liability Check | 07/19/2023 | E-pay | Employment Developme... | 499-0307-3 QB T... | -2,134.15 |
| Liability Check | 07/19/2023 | E-pay | Internal Revenue Service | 94-2262845 QB ... | -5,721.98 |

Humboldt Bay Harbor, Recreation & Conservation District

Account QuickReport

As of July 31, 2023

| Type | Date | Num | Name | Memo | Amount |
|-----------------|------------|------|------------------------------|------------------------|-------------|
| Liability Check | 07/20/2023 | | QuickBooks Payroll Serv... | Created by Payro... | -27,646.88 |
| Bill Pmt -Check | 07/21/2023 | ACH | CalPERS 457 Program | 457Match 07/21/... | -350.00 |
| Liability Check | 07/21/2023 | ACH | California State Disburse... | 200000002142499 | -372.46 |
| Liability Check | 07/21/2023 | ACH | CalPERS 457 Program | 450348 | -1,860.75 |
| Liability Check | 07/21/2023 | ACH | PERS Unfunded Accrue... | 2233447024 | -6,412.84 |
| Liability Check | 07/21/2023 | 2258 | Franchise Tax Board | | -100.00 |
| Liability Check | 07/21/2023 | ACH | State Disbursement Unit | 0230000067964 | -233.53 |
| Liability Check | 07/21/2023 | ACH | California State Disburse... | 200000002073316 | -500.76 |
| Bill Pmt -Check | 07/24/2023 | ACH | Pacific Gas & Electric (1... | Acct #06704919... | -2,030.94 |
| Bill Pmt -Check | 07/24/2023 | ACH | Pacific Gas & Electric (3... | 6598073494-4 | -187.01 |
| Bill Pmt -Check | 07/24/2023 | ACH | Verizon Wireless | | -491.68 |
| Bill Pmt -Check | 07/26/2023 | | City of Eureka - Wharfing... | QuickBooks gen... | 0.00 |
| Bill Pmt -Check | 07/26/2023 | | City of Eureka - Wharfing... | QuickBooks gen... | 0.00 |
| Bill Pmt -Check | 07/27/2023 | 2297 | Peterson | Backhoe | -48.91 |
| Bill Pmt -Check | 07/28/2023 | 2298 | Alber's Tractor & Ag Work | PO#1991 | -1,955.00 |
| Bill Pmt -Check | 07/28/2023 | 2299 | AT&T Internet | 831-000-8571 571 | -886.57 |
| Bill Pmt -Check | 07/28/2023 | 2300 | AT&T Phone | 707 443-0800 07... | -101.00 |
| Bill Pmt -Check | 07/28/2023 | 2301 | California Redwood Co. | | -2,018.86 |
| Bill Pmt -Check | 07/28/2023 | 2302 | Campton Electric Supply | | -206.59 |
| Bill Pmt -Check | 07/28/2023 | 2303 | Coastal Business Syste... | 017-1623192-000 | -505.55 |
| Bill Pmt -Check | 07/28/2023 | 2304 | David L. Moonie & Co., L... | | -2,342.00 |
| Bill Pmt -Check | 07/28/2023 | 2305 | Enterprise-Record, Merc... | Invitation for Bids... | -165.42 |
| Bill Pmt -Check | 07/28/2023 | 2306 | Express Services, Inc. | 28590512 | -3,147.61 |
| Bill Pmt -Check | 07/28/2023 | 2307 | Humboldt Fasteners | RMT2 | -15.00 |
| Bill Pmt -Check | 07/28/2023 | 2308 | Humboldt Waste Manag... | 20218 | -31.71 |
| Bill Pmt -Check | 07/28/2023 | 2309 | McCampbell Analytical, I... | Project 1996-222... | -2,310.00 |
| Bill Pmt -Check | 07/28/2023 | 2310 | Moffatt & Nichol | Project 212991/0... | -30,064.25 |
| Bill Pmt -Check | 07/28/2023 | 2311 | MSC Industrial Supply Co. | 09809068 | -358.31 |
| Bill Pmt -Check | 07/28/2023 | 2312 | Network Help To Go | August 2023 IT S... | -575.00 |
| Bill Pmt -Check | 07/28/2023 | 2313 | Pierson Building Center | 1297 | -1,021.39 |
| Bill Pmt -Check | 07/28/2023 | 2314 | Recology Humboldt Cou... | A0060000265 | -1,630.02 |
| Bill Pmt -Check | 07/28/2023 | 2315 | Redwood Community Ac... | PO 1841, Project... | -9,110.00 |
| Bill Pmt -Check | 07/28/2023 | 2316 | Reincke Marine Fabricati... | PO#1996 Boat D... | -3,000.00 |
| Bill Pmt -Check | 07/28/2023 | 2317 | Schmidbauer Building S... | | -970.25 |
| Bill Pmt -Check | 07/28/2023 | 2318 | SDRMA | 2022/2023 Prope... | -47.50 |
| Bill Pmt -Check | 07/28/2023 | 2319 | Shelter Cove Resort Imp... | SC 05/26/2023-0... | -198.62 |
| Bill Pmt -Check | 07/28/2023 | 2320 | Standard Insurance Com... | ST 908447 0001 | -293.00 |
| Bill Pmt -Check | 07/28/2023 | 2321 | Staples Credit Plan | 6035 5178 1247 ... | -347.94 |
| Bill Pmt -Check | 07/28/2023 | 2322 | Valley Pacific Petroleum ... | 114137 | -1,508.88 |
| Bill Pmt -Check | 07/28/2023 | 2323 | Moffatt & Nichol | Project 212991/02 | -102,522.04 |
| Check | 07/28/2023 | 2324 | Weber, Dave | Tenant Refund | -190.31 |
| Check | 07/28/2023 | 2325 | Cherney, David & Elaine | Tenant Refund | -20.00 |
| Bill Pmt -Check | 07/31/2023 | | Peterson | QuickBooks gen... | 0.00 |
| Check | 07/31/2023 | | | Service Charge | -353.15 |

Total 10200.1 · Cash in PNC, Checking

-632,335.73

TOTAL

-632,335.73



COMMISSIONERS

1st Division

Aaron Newman

2nd Division

Greg Dale

3rd Division

Stephen Kullmann

4th Division

Craig Benson

5th Division

Patrick Higgins

Humboldt Bay
Harbor, Recreation and Conservation District
(707)443-0801
P.O. Box 1030
Eureka, California 95502-1030

STAFF REPORT
HARBOR DISTRICT MEETING
October 12, 2023

TO: Honorable Board President and Harbor District Board Members

FROM: Chris Mikkelsen, Deputy Executive Director

DATE: October 5, 2023

TITLE: Review and Approve a Lease Agreement with the United States Army Corps of Engineers at Woodley Island

STAFF RECOMMENDATION: Staff recommends the Board: Review and approve a lease agreement for a Five (5) year term of approximately 1,000 sq ft of office space with the Us Army Corps of Enginners, commencing October 1, 2023.

SUMMARY: The US Army Corps of Engineers, having been a long-term tenant of the District, has offered its intent to renew its lease for an additional Five (5) year term, with each year exercised as an option. The District provides certain specific services, such as weekly janitorial and general maintenance and repairs of the premises, as well as secured parking.

ATTACHMENTS

- A. USACOE Lease 09 01 2023

| | | | |
|--|--|-------------|---------------------------------------|
| Standard Form 2-B February 1965 Edition General Services Administration FPR(41 CFR) 1-16.601 | U.S. GOVERNMENT Lease for Real Property | DATE | NO. DACA05-5-23-0029 |
|--|--|-------------|---------------------------------------|

**THIS LEASE IS BEING ACQUIRED UNDER THE AUTHORITY OF
TITLE 10 UNITED STATES CODE SECTION 2661.**

LESSOR: Humboldt Bay Harbor, Recreation and Conservation District
601 Startare Drive
Eureka, CA 95502-1030

TAX ID # **94-2262-845**

DUNS #: **184473049**

2. DESCRIPTION OF PREMISES: **1,000 RSF** of office space located at: 601 Startare Drive Suites 100, 102, Woodley Island Marina, Eureka, CA 9552-1030

3. TERM. To have and to hold:

For the term beginning **1 October 2023 through 30 September 2024**. From year to year thereafter, but not beyond **30 September 2028**, subject to termination and renewal rights as may be specified herein.

The Government shall have the right to renew this lease for four (4) successive periods of one (1) year each, under the same terms and conditions provided herein. To exercise a renewal option, the Government shall provide written notice to the Lessor (a "Renewal Notice") as herein after described, of the Government's renewal at least thirty (30) days prior to the expiration of the current term or subsequent renewal thereof; provided that this lease shall in no event extend beyond **30 September 2028**. The obligation of the United States to make payments under this lease in any fiscal year is subject to appropriations being provided for that fiscal year. Nothing in this lease shall be interpreted to require obligations or payments by the United States in violation of the Anti-Deficiency Act (31 USC 1341). It is understood and agreed, if the leased premises are not completed as determined by the Government by the above delivery date, this lease may be amended by a supplemental agreement to reflect the actual delivery date and no rental shall accrue until such delivery date. Right of entry for the Government shall commence on the effective date of this lease.

4. TERMINATION:

Notwithstanding the rights provided in any other paragraph, the Government may terminate this lease on or any time after **30 September 2024** by giving at least thirty (30) days' notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

5. **RENTAL.** The Government shall pay the Lessor annual rent of **\$22,510.92** at the rate of **\$1,875.91** per month in arrears. Payment will be due on the first of the month and will be considered late on the tenth of the following month. Any prorated period will be rolled into the next month's payment.

Rent checks shall be made payable to: **Humboldt Bay Harbor, Recreation and Conservation District, P.O. Box 1030, Eureka, CA 95502-1030**, through Electronic Funds Transfer by the Corps of Engineers Finance Center CEFC-AO-P, 5270 Integrity Drive, Millington, TN 38054-5005. In accordance with the Anti-Deficiency Act, Public Law 97-258 as amended, an officer or employee of the United States may not obligate the Government for payment of money exceeding an amount available in an appropriation of funds for the expenditure. It is the intent of the Government to lease for the period herein stated, however the Government retains the right to terminate this lease based on the lack of appropriated or allocated funds.

6. **SERVICES AND UTILITIES:** (Enter "X" in box for each item to be provided by Lessor as part of lease)


- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> (1) HEAT | <input type="checkbox"/> (5) CHILLED DRINKING WATER | <input checked="" type="checkbox"/> (9) USE OF RESTROOM FACILITIES |
| <input checked="" type="checkbox"/> (2) ELECTRICITY | <input type="checkbox"/> (6) AIR CONDITIONING | <input checked="" type="checkbox"/> (10) JANITOR SERVICE & SUPPLIES |
| <input checked="" type="checkbox"/> (3) POWER | <input type="checkbox"/> (7) ELEVATOR SERVICE | <input checked="" type="checkbox"/> (11) LAMPS, TUBES, BALLASTS & REPLACEMENTS |
| <input type="checkbox"/> (4) WATER (Hot and cold) | <input checked="" type="checkbox"/> (8) WINDOWWASHING Quarterly) | |
| <input type="checkbox"/> (12) MECHANICAL VENTILATION | <input checked="" type="checkbox"/> (13) OTHER (Specify) Supply, maintain & service wall mounted fire extinguishers in leased premises. | |
| <input checked="" type="checkbox"/> (14) MAINTENANCE AND REPAIR OF ROOF, PAVEMENT AND COMMON AREAS OF PARKING STRUCTURE | | |
| <input checked="" type="checkbox"/> (15) PAYMENT OF INSURANCE, TAXES AND ASSESSMENTS | | |
| <input checked="" type="checkbox"/> (16) PROVIDE SECURED PARKING for two Government Vehicles on site 24/7. In addition, parking for visitors on site. | | |

7. **SPECIAL OR OTHER PROVISION(S) AGREED UPON:** N/A

8. The following are attached hereto and made part hereof, to be used for Government purposes; Exhibit "A", Floor Plan, Exhibit "B" Janitorial Specifications, Exhibit "C" Plot Plan for SPN's Regulatory Parking.

LESSOR: (Lessor Name)

Accepted By:

 Full Name - LARRY DOTSON Position EXECUTIVE DIRECTOR

LESSEE: UNITED STATES OF AMERICA

Accepted By:

Adam B. Olson

Chief, Real Estate Division
REAL ESTATE CONTRACTING OFFICER
U.S. ARMY ENGINEER DISTRICT
SACRAMENTO, CA

GENERAL PROVISIONS (1-37)

1. **MAINTENANCE OF PREMISES:** The Lessor shall maintain the premises and property furnished under this lease in good repair and tenantable condition during the continuance of this lease, except in case of damage arising from the act or the negligence of the Governments agents or employees. For the purpose of so maintaining said premises and property, the Lessor may, at reasonable times approved by the Government, enter and inspect the same and make any necessary repairs thereto.
2. **DAMAGE BY FIRE OR OTHER CASUALTY:** If the said premises be destroyed by fire or other casualty this lease shall immediately terminate. In case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, the Government may terminate the lease by giving written notice to the Lessor within fifteen (15) days thereafter; if so terminated no rent shall accrue to the Lessor after such partial destruction or damage; and if not so terminated the rent shall be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage.
3. **ALTERATIONS:** The Government may make alterations, attach fixtures or signs and erect structures in or upon the leased premises, all of which shall be the property of the Government.
4. **CONDITION REPORT:** A joint physical survey and inspection report of the demised premises shall be made as of the effective date of this lease, reflecting the then present condition, and will be signed on behalf of the parties hereto.
5. **OFFICIALS NOT TO BENEFIT:** No Member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this lease contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this lease contract if made with a corporation for its general benefit.
6. **APPLICABLE CODES AND ORDINANCES:** The Lessor, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the leased space is situated and, at his own expense, to obtain all necessary permits and related items.
7. **LESSORS SUCCESSORS:** The terms and provisions of this lease and the conditions herein shall bind the Lessor, and the Lessors heirs, executors, administrators, successors, and assigns.
8. **COVENANT AGAINST CONTINGENT FEES:** The Lessor warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this lease without liability or in its discretion to deduct from the rental price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee. (Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this clause.)
9. **FACILITIES NONDISCRIMINATION:**
 - (a) As used in this section, the term facility means stores, shops restaurants, cafeterias, restrooms, and any other facility of a public nature in the building in which the space covered by this lease is located.
 - (b) The Lessor agrees that he will not discriminate by segregation or otherwise against any person or persons because of race, creed, color, or national origin in furnishing, or by refusing to furnish, to such person or persons the use of any facility, including any and all services, privileges, accommodations, and activities provided thereby. Nothing herein shall require the furnishing to the general public of the use of any facility customarily furnished by the Lessor solely to tenants, their employees, customers, patients, clients, guests and invitees.
 - (c) It is agreed that the Lessor's noncompliance with the provisions of this section shall constitute a material breach of this lease. In the event of such noncompliance, the Government may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law. In the event of termination, the Lessor shall be liable for all excess costs of the Government in acquiring substitute space, including by not limited to the cost of

moving to such space. Substitute space shall be obtained in as close proximity to the Lessor's building as is feasible and moving costs will be limited to the actual expenses thereof as incurred.

(d) It is further agreed that from and after the date hereof the Lessor will, at such time as any agreement is to be entered into or a concession is to be permitted to operate, include or require the inclusion of the foregoing provisions of this section in every such agreement or concession pursuant to which any person other than the Lessor operates or has the right to operate any facility. Nothing herein contained, however, shall be deemed to require the Lessor to include or require the inclusion of the foregoing provisions of this section in any existing agreement or concession arrangement or one in which the contracting party other than the Lessor has the unilateral right to renew or extend the agreement or arrangement, until the expiration of the existing agreement or arrangement and the unilateral right to renew or extend. The Lessor also agrees that it will take any and all lawful actions as expeditiously as possible, with respect to any such agreement as the contracting agency may direct, as a means of enforcing the intent of this section, including, but not limited to, termination of the agreement or concession and institution of court action.

10. **EXAMINATION OF RECORDS:** (NOTE: This provision is applicable if this lease was negotiated without advertising.)

(a) The Lessor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of 3 years after final payment under this lease, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Lessor involving transactions related to this lease.

(b) The Lessor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or his representatives shall, until the expiration of 3 years after final payment under this lease with the Government, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract.

11. **INSTRUCTIONS:** Whenever the lease is executed by an attorney, agent, or other person, or corporation on behalf of the Lessor, the name of the Lessor shall appear above the signature of the person signing.

12. The Government will make every effort to effect the return of key(s) to the Lessor on or before the date of expiration or termination of this lease. However, it will be the Lessor's responsibility to assure personal entry to the premises by retaining a duplicate set of key(s). The Government will not be liable for further payment of rental beyond the date of termination or expiration due to the fact that key(s) were not returned to the Lessor.

13. Provision No. 9 of the General Provisions and instructions is amended as follows: the words "race, color, or national origins" are deleted wherever they appear and the words "race, color, religion, sex or national origin" are substituted therefore.

14. The use of lead-based paints or paints containing lead-based pigments in the premises shall be in accordance with Public Law 91-695 (42 United States Code 4831). The Public Law defines a lead-based paint as any paint containing more than one (1) percent lead by weight in the total non-volatile content of the paint. The prohibition applies where the use of lead-based paints or surfaces exposed of exposed components would present a recognized [potential hazard to children. The prohibition will not apply on the use of lead-based paints on surfaces of components enclosed in concealed spaces, such as steel beams in ceilings and in walls.

15. The Lessor agrees that the rental consideration specified herein is the only consideration to be received for the demised premises and includes payment for utilities, maintenance and services specified herein. No other remuneration will be paid by the Government's occupant, members of his or her family or any other person on their behalf.

16. **RESTORATION:** The Lessor agrees to waive all restoration costs of said premises at the termination of said lease.

17. Any holdover of the lease after expiration of the terms shall be considered to be a tenancy from month to month, and shall otherwise be on the same terms and conditions as hereon specified. Such tenancy shall be terminable by either party on 30 days written notice to the other party. Any continuance of this lease under the existing terms and conditions is contingent upon the availability of funds. This is based upon the Government's Fiscal year which begins 1 October of the current calendar year and ends 30 September of the following calendar year.

18. It is understood and agreed that the leased premises will be maintained in a clean and sanitary condition, free from pests, and that the Lessor will provide pest control measures and pesticides that conform to local health department regulations.

19. The Government's liability under this agreement may not exceed appropriations available for such payment and nothing contained in this agreement may be considered as implying that Congress will at a later date appropriate funds sufficient to meet deficiencies. The provisions of this clause are without prejudice to any rights the Lessor may have to make a claim under applicable laws for any other damages than provided herein.

20. Any notice given during the term of this agreement shall be in writing and if given by the Lessor shall be made to: **US Army Corps of Engineers, Attn: Leasing Branch**, Room 1450, 1325 J. Street, Sacramento, California 95814 and if given by the Government shall be made to: **Humboldt Bay Harbor, Recreation and Conservation District, P.O. Box 1030, Eureka, CA 95502-1030.**

21. To the extent required by law and regulations, this contract is subject to the procedures of the Contract Disputes Act of 1978.

22. Provision No. 3 of Standard Form 2-B may be changed at the Government's discretion by Supplemental Agreement to reflect the Government's beneficial occupancy of the premises.

23. The Government's liability under this lease for personal injury or property damage is provided for under the provisions of the Federal Tort Claims Act.

24. Access to leased space will be 24/7 with normal business hours of Monday through Friday, 6:00am to 6:00pm.

25. 52.204-7 **SYSTEM FOR AWARD MANAGEMENT (JUL 2013)** -This clause is incorporated by reference.
26. 52.204-13 **SYSTEM FOR AWARD MANAGEMENT MAINTENANCE (JUL 2013)** -This clause is incorporated by reference.
27. 52.222-26 **EQUAL OPPORTUNITY (MAR 2007)** -This clause is incorporated by reference.
28. 52.233-1 **DISPUTES (MAY 2014)** -This clause is incorporated by reference.
29. 552.270-31 **PROMPT PAYMENT (JUN 2011)** – This clause is incorporated by reference.
30. 552.232-23 **ASSIGNMENT OF CLAIMS (SEP 1999)** - This clause is incorporated by reference.
31. 52.232-33 **PAYMENT BY ELECTRONIC FUNDS TRANSFER – SYSTEM FOR AWARD MANAGEMENT (JUL 2013)**
- This clause is incorporated by reference.
32. 52.209-6 **PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (AUG 2013)** - This clause is incorporated by reference.
33. 52.204-25 **PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020) VARIATION**

(a) Definitions – As used in this clause:

Backhaul: means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

Prohibited foreign country: means The People’s Republic of China.

Prohibited telecommunications equipment or services: means–

- (1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);
- (2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- (3) Telecommunications or video surveillance services provided by such entities or using such equipment; or
- (4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a prohibited foreign country.

Critical technology: means

- (1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;
- (2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export

Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled-

- (i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or
- (ii) For reasons relating to regional stability or surreptitious listening;
- (3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology prohibited by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);
- (4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);
- (5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or
- (6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

Interconnection arrangements: means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

Reasonable inquiry: means an inquiry designed to uncover any information in the entity's possession about the identity of the producer or provider of prohibited telecommunications equipment or services used by the entity that excludes the need to include an internal or third-party audit.

Roaming: means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

Substantial or essential component: means any component necessary for the proper function or performance of a piece of equipment, system, or service.

(b) Prohibition:

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. Law 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses prohibited telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The Contractor is prohibited from providing to the Government any equipment, system, or service that uses prohibited telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the prohibited telecommunication equipment or services are covered by a waiver described in FAR 4.2104.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. Law 115-232) prohibits the head of an executive agency on or after August 13, 2019, from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses prohibited telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the prohibited telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of prohibited telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

(c) Exceptions – This clause does not prohibit contractors from providing:

(1) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection

arrangements; or

- (2) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) Reporting requirements:

- (1) In the event the Contractor identifies prohibited telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this clause to the Contracting Officer, unless elsewhere in this contract are established procedures for reporting the information; in the case of the Department of Defense, the Contractor shall report to the website at <https://dibnet.dod.mil>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil>.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause:

(i) Within one business day from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of prohibited telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of prohibited telecommunications equipment or services.

(e) Subcontracts: The Contractor shall insert the substance of this clause, including this paragraph (e) and excluding paragraph (b)(2), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial items.

34. 52.219-28 **POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (JUL 2013)** - This clause is incorporated by reference.

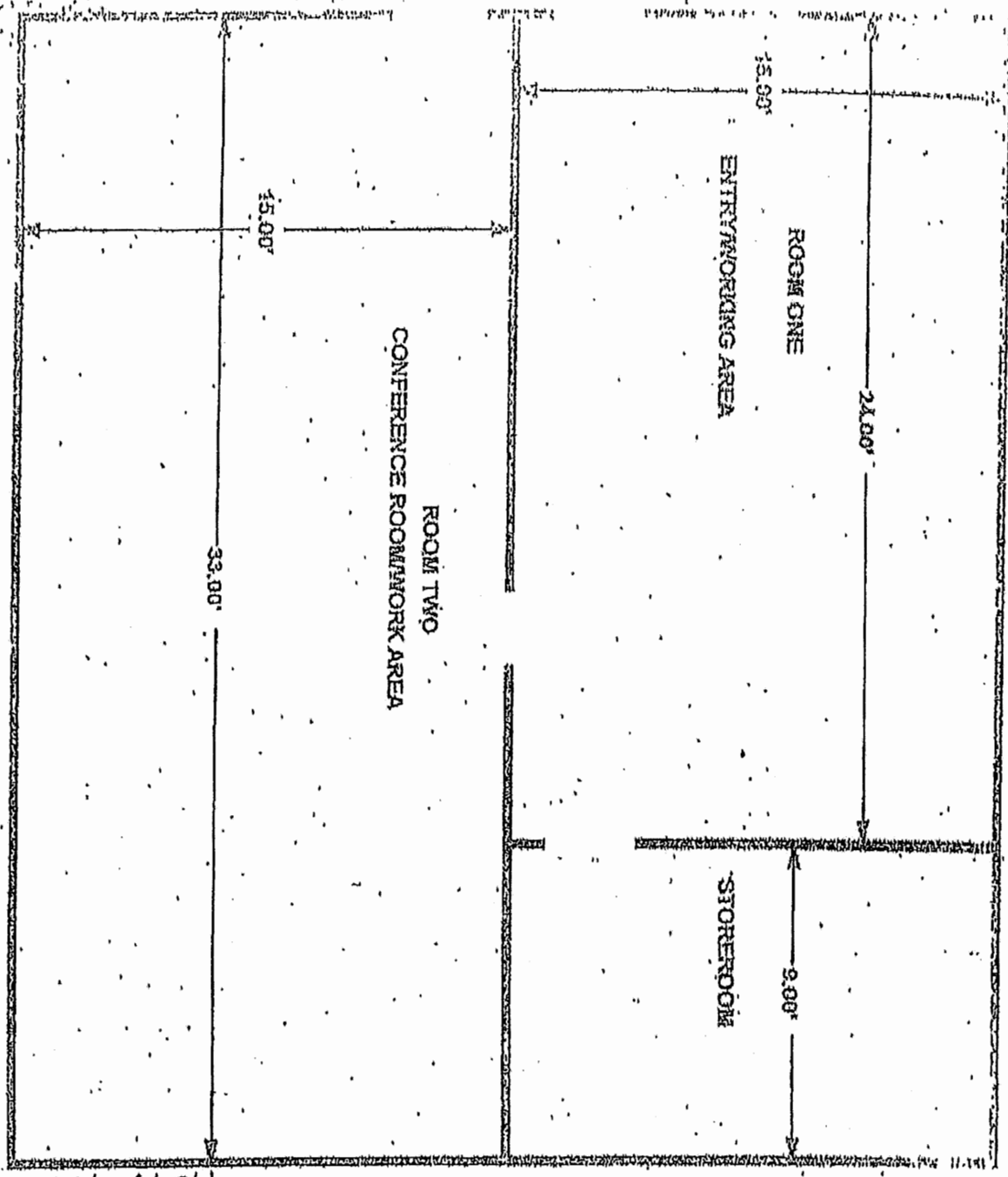
35. 52.222-36 **AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUL 2014)**

(a) Equal opportunity clause. The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-741.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by the Contractor to employ and advance in employment qualified individuals with disabilities.

(b) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$15,000 unless exempted by rules, regulations, or orders of the Secretary, so that such provisions will be binding upon each subcontractor or vendor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs of the U.S. Department of Labor, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

36. 52.204-10 **REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (JUL 2013)** - This clause is incorporated by reference.

37.52.204-19 **INCORPORATION BY REFERENCE OF REPRESENTATIONS AND CERTIFICATIONS**
(DEC 2014) – This clause incorporated by reference.



6th Fl St.

EXHIBIT A

Janitorial Service 3 Days a week

Scope of Work

1. The Lessor shall provide all supervision, personnel, equipment, materials, supplies and tools needed to perform janitorial services in a professional manner at:

Address: 601 Startare Drive, Suites 100 & 102
Woodley Island Marina
Eureka, CA

2. The Government occupied space consists of approximately 1000 sq. ft., with approximately 3-5 staff.

3. A General Janitorial services are to be performed on a 3 day per week schedule, Tuesday (subject to change), between the hours of 9:30 a.m. and noon, excluding federal holidays (New Years, Martin Luther King, Washington, Memorial, Fourth of July, Labor Day, Columbus, Veterans, Thanksgiving and Christmas)

B. Cleaning Schedule.

- The Lessor will have the responsibility of contacting the Office POC to coordinate an agreed-upon schedule to clean each of their office during the time period listed in paragraph 3.A.

- A Government Employee must be at the site while the Lessor is performing the work. If office space cannot be accessed during the scheduled time period, no cleaning will be performed by Lessor until the next scheduled day and time.

4. Contract Period. 01 October 2013 through 30 September 2014

5. Task Schedule. The following requirements and schedule of services is to be used in obtaining janitorial services for this facility:

WORK TO BE ACCOMPLISHED:

SEMIWEEKLY (Monday, Wednesday, and Friday)

Wastebasket receptacle: remove waste and replenish liner, placing one extra liner at bottom of can.

WEEKLY (Wednesday)

Dust all surfaces of chairs, desks, cabinets, and tables and associated furniture.

Clean surface of large table with appropriate cleaner.

Vacuum all carpet (using vacuum with beater brush) including under desks and chairs and any carpeted floor mats.

Check and remove any new carpet stains with appropriate cleaner (i.e. Resolve).

MONTHLY (4th Wednesday)

Vinyl furniture will be cleaned with appropriate cleaner (not soap & water).

Metal parts of furniture will be polished.

Wood furniture will be cleaned with a wood cleaner or polish.

Vacuum all upholstered furniture.

QUARTERLY (1st Week Oct/Jan/Apr/Jul)

Wash windows (interior/exterior);

Wash window blinds, tapes and cords with damp cloth.

Clean ceiling light fixtures and shields with extension duster.

SEMI-ANNUALLY

Carpet Cleaning:

Wash Eureka field office entrance sign twice annually.

High-performance hotwater extraction method referred as 'Steam

Cleaning' of all carpet and any carpeted door mats (an alternation type of cleaning is to be used

EXHIBIT B

only if property does not conform to truck-mounted cleaning); removing all dirt and non-permanent spots and stains using appropriate chemical cleaning solution spray on heavy foot-traffic areas. Baseboards are to be free of water splashing.
Ceiling Light Bulbs: Fluorescent ceiling light bulbs and any incandescent bulbs.

Disposal of Bulbs: It will be the contractor's responsibility to follow California State and local regulations for the cost and disposal of the bulbs.

Equipment & Supplies: Lessor will provide all necessary equipment and cleaning supplies necessary to perform all tasks, including ladder to replace ceiling lights.

ANNUALLY

Paint exterior doors (2 doors), During summer months

Lessor's point of contact on any questions, problems with this contract is:

U.S. Army Corps of Engineers
Real Estate Division/Leasing Section
Attn: Jonathan Weinberg
1325 J Street
Sacramento CA 95814-2922
(916) 657-6839 FAX: 916. 557.6655

EXHIBIT B

WOODLEY ISLAND MARINA

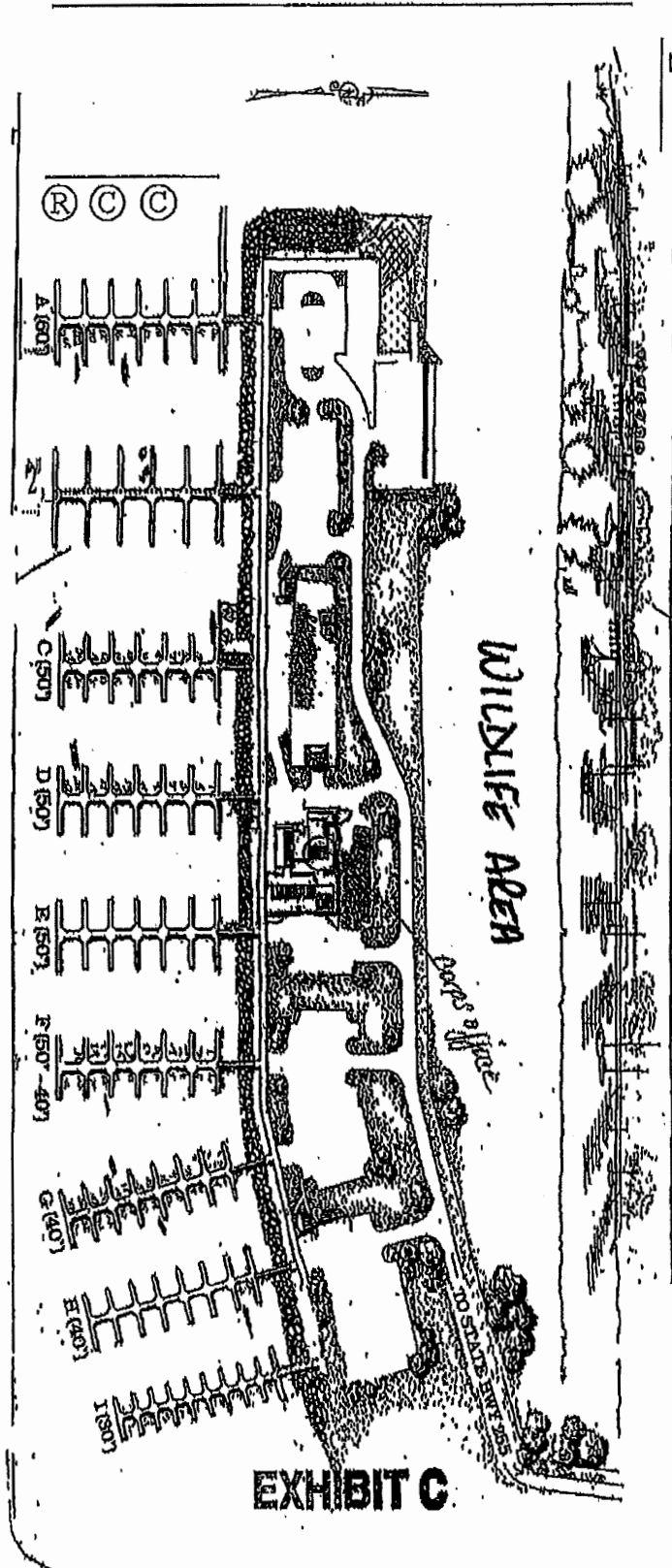


EXHIBIT C

COMMISSIONERS

1st Division: Aaron Newman
2nd Division: Greg Dale
3rd Division: Stephen Kullmann
4th Division: Craig Benson
5th Division: Patrick Higgins

**Humboldt Bay Harbor,
Recreation and Conservation District**
(707)443-0801
P.O. Box 1030
Eureka, California 95502-1030



STAFF REPORT
HARBOR DISTRICT MEETING
October 12, 2023

TO: Honorable Board President and Harbor District Board Members

FROM: Rob Holmlund, Development Director

DATE: October 5, 2023

TITLE: Consider Accepting Application for Filing for Harbor District Permit 2023-06: City of Eureka Flood Reduction and Sea Level Rise Resiliency Project

STAFF RECOMMENDATION: Staff recommends that the Board: Accept Permit Application 2023-06 for filing.

SUMMARY: The City of Eureka (City) applied for a Harbor District Permit for the Flood Reduction and Sea Level Rise Resiliency Project (Permit 2023-06). Consistent with District Ordinances and the Harbors and Navigation Code, this is a procedural step to accept a permit application to conduct physical improvements within the waters of Humboldt Bay. If the Board chooses to accept the filing of this permit, staff will follow standard procedures to review and evaluate the project. Following that analysis, the project will come before the Board with a staff recommendation for or against approval.

DISCUSSION: The overall Flood Reduction and Sea Level Rise Resiliency Project (Project) includes the replacement of undersized storm drain piping and culverts, installation of tide gates to manage flows and limit saltwater intrusion into the stormwater system, construction of Low Impact Development (LID) features including rain gardens, and limited earthwork within Palco Marsh to increase stormwater storage capacity. The Project would also include the installation of trash capture devices (TCDs) in multiple locations in central and western areas of the City to reduce the amount of pollution that could potentially enter Humboldt Bay. One Project area is located within Harbor District jurisdiction (Figure 1).

Project work would occur in Palco Marsh which is also referred to as the Railroad Region or the “Project” within the Application (Figure 2). The nearest cross streets are Del Norte St. and Railroad Ave. Enhancements to the existing muted tidal system at Palco Marsh include channel excavation and replacement of the existing hydraulic conveyance structure between the marsh and Humboldt Bay with larger capacity culverts and adjustable flap gates. The new culverts and tidal channel would increase the lower tidal range, match existing tidal inundation duration, store peak water levels within the marsh area and avoid offsite flooding, enhance sediment exchange from the Bay to Palco Marsh, reduce velocities within the crossing, and enhance sediment deposition on the marsh plain to promote adaptation of the marsh ecosystem to rising sea levels.

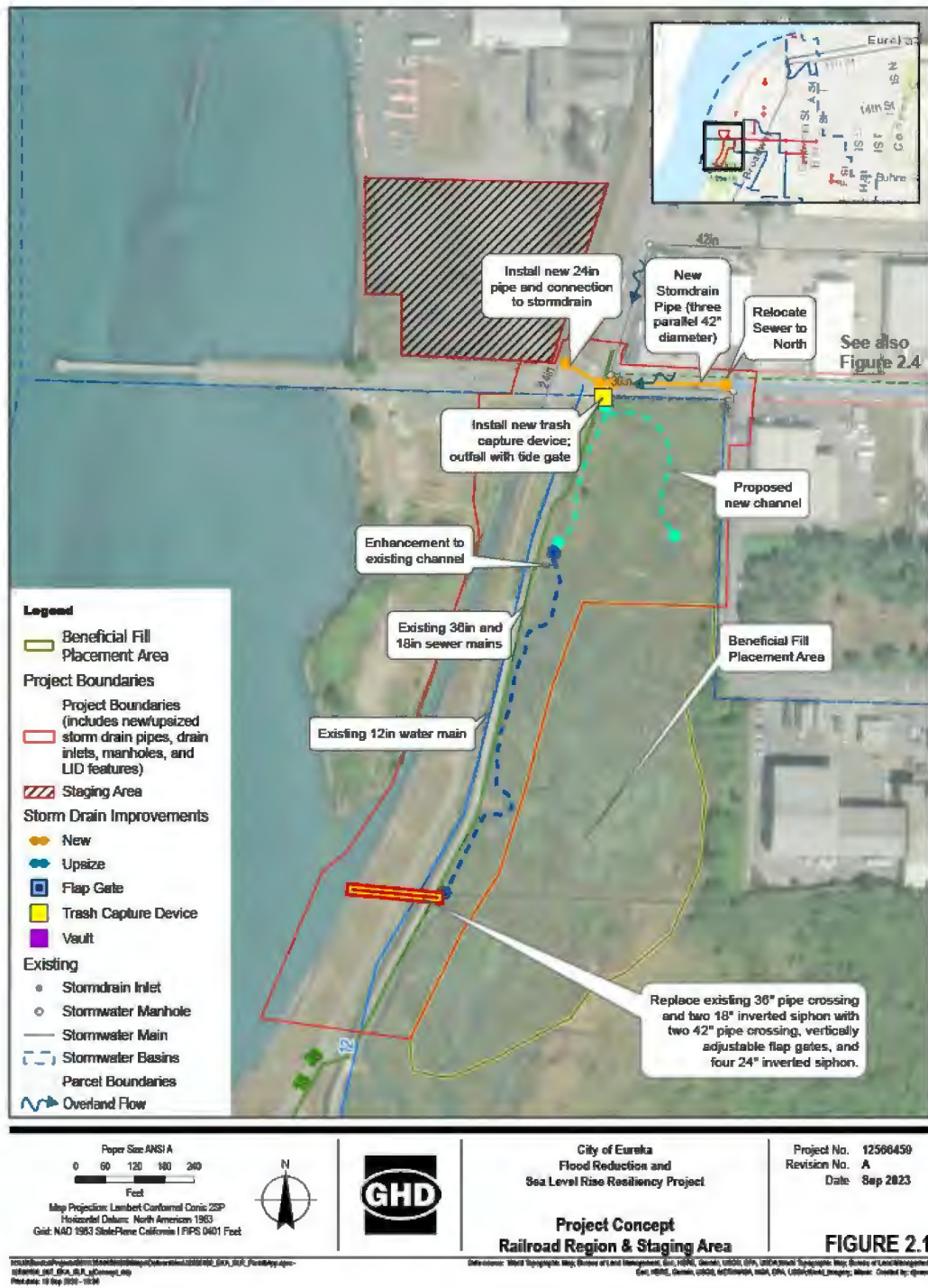
Construction of the Flood Reduction and Sea Level Rise Resiliency Project would occur within one to two construction seasons, likely commencing in the late spring/early summer 2024 and continuing eight to twelve months. Construction of the Palco Marsh area elements will require approximately eight weeks and would be limited to occur from June 15 through October 15. Vegetation clearing might occur and would consist of removal of herbaceous plants and shrubs outside of the nesting bird season and would occur first, prior to March 15 or after August 15. The City of Eureka is the California Environmental Quality Act (CEQA) Lead Agency and circulated the CEQA Initial Study / Mitigated Negative Declaration. The Harbor District is a CEQA Responsible Agency for this project. The applicant is also pursuing permits from other regulatory agencies.

The submitted City of Eureka Application will be available on the Harbor District website: <https://humboldt-bay.org/public-notice-announcements-information>.

Figure 1. Resiliency Project Harbor Permit Location



Figure 2. Railroad Region channel Excavation and Culvert Replacement



FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (“Amendment”) is made this 12th day of October 2023 (“Effective Date”), by and between the Humboldt Bay Harbor, Recreation, and Conservation District, a public entity (“District”), and MINDY HILEY (“Employee”).

RECITALS

A. Employee has served as the Director of Administrative Services of the District since June 21, 2018, pursuant to the terms and conditions of that written Employment Agreement originally entered into on August 31, 2018, (the “Agreement”).

B. By way of this Amendment, Employee and the District desire to modify the Agreement as set forth below.

AGREEMENT

NOW, THEREFORE, for adequate consideration (the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Amendment to Section 5 of the Agreement. Notwithstanding anything in the Agreement to the contrary, Employee and the District agree that for the period commencing on September 17, 2023, Employee’s annual salary shall be \$119,413, payable in regular equal installments based on pay periods generally applicable to District employees. Future salary adjustments, if any, will be completed through amendments to this Agreement. Additionally, Employee shall receive a one-time \$5,000 lump sum performance bonus if, during the Term, all necessary Coastal Development Permits are received from the California Coastal Commission approving the development and operation of the District’s proposed new heavy lift terminal at Redwood Marine Terminal I.

2. No Further Modification; Conflict. Except as set forth in this Amendment, all of the terms and provisions of the Agreement shall remain unmodified and in full force and effect. In the event of any conflict between the terms, covenants and conditions of the Agreement, and the terms, covenants and conditions of this Amendment, the terms, covenants and conditions of this Amendment shall govern and control.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT,
a California public entity

By: _____

Name: Greg Dale

Title: President of the Board of Commissioners

MINDY HILEY

By: _____

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (“Amendment”) is made this 12th day of October 2023 (“Effective Date”), by and between the Humboldt Bay Harbor, Recreation, and Conservation District, a public entity (“District”), and ROBERT HOLMLUND (“Employee”).

RECITALS

A. Employee has served as the Director of Development II of the District since January 3, 2022, pursuant to the terms and conditions of that written Employment Agreement originally entered into on October 11, 2021, (the “Agreement”).

B. By way of this Amendment, Employee and the District desire to modify the Agreement as set forth below.

AGREEMENT

NOW, THEREFORE, for adequate consideration (the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Amendment to Section 5 of the Agreement. Section “5” of the Agreement is hereby deleted and replaced in its entirety with the following:

Notwithstanding anything in the Agreement to the contrary, Employee and the District agree that for the period commencing on September 17, 2023, Employee’s annual salary shall be \$138,000, payable in regular equal installments based on pay periods generally applicable to District employees. Future salary adjustments, if any, will be completed through amendments to this Agreement. Additionally, Employee shall receive a one-time \$5,000 lump sum performance bonus if, during the Term, all necessary Coastal Development Permits are received from the California Coastal Commission approving the development and operation of the District’s proposed new heavy lift terminal at Redwood Marine Terminal I.

2. Amendment to Section 8 of the Agreement. Without limiting the “at-will” nature of the employment, the term of this Agreement shall be extended through January 2, 2026.

3. No Further Modification; Conflict. Except as set forth in this Amendment, all of the terms and provisions of the Agreement shall remain unmodified and in full force and effect. In the event of any conflict between the terms, covenants and conditions of the

Agreement, and the terms, covenants and conditions of this Amendment, the terms, covenants and conditions of this Amendment shall govern and control.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT,
a California public entity

By: _____

Name: Greg Dale

Title: President of the Board of Commissioners

ROBERT HOLMLUND

By: _____

THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

THIS THIRD AMENDMENT TO EMPLOYMENT AGREEMENT (“Amendment”) is made this 12th day of October, 2023 (“Effective Date”), by and between the Humboldt Bay Harbor, Recreation, and Conservation District, a public entity (“District”), and LARRY OETKER (“Employee”).

RECITALS

A. Employee has served as the Executive Director of the District since December 7, 2018, pursuant to the terms and conditions of that written Employment Agreement originally entered into on December 8, 2018, as amended and restated by that Employment Agreement dated March 28, 2019, as further amended by that First Amendment to Employment Agreement dated December 8, 2021, as further amended by that Second Amendment dated December 8, 2022 (the “Agreement”).

B. By way of this Amendment, Employee and the District desire to modify the Agreement as set forth below.

AGREEMENT

NOW, THEREFORE, for adequate consideration (the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Term. Notwithstanding anything in the Agreement to the contrary, Employer and Employee that the term of the Agreement will expire on December 29, 2023.

3. No Further Modification; Conflict. Except as set forth in this Amendment, all of the terms and provisions of the Agreement shall remain unmodified and in full force and effect. In the event of any conflict between the terms, covenants and conditions of the Agreement, and the terms, covenants and conditions of this Amendment, the terms, covenants and conditions of this Amendment shall govern and control.

SIGNATURE PAGE FOLLOWS THIS PAGE

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT,
a California public entity

By: _____

Name: Greg Dale

Title: President of the Board of Commissioners

LARRY OETKER

By: _____

COMMISSIONERS
1st Division
Aaron Newman
2nd Division
Greg Dale
3rd Division
Stephen Kullmann
4th Division
Craig Benson
5th Division
Patrick Higgins

Humboldt Bay
Harbor, Recreation and Conservation District
(707)443-0801
P.O. Box 1030
Eureka, California 95502-1030



STAFF REPORT
HARBOR DISTRICT MEETING
October 12, 2023

TO: Honorable Board President and Harbor District Board Members

FROM: Larry Oetker, Executive Director

DATE: October 5, 2023

TITLE: Consider Adopting Resolution No. 2023-18 Amending the Salary Schedule for Middle-Management Unclassified Employees of the Humboldt Bay Harbor, Recreation and Conservation District

STAFF RECOMMENDATION: Staff recommends that the Board adopt Resolution 2023-18, A Resolution Amending the Salary Schedule for Middle-Management Unclassified Employees.

SUMMARY: In September 2023, the Board of Commissioners approved a Collective Bargaining Agreement establishing a 3-year wage increase for all classified employees. The purpose of this resolution is to increase the salaries of middle management, unclassified employees on the same schedule.

DISCUSSION: Positions considered mid-management include the Marina Manager, Maintenance Manager and the Natural Resources Coordinator. The proposed Salary Schedule increases are as follows:

- \$1.50 per hour retroactively effective 7/01/23
- \$2.00 per hour effective upon changing health insurance to CalPERS 85% District 15% Employee cost share as described above. (Estimated effective date December 2023)
- \$1.25 per hour effective 7/01/24
- \$1.25 per hour effective 7/01/25

The Executive Director, Deputy Executive Director, Director of Development and Director of Administrative Services are not covered by this action as those salaries are outlined in their Employment Agreements.

ATTACHMENTS:

- A. Resolution No. 2023-18

**HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT**

RESOLUTION NO. 2023-18

**A RESOLUTION AMENDING THE SALARY SCHEDULE FOR MIDDLE-MANAGEMENT UNCLASSIFIED
EMPLOYEES OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**

WHEREAS, the District's Personnel Policies establish the policies, procedures and benefits and outline the obligations, rights, privileges, benefits, and prohibitions which are placed on all employees of the District; and

WHEREAS, Management Employees are categorized as "unclassified" and not covered by the Collective Bargaining Agreement with the Operating Engineers No. 3; and

WHEREAS, California Code of Regulations (CCR)570.5 requires a publicly available pay schedule showing the pay rate for each identified position; and

WHEREAS, this Resolution 2023-18 supersedes Resolution 2021-12.

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY
HARBOR, RECREATION, AND CONSERVATION DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The Salary Schedule for District Management Employees included as Exhibit A is effective immediately.

PASSED AND ADOPTED by the Humboldt Bay Harbor, Recreation and Conservation District Board of Commissioners at a duly called meeting held on the 12th day of October 2023 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

**Greg Dale, President
Board of Commissioners**

**Aaron Newman, Secretary
Board of Commissioners**

CERTIFICATE OF SECRETARY

The undersigned, duly qualified and acting Secretary of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, does hereby certify that the attached Resolution is a true and correct copy of RESOLUTION NO. **2023-18** entitled,

A RESOLUTION AMENDING THE SALARY SCHEUDLE FOR MIDDLE-MANAGEMENT UNCLASSIFIED EMPLOYEES OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

as regularly adopted at a legally convened meeting of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, duly held on the **12th day of October 2023**; and further, that such Resolution has been fully recorded in the Journal of Proceedings in my office, and is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this **12th day of October 2023**.

Aaron Newman, Secretary
Board of Commissioners

EXHIBIT A

MID MANAGEMENT SALARY SCHEDULE AS APPROVED BY RESOLUTION 2023-18

Approved as to form: _____

Current Salary Schedule approved 11/9/2021

| STEP | WAGE CLASS | | | | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| | A | B | C | D | E | F | G | H | I | J | K | L | M | N |
| 1 | \$ 57,430 | \$ 59,365 | \$ 61,299 | \$ 63,234 | \$ 65,168 | \$ 67,102 | \$ 69,037 | \$ 70,971 | \$ 72,906 | \$ 74,840 | \$ 76,775 | \$ 78,709 | \$ 80,644 | \$ 82,578 |
| 2 | \$ 60,179 | \$ 62,215 | \$ 64,252 | \$ 66,288 | \$ 68,324 | \$ 70,361 | \$ 72,397 | \$ 74,433 | \$ 76,469 | \$ 78,506 | \$ 80,542 | \$ 82,578 | \$ 84,614 | \$ 86,651 |
| 3 | \$ 63,073 | \$ 65,216 | \$ 67,360 | \$ 69,503 | \$ 71,647 | \$ 73,790 | \$ 75,933 | \$ 78,077 | \$ 80,220 | \$ 82,364 | \$ 84,507 | \$ 86,651 | \$ 88,794 | \$ 90,938 |
| 4 | \$ 66,119 | \$ 68,375 | \$ 70,631 | \$ 72,888 | \$ 75,144 | \$ 77,400 | \$ 79,656 | \$ 81,913 | \$ 84,169 | \$ 86,425 | \$ 88,681 | \$ 90,938 | \$ 93,194 | \$ 95,450 |
| 5 | \$ 69,325 | \$ 71,700 | \$ 74,075 | \$ 76,450 | \$ 78,825 | \$ 81,200 | \$ 83,575 | \$ 85,950 | \$ 88,325 | \$ 90,700 | \$ 93,075 | \$ 95,450 | \$ 97,825 | \$ 100,200 |
| 6 | \$ 72,700 | \$ 75,200 | \$ 77,700 | \$ 80,200 | \$ 82,700 | \$ 85,200 | \$ 87,700 | \$ 90,200 | \$ 92,700 | \$ 95,200 | \$ 97,700 | \$ 100,200 | \$ 102,700 | \$ 105,200 |

\$1.50 per hour (\$3,120 annual) wage increase effective July 1, 2023 as Per Resolution NO. 2023-18

\$ 3,120

| STEP | WAGE CLASS | | | | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|
| | A | B | C | D | E | F | G | H | I | J | K | L | M | N |
| 1 | \$ 60,550 | \$ 62,485 | \$ 64,419 | \$ 66,354 | \$ 68,288 | \$ 70,222 | \$ 72,157 | \$ 74,091 | \$ 76,026 | \$ 77,960 | \$ 79,895 | \$ 81,829 | \$ 83,764 | \$ 85,698 |
| 2 | \$ 63,299 | \$ 65,335 | \$ 67,372 | \$ 69,408 | \$ 71,444 | \$ 73,481 | \$ 75,517 | \$ 77,553 | \$ 79,589 | \$ 81,626 | \$ 83,662 | \$ 85,698 | \$ 87,734 | \$ 89,771 |
| 3 | \$ 66,193 | \$ 68,336 | \$ 70,480 | \$ 72,623 | \$ 74,767 | \$ 76,910 | \$ 79,053 | \$ 81,197 | \$ 83,340 | \$ 85,484 | \$ 87,627 | \$ 89,771 | \$ 91,914 | \$ 94,058 |
| 4 | \$ 69,239 | \$ 71,495 | \$ 73,751 | \$ 76,008 | \$ 78,264 | \$ 80,520 | \$ 82,776 | \$ 85,033 | \$ 87,289 | \$ 89,545 | \$ 91,801 | \$ 94,058 | \$ 96,314 | \$ 98,570 |
| 5 | \$ 72,445 | \$ 74,820 | \$ 77,195 | \$ 79,570 | \$ 81,945 | \$ 84,320 | \$ 86,695 | \$ 89,070 | \$ 91,445 | \$ 93,820 | \$ 96,195 | \$ 98,570 | \$ 100,945 | \$ 103,320 |
| 6 | \$ 75,820 | \$ 78,320 | \$ 80,820 | \$ 83,320 | \$ 85,820 | \$ 88,320 | \$ 90,820 | \$ 93,320 | \$ 95,820 | \$ 98,320 | \$ 100,820 | \$ 103,320 | \$ 105,820 | \$ 108,320 |

\$2.00 per hour (\$4,160 annual) wage increase effective upon successful enrollment in the CalPERS medical coverage program

\$ 4,160

| STEP | WAGE CLASS | | | | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|
| | A | B | C | D | E | F | G | H | I | J | K | L | M | N |
| 1 | \$ 64,710 | \$ 66,645 | \$ 68,579 | \$ 70,514 | \$ 72,448 | \$ 74,382 | \$ 76,317 | \$ 78,251 | \$ 80,186 | \$ 82,120 | \$ 84,055 | \$ 85,989 | \$ 87,924 | \$ 89,858 |
| 2 | \$ 67,459 | \$ 69,495 | \$ 71,532 | \$ 73,568 | \$ 75,604 | \$ 77,641 | \$ 79,677 | \$ 81,713 | \$ 83,749 | \$ 85,786 | \$ 87,822 | \$ 89,858 | \$ 91,894 | \$ 93,931 |
| 3 | \$ 70,353 | \$ 72,496 | \$ 74,640 | \$ 76,783 | \$ 78,927 | \$ 81,070 | \$ 83,213 | \$ 85,357 | \$ 87,500 | \$ 89,644 | \$ 91,787 | \$ 93,931 | \$ 96,074 | \$ 98,218 |
| 4 | \$ 73,399 | \$ 75,655 | \$ 77,911 | \$ 80,168 | \$ 82,424 | \$ 84,680 | \$ 86,936 | \$ 89,193 | \$ 91,449 | \$ 93,705 | \$ 95,961 | \$ 98,218 | \$ 100,474 | \$ 102,730 |
| 5 | \$ 76,605 | \$ 78,980 | \$ 81,355 | \$ 83,730 | \$ 86,105 | \$ 88,480 | \$ 90,855 | \$ 93,230 | \$ 95,605 | \$ 97,980 | \$ 100,355 | \$ 102,730 | \$ 105,105 | \$ 107,480 |
| 6 | \$ 79,980 | \$ 82,480 | \$ 84,980 | \$ 87,480 | \$ 89,980 | \$ 92,480 | \$ 94,980 | \$ 97,480 | \$ 99,980 | \$ 102,480 | \$ 104,980 | \$ 107,480 | \$ 109,980 | \$ 112,480 |

EXHIBIT A

MID MANAGEMENT SALARY SCHEDULE AS APPROVED BY RESOLUTION 2023-18

Approved as to form: _____

\$1.25 per hour (\$2,600 annual) wage increase effective July 1, 2024

\$ 2,600

| STEP | WAGE CLASS | | | | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|
| | A | B | C | D | E | F | G | H | I | J | K | L | M | N |
| 1 | \$ 67,310 | \$ 69,245 | \$ 71,179 | \$ 73,114 | \$ 75,048 | \$ 76,982 | \$ 78,917 | \$ 80,851 | \$ 82,786 | \$ 84,720 | \$ 86,655 | \$ 88,589 | \$ 90,524 | \$ 92,458 |
| 2 | \$ 70,059 | \$ 72,095 | \$ 74,132 | \$ 76,168 | \$ 78,204 | \$ 80,241 | \$ 82,277 | \$ 84,313 | \$ 86,349 | \$ 88,386 | \$ 90,422 | \$ 92,458 | \$ 94,494 | \$ 96,531 |
| 3 | \$ 72,953 | \$ 75,096 | \$ 77,240 | \$ 79,383 | \$ 81,527 | \$ 83,670 | \$ 85,813 | \$ 87,957 | \$ 90,100 | \$ 92,244 | \$ 94,387 | \$ 96,531 | \$ 98,674 | \$ 100,818 |
| 4 | \$ 75,999 | \$ 78,255 | \$ 80,511 | \$ 82,768 | \$ 85,024 | \$ 87,280 | \$ 89,536 | \$ 91,793 | \$ 94,049 | \$ 96,305 | \$ 98,561 | \$ 100,818 | \$ 103,074 | \$ 105,330 |
| 5 | \$ 79,205 | \$ 81,580 | \$ 83,955 | \$ 86,330 | \$ 88,705 | \$ 91,080 | \$ 93,455 | \$ 95,830 | \$ 98,205 | \$ 100,580 | \$ 102,955 | \$ 105,330 | \$ 107,705 | \$ 110,080 |
| 6 | \$ 82,580 | \$ 85,080 | \$ 87,580 | \$ 90,080 | \$ 92,580 | \$ 95,080 | \$ 97,580 | \$ 100,080 | \$ 102,580 | \$ 105,080 | \$ 107,580 | \$ 110,080 | \$ 112,580 | \$ 115,080 |

\$1.25 per hour (\$2,600 annual) wage increase effective July 1, 2025

\$ 2,600

| STEP | WAGE CLASS | | | | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|
| | A | B | C | D | E | F | G | H | I | J | K | L | M | N |
| 1 | \$ 69,910 | \$ 71,845 | \$ 73,779 | \$ 75,714 | \$ 77,648 | \$ 79,582 | \$ 81,517 | \$ 83,451 | \$ 85,386 | \$ 87,320 | \$ 89,255 | \$ 91,189 | \$ 93,124 | \$ 95,058 |
| 2 | \$ 72,659 | \$ 74,695 | \$ 76,732 | \$ 78,768 | \$ 80,804 | \$ 82,841 | \$ 84,877 | \$ 86,913 | \$ 88,949 | \$ 90,986 | \$ 93,022 | \$ 95,058 | \$ 97,094 | \$ 99,131 |
| 3 | \$ 75,553 | \$ 77,696 | \$ 79,840 | \$ 81,983 | \$ 84,127 | \$ 86,270 | \$ 88,413 | \$ 90,557 | \$ 92,700 | \$ 94,844 | \$ 96,987 | \$ 99,131 | \$ 101,274 | \$ 103,418 |
| 4 | \$ 78,599 | \$ 80,855 | \$ 83,111 | \$ 85,368 | \$ 87,624 | \$ 89,880 | \$ 92,136 | \$ 94,393 | \$ 96,649 | \$ 98,905 | \$ 101,161 | \$ 103,418 | \$ 105,674 | \$ 107,930 |
| 5 | \$ 81,805 | \$ 84,180 | \$ 86,555 | \$ 88,930 | \$ 91,305 | \$ 93,680 | \$ 96,055 | \$ 98,430 | \$ 100,805 | \$ 103,180 | \$ 105,555 | \$ 107,930 | \$ 110,305 | \$ 112,680 |
| 6 | \$ 85,180 | \$ 87,680 | \$ 90,180 | \$ 92,680 | \$ 95,180 | \$ 97,680 | \$ 100,180 | \$ 102,680 | \$ 105,180 | \$ 107,680 | \$ 110,180 | \$ 112,680 | \$ 115,180 | \$ 117,680 |

| Mid Management Positions | Wage Class |
|--|------------|
| Marina Manager | B |
| Maintenance Manager | B |
| Natural Resources Coordinator I | B |
| Natural Resources Coordinator II | G |
| Senior Management positions as specified in individual contracts | |

COMMISSIONERS

1st Division

Aaron Newman

2nd Division

Greg Dale

3rd Division

Stephen Kullmann

4th Division

Craig Benson

5th Division

Patrick Higgins

Humboldt Bay
Harbor, Recreation and Conservation District
 (707)443-0801
 P.O. Box 1030
 Eureka, California 95502-1030



STAFF REPORT
HARBOR DISTRICT MEETING
October 12, 2023

TO: Honorable Board President and Harbor District Board Members

FROM: Rob Holmlund, Development Director

DATE: October 5, 2023

TITLE: Receive Status Update Regarding Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project

STAFF RECOMMENDATION: Receive report and provide direction.

SUMMARY: The District is actively working to develop a Heavy Lift Multipurpose Terminal to support the offshore wind industry. The District has expended a \$570,000 grant from the State Lands Commission, is in the process of expending a \$10.45M grant from the California Energy Commission, has submitted a \$8,672,986 PIDP grant application to the Federal Maritime Administration (MARAD), and has submitted a \$426,719,810 MPDG grant application (also known as “MEGA grant”) to the Federal Department of Transportation. Per the current project schedule, project permitting is scheduled to be completed in early-2025 and construction is scheduled to begin in mid-2026. This report will provide an update on project schedule, budget, tasks completed, tasks underway, upcoming tasks, and the latest overall project strategy.

BACKGROUND: The State and Federal governments have established ambitious goals for renewable energy generation through offshore wind development. These efforts to combat climate change represent an economic opportunity for the Port, the State, the Pacific region, and the entire nation. Achieving these goals also presents complex logistical challenges, including the development of new port and port-terminal facilities throughout California, including within Humboldt Bay. Offshore wind development will require new heavy lift marine terminal facilities, upland infrastructure/laydown areas, manufacturing centers, and logistics facilities.

A report published by BOEM in early 2023 determined that only three ports in California are capable of hosting “Staging and Integration” (S&I) sites, which will “...assemble the floating turbine systems for towing to the offshore wind areas.”¹ The three ports capable of hosting S&I sites are Humboldt Bay,

¹ <https://www.boem.gov/BOEM-2023-010>: California Floating Offshore Wind Regional Ports Assessment; U.S. Department of the Interior, BOEM; January 2023; page 22.

Los Angeles, and Long Beach. According to a different report² published less than a month ago by the California State Lands Commission:

- The Port of Humboldt plans to develop two S&I sites, with “Ready Dates” of 2028 and 2031.
- The Port of Long Beach plans to develop two S&I sites, with “Ready Dates” of 2031 and 2035.
- The Port of Los Angeles does not have any plans to develop an S&I site.
- No other ports have announced plans to develop S&I sites.

Thus, without an S&I site coming online in Humboldt Bay in 2028, the State of California cannot reach its goal of 5 GW of offshore wind by 2030. As a result, the West Coast floating offshore wind industry would be delayed, along with the many benefits that offshore wind will address (reversal of climate change and subsequent environmental improvements, transportation and shipping enhancements, energy resiliency, economic and employment advancements, a shift towards greater social and environmental equity, etc.). A report by the National Renewable Energy Lab published two weeks ago³, confirms all of the above.

As presented to the Board at several past meetings, the Harbor District is redeveloping the existing Redwood Marine Terminal to support the offshore wind industry in the Pacific. These improvements will create a multipurpose terminal that can support existing industry as well as serve as a primary facility for the manufacturing, import, staging, preassembly, final assembly, and loadout of large offshore wind components, including both wind turbine generation components and floating foundation components.

In March 2022 the District accepted a grant of \$10.45M from the California Energy Commission to support the project. The CEC encouraged the District to utilize that \$10.45M as matching funds for Federal grants. A likely source of additional grant funds is the Port Infrastructure Development Program (PIDP), which is administered by the Maritime Administration of the US Department of Transportation (MARAD). Additionally, the District and its collaborators have identified a highly competitive and potentially large source of grant funds in the MPDG opportunity.

In mid-2021, the District applied for a \$56M PIDP grant. The District was not awarded the grant. In mid-2022, the District re-applied to the same PIDP program for a substantially scaled- down version of the project. The District was also not awarded that grant. In early 2023, District staff participated in a debrief with MARAD staff to review the District’s previous PIDP grant applications. Based on feedback from MARAD, the District has been working to reformulate a new strategy. Thereafter, the District prepared and applied for an approximately \$8M grant for the 2023 round of the PIDP which is currently under review and consideration by MARAD. In furtherance of these efforts, the District has worked with project partners to prepare a grant application for the FY 2023-2024 round

² <https://www.slc.ca.gov/content-types/port-readiness-plan/>: AB 525 Port Readiness Plan; California State Lands Commission; July 7, 2023; page 5.

³ <https://www.nrel.gov/docs/fy23osti/86864.pdf>: The Impacts of Developing a Port Network for Floating Offshore Wind Energy on the West Coast of the United States; September 2023.

of the MPDG's Mega and INFRA grant programs. The Board approved the submittal of that grant application at the past Board meeting on 8/10/23.

The development of a "Green Terminal Strategy" is an important topic of consideration for many members of the local community. Fortunately, the District has been working on this topic for over a year and a half. In March of 2022, the District Board approved a contract with Moffatt & Nichol, which included the following:

- Green Port/Electrification Assessment: identify marine terminal development requirements to provide a zero-carbon port facility including assessment of power needs for full buildout.
- Green Port Analysis. Establish green port development criteria and guidance for the planned phased buildout. Evaluate feasibility and develop concepts for incorporation of renewable energy onsite (ground or roof mounted solar) and offsite to meet power demand needs. Assess alternatives for port decarbonization such as offsite power purchase and utilization of onsite renewable energy to meet the clean and renewable goals for the development.
- Electrical Utility Needs Analysis. Based on power demand requirements for the phased terminal buildout, evaluate electrical infrastructure upgrade and modification requirements. Work with local utility provider to review if planned upgrades are sufficient to meet future terminal needs or what improvements may be required.
- Energy Use Analysis. Develop summary of energy use needs for proposed phased terminal buildout and its intended uses. Develop power requirements and identify critical power load demands.
- Power and Utilities Assessment: assess existing grid capabilities to meet terminal electrification requirements (substation and grid) including outreach to power authority – assess other utility upgrades that may be required...

So, the District has the budget and a contract to complete the technical studies necessary to inform a "Green Terminal Strategy." The envisioned Green Terminal Strategy may include more than what is outlined above but will cover power usage at a minimum. Other likely topics to be covered include air quality, water quality, building design, and other topics.

To date, the District has held two public meetings, brought this project before the District Board at least 18 times during open public board meetings, has engaged in extensive coordination with several permitting/regulatory agencies, and has hosted meetings with dozens of interested parties. The District is actively engaged with seven different Tribal governments and has offered to engage with an additional three Tribal governments. The project's CEQA Notice of Preparation was released in June of 2023. The District received 108 comments letters. The District is in active communication with the County of Humboldt Planning Department regarding recommended amendments to the County's Local Coastal Program and regarding consolidation of the project's Coastal Development Permit.

Additional information about the overall project can be found here:

- Summary video: <https://www.youtube.com/@humboldtbayharbordistrict>.
- Project website: <https://humboldtbay.org/humboldt-bay-offshore-wind-heavy->

[lift-marine-terminal-project-3.](#)

- “Public Engagement Strategy” for the project:
https://humboldt看bay.org/sites/humboldt看bay.org/files/HBHRCD_WindTerminal_CommunityEngagementStrategy.pdf.

DISCUSSION: A status update of the project is provided with four attachments, including a phasing map, a schedule, a budget, and a proposed Community Benefit Program. Attachment A provides a tentative Construction Phasing Map. A few notes about the phasing map:

- This map corresponds to the schedule and budget presented below.
- Phase 0 includes all mitigation, utility, and access components of the project that must be completed prior to the construction and operations of the actual development project (which consists of Phases 1 through 3).
- It is likely that manufacturing buildings would occur as a future “Phase 4”, though manufacturing buildings could be a part of Phase 3 depending on future funding opportunities.
- The remainder of permitting for all phases is scheduled to be funded by the pending PIDP 2023 grant application.
- The remainder of designs, plans, specifications, and bid documents for Phase 0 and 1 is scheduled to be funded by the pending PIDP 2023 grant application.
- Construction of Phase 0 and Phase 1 are scheduled to be funded by the pending MEGA grant application.

Attachment B provides a summary of the current project schedule. A few notes about the schedule:

- The codes within the timeline (such as “TA-3”) are explained in the key at the bottom. These codes generally refer to the “Task Authorizations” in the District’s contract with Moffat & Nichol. These also identify funding sources.
- Items with stars require official Board action. Green stars occurred in the past and have already been approved by the Board. Red stars are anticipated future actions. All of the stars from rows 41 through 45 are associated with Board actions regarding District permits and the CEQA EIR. Stars in row 67 are anticipated annual approvals of grants issued by the District associated with the “Community Benefit Program” as proposed by the District’s recently submitted MEGA grant. Stars in rows 66 and 67 are associated with anticipated Board adoption of key policy documents.
- Rows 10 and 11 display two grants approved earlier this year by the Board. The word “award” shows the general timeline that we expect to learn if our grant application is successful.
- Project permitting is scheduled to be completed in early-2025. An earlier version of the schedule shared with the Board last year showed permits being completed by mid-2024. This represents a nine-month delay from the last schedule issued to the Board.
- Project construction is scheduled to begin in mid-2026. The earlier version of the schedule showed construction beginning in mid-2025.

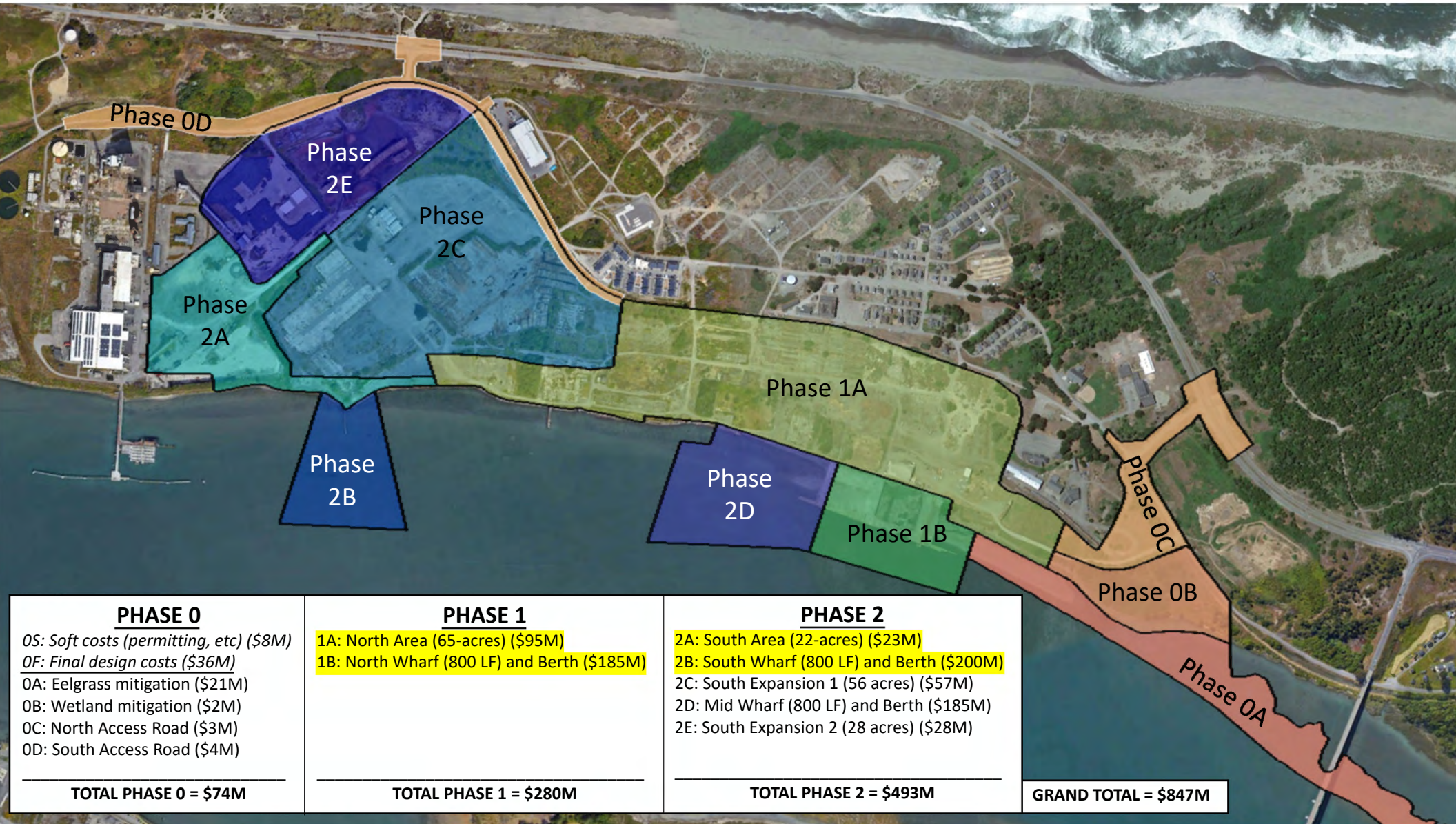
Attachment C provides a status update of the project’s multiple funding sources and expenditures.

Attachment D provides a summary of an envisioned Community Benefit Program. A few notes about the envisioned program:

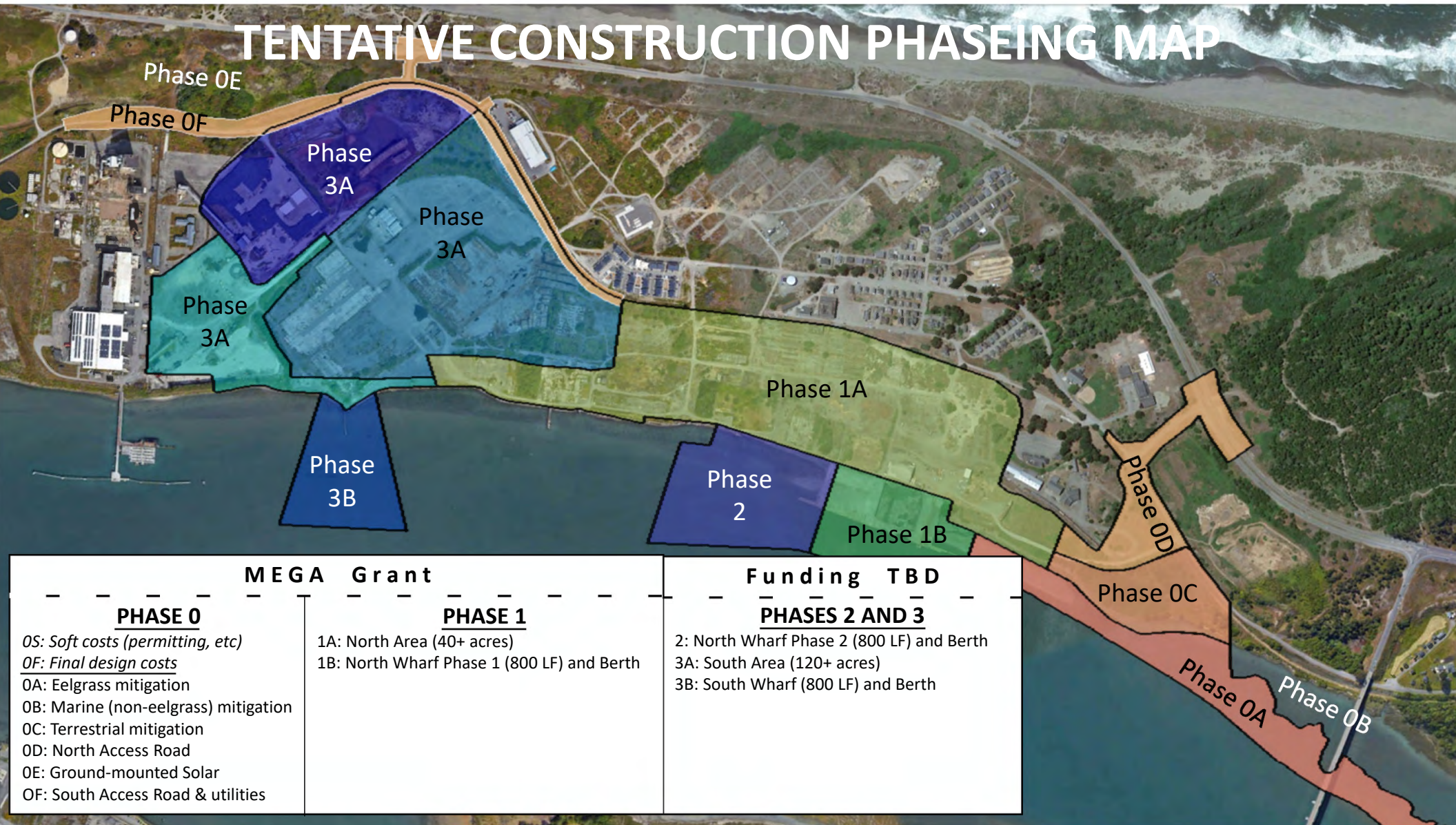
- A “Community Benefit Agreement” is built into the Federal process of leasing areas of federal waters for offshore wind farms. Those agreements are designed to divert a portion of the Federal lease revenue from the Federal General Fund into local communities. The District’s project and the District’s process should not be confused with the Federal process. For the District’s heavy lift terminal project, 100% of future lease revenue is already slated to be dedicated to the local community (specifically Humboldt Bay) as is required by the purpose and mission of the Humboldt Bay Harbor, Recreation and Conservation District.
- The District’s pending MEGA grant application requests \$6,000,000 for the Community Benefit Program. The District anticipates that other funding sources will enhance the program’s budget. Such sources of additional funding may include other grants, donations from foundations, and other undetermined sources.

ATTACHMENTS:

- A** Tentative Construction Phasing Map
- B** Current Project Schedule
- C** Project Budget Status
- D** Proposed Community Benefit Program for the Wind Terminal Project



TENTATIVE CONSTRUCTION PHASEING MAP



HUMBOLDT BAY OFFSHORE WIND HEAVY LIFT MARINE TERMINAL: PROJECT TIMELINE (as of Q4 2023)

| Work Category | Project Task | 2023 | | | | | 2024 | | | | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | |
|------------------------------|--|---|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|----|----|----|------|----|----|----|------|----|----|----|------|----|--|--|
| | | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | |
| Consultant Coordination | Intensive Design Workshops | | | | | TA-3 | | | TA-3 | TA-3 | TA-5 | TA-5 | | | | | | | | | | | | | | | | | | |
| | Weekly Meetings (PM) | | | | | | | | TA-3 | | TA-5 | TA-5 | TA-6 | TA-6 | | | | | | | | | | | | | | | | |
| | Coordination with Tribal Governments | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | | |
| | AB-52 Consultation with Tribal Governments | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | | |
| | Project Labor Agreement | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Outreach and Engagement | Implementation of Community Engagement Strategy | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Engagement with Interested Parties & Affected Communities: Fishermen, neighbors, NGOs, etc. | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| Data Collection | Public Meetings | | | | | | | TA-3 | TA-3 | | TA-5 | TA-5 | | | | | | | | | | | | | | | | | | |
| | Agency Coordination | | | | | | | | TA-3 | | TA-5 | TA-5 | | | | | | | | | | | | | | | | | | |
| | Upland Geotechnical Borings and Analysis | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | | | |
| | Marine Geotechnical Borings and Analysis | | | | | | | | | | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Sediment Testing, Analysis, and Sampling | | | | | | | | | | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Supplemental cultural resource and archaeological surveys | | | | | | | | | | | tbd | | | | | | | | | | | | | | | | | | |
| | Supplemental terrestrial biological surveys | | | | | | | | | | | tbd | | | | | | | | | | | | | | | | | | |
| | Supplemental marine biological surveys | | | | | | | | | | | tbd | | | | | | | | | | | | | | | | | | |
| | ROW, Title Reports, Boundary Surveying, Site Surveying (Land & Bathymetry) | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | | | |
| | Dredged Material Management Planning, Coordination, Analysis | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| | Air Quality Analysis, Terminal Electrification Plan, and Green Construction Plan | | | | | | | | | TA-3 | | | TA-5 | | | | | | | | | | | | | | | | | |
| | Living Shoreline/Bank/Dredge Slope Stabilization Assessment/Analysis | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| | USACE Sect 408 Analysis - Hydrodynamics, Sed Transport, Local Wet Storage | | | | | | | | | | | | TA-5 | | | | | | | | | | | | | | | | | |
| Land Transportation Analysis | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| Analysis Work | USCG Analysis - Aids to Navigation, Vessel Maneuvering, and Navigation Analysis | | | | | | | | | | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Off-Terminal Habitat Assessments/Surveys | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Visualization and Noise Analyses/Studies | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| | Coastal/Navigation/Hydrology/SLR/Tsunami Analysis | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Power/Electrical/Green Port Analysis | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Agency Coordination | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Civil Engineering and Site Design | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | | |
| | Engineering Design | Marine Engineering Design | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| | | Cost Estimates/Constructability/Quantities | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| | | 15% Design | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| Finalize Basis of Design | | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| Regulatory/Permitting | 30% Design and Construction Scenarios | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | | |
| | CEQA Environmental Setting | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | | | |
| | Finalize Project Description | | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | | |
| | CEQA Notice of Preparation / Scoping | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | | | |
| | CEQA Initial Study | | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | | |
| | CEQA Environmental Impact Report | | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | |
| | NEPA Environmental Impact Statement | | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | |
| | Obtain Permits (including Zoning and LCP) | | | | | | | | | | | TA-3 | | TA-5 | | | | | | | | | | | | | | | | |
| | Marine Geotechnical Investigation Permitting | | | | | | | | | | | TA-3 | | | | | | | | | | | | | | | | | | |

MILESTONE: Permitting Complete

MILESTONE: Terminal Construction Begins

HUMBOLDT BAY OFFSHORE WIND HEAVY LIFT MARINE TERMINAL: PROJECT TIMELINE (as of Q4 2023)

| Work Category | Project Task | 2023 | | | | | | 2024 | | | | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | |
|--|--|------|-----|-----|-----|-----|------|------|--------|----|----|------|------|------|----|------|-----|----|----|------|--------|-------|----|------|----|----|----|------|----|----|----|
| | | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 |
| Eelgrass Mitigation Project | Prelim Design, Permitting, CEQA, Final Design, and Bid Documents | | | | | | TA-4 | ★ | TA-4 | ★ | | | | | | | | | | | | | | | | | | | | | |
| | Construction - Phase 0a-1 - Eelgrass Habitat Restoration/Mitigation | | | | | | | | ??tbd? | | | | tbd | | | | | | | | | | | | | | | | | | |
| | Construction - Phase 0a-2 - Eelgrass Habitat Restoration/Mitigation | | | | | | | | | | | | | | | | tbd | | | | | | | | | | | | | | |
| | Construction - Phase 0a-3 - Eelgrass Habitat Restoration/Mitigation | | | | | | | | | | | | | | | | | | | | ??tbd? | | | | | | | | | | |
| Phase 0 (Non-Eelgrass Bio Mitigation and Roads) | Prepare Final Plans, Specifications, and Bid Documents for Phase 0 | | | | | | | | | | | | | TA-6 | ★ | | | | | | | | | | | | | | | | |
| | Construction - Phase 0b - Marine habitat mitigation/restoration (non-eelgrass) | | | | | | | | | | | | | M* | | | | | | | | | | | | | | | | | |
| | Construction - Phase 0c - Terrestrial habitat mitigation/restoration | | | | | | | | | | | | | M* | | | | | | | | | | | | | | | | | |
| | Construction - Phase 0d - North Access Road (and utilities?) | | | | | | | | | | | | | M* | | | | | | | | | | | | | | | | | |
| | Construction - Phase 0e - Ground-mounted Solar | | | | | | | | | | | | | M* | | | | | | | | | | | | | | | | | |
| Construction - Phase 0f - South Access Road and utilities | | | | | | | | | | | | | M* | | | | | | | | | | | | | | | | | | |
| Terminal Project: Final Design, PS&E, and Bidding | Prepare 60% Plans for Phases 1 through 3 | | | | | | | | | | | | | TA-6 | | | | | | | | | | | | | | | | | |
| | Prepare 90% Plans and Specifications for Phase 1 | | | | | | | | | | | | | TA-6 | | | | | | | | | | | | | | | | | |
| | Prepare Final Plans and Specifications for Phase 1 | | | | | | | | | | | | | TA-6 | | | | | | | | | | | | | | | | | |
| | Prepare Bidding Issue Plans and Specifications for Phase 1 | | | | | | | | | | | | | TA-6 | ★ | | | | | | | | | | | | | | | | |
| Terminal Project: Construction | Phase 1a - 40-acre Tarmac/Laydown Yard (and some buildings?) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Phase 1b - North Wharf - Phase 1 (800 LF) | | | | | | | | | | | | | | | | | | | | | M* | | | | | | | | | |
| | Phase 2 - North Wharf - Phase 2 (800 LF) | | | | | | | | | | | | | | | | | | | | | M* | | | | | | | | | |
| | Phase 3a - 120-acre Tarmac/Laydown Yard (and some buildings?) | | | | | | | | | | | | | | | | | | | | | tbd.. | | | | | | | | | |
| | Phase 3b - South Wharf (1600 LF) | | | | | | | | | | | | | | | | | | | | | tbd.. | | | | | | | | | |
| Phase 4 - Manufacturing buildings | | | | | | | | | | | | | | | | | | | | | tbd.. | | | | | | | | | | |
| CBP | Community Benefit Program | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supplemental Bay Wide Wind Port Master Planning | Green Port Plan | | | | | | TA-3 | | | | | | | TA-6 | ★ | | | | | | | | | | | | | | | | |
| | Diversity, Equity, Inclusion, and Accessibility (DEIA) Plan | | | | | | | | | | | | | TA-6 | ★ | | | | | | | | | | | | | | | | |
| | West Coast Floating Offshore Wind Needs Evaluation | | | | | | | | | | | | | TA-6 | ★ | | | | | | | | | | | | | | | | |
| | Opportunity and Options Analysis for Sites Throughout Port of Humboldt | | | | | | | | | | | | | TA-6 | | | | | | | | | | | | | | | | | |
| Impact Assessment and Evaluation of Mitigation Alternatives for baywide project concepts | | | | | | | | | | | | | TA-6 | | | | | | | | | | | | | | | | | | |

Terminal Construction Begins

Notes and Symbol Key:

- ★ = Completed HBHRC Board Action
- ★ = Future HBHRC Board Action
- TA-3 = Moffatt & Nichol Contract Task Order 3 (funded w/ CEC \$10.45M grant)
- TA-4 = Moffatt & Nichol Contract Task Order 4 (tentatively funded w/ Caltrans Eelgrass Coop Agreement)
- TA-5 = Moffatt & Nichol Contract Task Order 5 (currently unfunded, but planned to be funded w/ pending PIDP \$10M grant)
- TA-6 = Moffatt & Nichol Contract Task Order 6 (currently unfunded, but planned to be funded w/ pending \$400+M MEGA grant)
- M* = Construction (currently unfunded, but planned to be funded w/ pending \$400+M MEGA grant and \$400+M private match)
- tbd = To be determined
- | = Major milestone

This tentative schedule is subject to change.



COMMISSIONERS

1st Division: Aaron Newman
2nd Division: Greg Dale
3rd Division: Stephen Kullmann
4th Division: Craig Benson
5th Division: Patrick Higgins

**Humboldt Bay Harbor,
Recreation and Conservation District**
(707)443-0801
P.O. Box 1030
Eureka, California 95502-1030



**OFFSHORE WIND HEAVY LIFT MARINE TERMINAL PROJECT:
BUDGET STATUS: OCTOBER 2023**

The following is a basic summary of the project's multiple funding sources and expenditures.

- Funding
 - Secured
 - State Lands Commission = \$576,191.
 - California Energy Commission = \$10,450,000.
 - Pending
 - PIDP grant
 - \$8,672,986 grant application submitted to the Federal Maritime Administration (MARAD).
 - \$2,253,074 match commitment to be drawn from the CEC \$10.45M grant.
 - This funding, if secured, will fund:
 - The remainder of permitting for all phases of the project.
 - Engineering Design through 60% for all phases of the project.
 - Final (100%) designs, plans, specifications, and bid documents for Phase 0 and Phase 1.
 - MPDG grant application (also known as "MEGA")
 - \$426,719,810 grant application to the Federal Department of Transportation
 - \$6,672,266 match commitment to be drawn from the CEC \$10.45M grant
 - \$___ match committed by Crowley Wind Services
 - This funding, if secured, will fund:
 - Construction of Phase 0 and Phase 1.
 - Community Benefit Program
 - Green Port Plan
 - Supplemental Bay Wide Wind Port Master Planning
 - Diversity, Equity, Inclusion, and Accessibility (DEIA) Plan
 - West Coast Floating Offshore Wind Needs Evaluation
 - Opportunity and Options Analysis for Sites Throughout Port of Humboldt
 - Impact Assessment and Evaluation of Mitigation Alternatives for baywide project concepts
- Moffatt & Nichol Total Contract Budget = \$3,567,500
 - Issued Task Authorizations:
 - Task Authorization #1 = \$1,200,389

OFFSHORE WIND HEAVY LIFT MARINE TERMINAL PROJECT: BUDGET STATUS: OCTOBER 2023

- All funds expended
- All deliverables delivered
- Task Authorization #2 = \$190,205
 - All funds expended
 - All deliverables delivered
- Task Authorization #3 = \$2,176,906
 - All funds anticipated to be expended by March 2024
 - All deliverables to be delivered by March 2024
- Anticipated Future Task Authorizations (pending receipt of additional grant funds):
 - Eelgrass
 - Contract Amendment and Task Authorization #4a = \$589,917
 - Contract Amendment and Task Authorization #4b = ~\$674,617
 - Contract Amendment and Task Authorization #5 (final permitting; to be funded by 2023 PIDP grant) = \$10,926,060
 - Contract Amendment and Task Authorization #6 (to be funded by MPDG/MEGA grant) = to be determined (the majority of the funds will go to construction)



COMMISSIONERS

- 1st Division: Aaron Newman
- 2nd Division: Greg Dale
- 3rd Division: Stephen Kullmann
- 4th Division: Craig Benson
- 5th Division: Patrick Higgins

**Humboldt Bay Harbor,
Recreation and Conservation District**
(707)443-0801
P.O. Box 1030
Eureka, California 95502-1030



**HUMBOLDT OFFSHORE WIND TERMINAL PROJECT:
A NEW HEAVY LIFT MULTIPURPOSE TERMINAL TO SUPPORT THE OFFSHORE WIND INDUSTRY:
PRELIMINARY PLAN TO PROVIDE COMMUNITY BENEFITS AND COMMUNITY AMENITIES**

1. Community Benefit Program

- a. Cost: \$6,000,000.
- b. Summary of Program: The Community Benefit Program will provide social, environmental, economic, and recreational benefits to Tribes, nearby residents, fishing businesses, and recreational users of Humboldt Bay through a compensatory community benefit program.
- c. Program Administration: Funds will be issued through a competitive program managed by HBHRCD through an Advisory Committee comprised of Intended Grant Beneficiaries. The Advisory Committee will draft the Community Benefit Program policies, guidelines, review projects and programs against the policies and guidelines, and make recommendation to the HBHRCD Board regarding the management and distribution of funds. The HBHRCD Board will manage the program funds and approve their timely distribution.
- d. Intended Grant Beneficiaries:
 - i. Wiyot Tribe; Blue Lake Rancheria; Bear River Rancheria; Tribal-owned lands and/or Tribal-owned business officially recognized by resolution by one of the above Tribal governments; projects/programs/activities officially sanctioned by one of the above Tribal governments via resolution.
 - ii. Residents, businesses, schools, neighborhood associations, and NGOs located on the Samoa Peninsula and within 3.5 miles of the project site.
 - iii. Commercial fishing enterprises based in Humboldt Bay, including commercial fishing businesses, aquaculture businesses, and commercial fishing associations.
 - iv. Recreational users of Humboldt Bay (sailing, boating, fishing, kayaking, paddle boarding, rowing, birding, hunting, clamming, tour guiding, etc).
- e. Preferential Grant Activities. Preference will be given to grant applications that:
 - i. Directly alleviate, address, and/or relieve impacts (as defined by the CEQA EIR) created by the construction and/or operations of the project, and;
 - ii. Directly benefit one or more of the intended grant beneficiaries as defined above; and
 - iii. Are officially sanctioned by one or more of the intended grant beneficiaries as defined above; and
 - iv. Are geographically located in and/or immediately adjacent to Humboldt Bay.
- f. Secondary Grant Activities. Consideration will be given to grant applications that:
 - i. Indirectly alleviate, address, and/or relieve impacts (as defined by the CEQA EIR) created by the construction and/or operations of the project, and/or;
 - ii. Indirectly benefit one or more of the intended grant beneficiaries as defined above, and/or;
 - iii. Directly benefit other interest groups, interested parties, or affected communities, and/or
 - iv. Are geographically located in the greater Humboldt Bay region.

2. Other Planned Community Amenities

- a. Eco-shoreline
 - i. Cost: \$2,340,000.

PRELIMINARY PLAN TO PROVIDE COMMUNITY BENEFITS AND COMMUNITY AMENITIES

- ii. Description: An eco-shoreline is a shoreline treatment that incorporates the benefits of nature-based elements. The shoreline treatment will strike a balance between the built and natural environment but must first suit the needs of the working waterfront. The eco-shoreline treatments consist of a combination of “gray” traditional shoreline treatments such as revetments, walls, and bulkheads with the addition “green” elements like vegetation, set-backs, shoreline clean-up, stormwater treatment, clean and native sediment overlays, and/or eco-concrete. This type of shoreline treatment both protects upland infrastructure while absorbing greenhouse gases, supporting a cleaner bay, providing habitat, and is often more resilient and adaptable to sea level rise than gray infrastructure alone.
 - iii. Activities include: Demolition and removal of existing degraded riprap, site preparation, raising the site to prepare for sea level rise, and installation of eco-shoreline. Approximately 1,800 linear feet of reconstructed shoreline transition from industrial site to bay habitat consisting of features designed to enhance marine/terrestrial habitat quality, biodiversity, ecological function, and water quality. Will consist of living shoreline components, living seawall components, and other modern ecological engineering solutions.
 - b. Ground-mounted Solar
 - i. Cost: \$10,000,000
 - ii. Description: A 2.5MW photovoltaic (PV) system would be installed at the Harbor District landfill on District-owned property across from Vance Avenue from the existing former pulp mill site. The PV system is designed for the east-west facing landfill planes of the landfill utilizing generic PV modules and string inverters for siting and production estimating purposes. The system is modeled for a conservative system size of approximately 2.5 MW, resulting in an annual solar energy production estimate of 2.9 GWh.
 - c. Samoa Lagoons dewatering area
 - i. Cost: \$3,000,000
 - ii. Description: The Samoa Lagoons Dewatering Area was used as recently as the late 1990’s to dewater dredge material that was removed from the Project site. It includes two diked dewatering areas, approximately seven acres each, and a decanting system that drains water back to Humboldt Bay. The site can dewater approximately 45,000 cubic yards of dredge material. Due to new regulations, the North Coast Regional Water Quality Control Board will require lining of the dewatering lagoons prior to re-authorizing their use. The proposed project includes design, permitting, regrading, lining and general maintenance of the lagoons so they can be used to dewater dredge material from the Project site, particularly during maintenance dredging. Once dewatered, the dredge material may be beneficially used for habitat restoration, construction fill or other uses.
 - d. Offsite Marine and ESHA Mitigation
 - i. Cost: \$30,000,000
 - ii. Description: The Project will require compensatory mitigation for impacts to marine, freshwater, and terrestrial habitats and species that are protected by state and federal environmental laws. Mitigation will be achieved through habitat protection and restoration within Humboldt Bay. There are several proposed habitat restoration projects in Humboldt Bay that are at advanced design stages. The Harbor District will contribute to the final design, permitting and construction of these restoration project(s) to satisfy the Project’s required mitigation.
 - e. Public Recreation Access (fishing pier, kayak launch, or other)
 - i. Cost: \$1,200,000.
 - ii. Description: There are limited opportunities for public recreation access in Humboldt Bay, especially along the Samoa Peninsula. Community members have indicated that potential project impacts to residents near the project site and to recreational bay uses (e.g., impacts to boating navigation) may be offset by building add a public recreation access component to the overall



PRELIMINARY PLAN TO PROVIDE COMMUNITY BENEFITS AND COMMUNITY AMENITIES

project. This could be a public fishing pier, a kayak launch, a shoreline park, or something similar. In California, fishing from a pier does not require a fishing license. Hence, pier fishing is a highly accessible activity for individuals at all income levels. An easily accessible kayak launch could serve the same purpose. The Project includes design, permitting, and construction of a 200' long public fishing pier within Humboldt Bay to offset the Project's recreational impacts. This budget may be re-directed to a kayak launch or other similar sub-project upon the recommendation of the Community Benefit Advisory Committee.

- f. Class 1 bike path and associated fencing (installed at edge of site as neighborhood amenity)
 - i. Cost: \$1,100,000
 - 1. Typical Caltrans Class 1 bike path range = \$50 to \$150 per linear foot
 - 2. Typical chain link fence = \$10 to \$25 per linear foot
 - 3. Segment length = 5,900 LF
 - ii. Description: The project includes a 1.1 mile multi-use bike path that meets Caltrans Class 1 bike path standards. The path will span from the project's proposed North Access Road to the proposed Southwest Access Road. The route of the path will be along an abandoned rail corridor that is now owned by the "Great Redwood Trail Authority of California." The route is coincidentally located at the immediate edge of the proposed project, between the proposed project and an existing residential community. The trail has been generally planned for the future, but has not yet been funded. The bike path also includes necessary fencing and intersection amenities.
- g. Fishermen Storage Relocation to Woodley Island
 - i. Cost: \$3,000,000
 - ii. Description: The project site is nearly entirely vacant, with the exception of a small aquaculture business and some limited storage of fishing gear by several fishing businesses. The Fisherman Storage Activities would relocate to Woodley Island Marina where a new uplands and working dock facility will be built. The uplands relocation area will be approximately 0.66 acres with an asphalt/gravel surface for light-duty truck access and boat trailers. Within the area, there will be 12,000 sf open air canopy-roof structure for equipment storage as well as limited electrical connections for outdoor plugs and limited water connections for hoses. The new work dock will be a mirror image of the existing work dock, an "L"-shaped timber pier, with a new hoist crane and mooring/berthing appurtenances. The access road between the uplands and working dock will be improved and include a rolling gate for entrance at the storage area.
- h. Existing Aquaculture Tenant Relocation to Off-site District-owned location
 - i. Cost: \$1,000,000
 - ii. Description: The project site is nearly entirely vacant, with the exception of a small existing ac and some limited storage of fishing gear by several fishing businesses. The Hagfish business will be relocated to a building owned by the Harbor District immediately south of the proposed project site.
- i. Other potential amenities under evaluation:
 - i. Future transit stops and/or other transit related amenities.
 - ii. Partnerships and investments in local high schools, CalPoly, and College of the Redwoods.
 - iii. Local workforce training.
 - iv. Paid internships for local youth.
 - v. Others

3. Other Anticipated Benefits to the Overall Region

- a. Execution of a Project Labor Agreement, approved by the District Board on 8/10/23.
- b. Establishment of a 12-Month All-Season Port: The project will stimulate and support activities that will transition Humboldt Bay to a "12-month All-Season Port." This means that the Federal Entrance



PRELIMINARY PLAN TO PROVIDE COMMUNITY BENEFITS AND COMMUNITY AMENITIES

Channel and the Federal Navigation Channels are consistently dredged as needed such that there are no time-gaps in full navigability. This will improve navigational safety for all vessels entering and existing the bay, including fishing vessels. This also means that the Harbor District has sufficient revenue streams to support year-round operations.

- c. Generate Reliable Long-term Multi-Stream Revenue to the Harbor District and other entities:
 - i. The project will generate multiple streams of long-term unencumbered revenue for the Harbor District so that the District may fund a range of other activities and implement projects associated with other District responsibilities, such as dredging, recreation, conservation, and navigation improvements. At least some of these revenue streams will also provide some immediate up-front revenue. Revenue may come in the form of lease-revenue, fees, tariffs, and other sources.
 - ii. The project will substantially increase property tax revenues to the County, Library, School Districts, Community Services District, and other tax-collecting entities. This tax revenue will benefit residents near the project in a number of ways, including notable increases to the fire service branch of the CSD.
 - iii. The project will provide a reliable customer(s) to the Peninsula Community Services District and the Humboldt Bay Municipal Services District.
- d. The project will implement long-term physical improvements to the RMT Site: Develop a project that consists of a suite of physical improvements to the overall RMT site, including one or more high-bearing-capacity heavy-lift multi-use terminal wharfs, large expanses of high-bearing-capacity tarmac areas, power and water utility upgrades, sea level rise adaptation measures, shoreline protections, new buildings, and other similar improvements. These improvements should be designed and constructed to service the site for the long term.
 - i. Stimulating the cleanup of a blighted site.
 - ii. Upgrading select utility infrastructure on the Samoa Peninsula.
 - iii. Enhancing select roadway systems on the peninsula.
 - iv. Designing the site for sea level rise.
 - v. Providing ecological enhancements to 1.5 miles of bay shoreline.
- e. Stimulate Long-term Development of Other Sites in Humboldt Bay: Develop a project that stimulates physical improvements to other sites throughout Humboldt Bay. For instance, some development scenarios of the RMT site could create spinoff support business at other neighboring or nearby sites. For instance, manufacturing or mooring lines at sites on the Eureka side of Humboldt Bay may become more viable if the District's RMT project site includes vertical assembly of offshore wind turbines.
- f. Other "green" benefits:
 - i. Opportunity to create the first electric green port project in Humboldt. This will likely need to be phased in over time.
 - ii. Playing a substantial role in the State's goal of decarbonizing our energy systems by greatly enhancing the viability of offshore wind throughout the west coast and helping to accelerate the transition away from fossil fuels.
 - iii. Cementing Humboldt County's position as a global leader in the mitigation of climate change.
- g. General economic development:
 - i. Attracting substantial private investment to Humboldt County.
 - ii. Generating hundreds of jobs, many of which will be high-skill technical jobs with generational longevity.
- h. Retaining jobs in California and the US rather than relying on foreign labor.



COMMISSIONERS

1st Division

Aaron Newman

2nd Division

Greg Dale

3rd Division

Stephen Kullmann

4th Division

Craig Benson

5th Division

Patrick Higgins

Humboldt Bay
Harbor, Recreation and Conservation District
 (707)443-0801
 P.O. Box 1030
 Eureka, California 95502-1030



STAFF REPORT
HARBOR DISTRICT MEETING
October 12, 2023

TO: Honorable Board President and Harbor District Board Members

FROM: Rob Holmlund, Development Director

DATE: October 5, 2023

TITLE: Consider Approval of Cooperative Agreement with Caltrans to Jointly Develop an Eelgrass Master Mitigation Project

STAFF RECOMMENDATION: 1) Approve the Eelgrass Master Mitigation Project (Project) Cooperative Agreement with Caltrans; 2) Authorize the Harbor District Council to make nonmaterial amendments to the Agreement as may be required by Caltrans; 3) Authorize the Executive Director to execute the amendment and contracts based on these terms; and 4) Direct staff to bring the final agreement back to the Board for public disclosure.

SUMMARY: Caltrans and District staff developed a Cooperative Agreement that outlines terms and conditions for the District to manage the special studies needed to complete permitting and design for a Master Eelgrass Mitigation Project. The mitigation project is intended to mitigate two development projects being pursued by Caltrans and several other development projects pursued by the Harbor District. The Agreement states that Caltrans will fund these Phase 1 special studies in exchange for the right to utilize a portion of the overall eelgrass mitigation project on District-controlled property. The Agreement also explicitly allows for amendments so that the agreement will eventually include permitting, design, and construction.

BACKGROUND: The two native eelgrass species (*Zostera marina* L. and *Z. pacifica*) are seagrasses that occur in the temperate unconsolidated substrate of shallow coastal environments, enclosed bays, and estuaries. Eelgrass is a highly productive species and is considered to be a "foundation" or habitat forming species. The National Marine Fisheries Service (a branch of NOAA) has a policy that recommends no net loss of eelgrass habitat in California, which is outlined in the California Eelgrass Mitigation Policy (CEMP).

Several years ago, Caltrans completed the Humboldt Bay Bridges Seismic Retrofit Project (HBB PROJECT). The HBB PROJECT consisted of seismic retrofit improvements to the existing substructure of the Eureka Channel, Middle Channel, and Samoa Channel Bridges. These seismic retrofit

improvements included some unavoidable impacts to eelgrass habitat. Those impacts were mitigated, but the mitigation was not entirely successful and new mitigation is required per the project's Coastal Development Permit.

In addition to the above, in the coming years Caltrans intends to replace the Eureka Slough Bridges to address structural and geometric deficiencies in the structures. This bridge replacement project is likely to have some unavoidable eelgrass impacts that will require mitigation.

The Harbor District is planning several projects that will have unavoidable impacts to eelgrass habitat, including the Heavy Lift Marine Terminal Project (which may be developed in multiple phases), the King Salmon Channel Dredging Project (which may be dredged in multiple phases), and a long-term marine facilities operations & maintenance program.

Each of the above projects could be analyzed separately with independent studies and then each of their respective mitigation areas could be constructed separately in discontinuous locations at different times. Each would then also have stand-alone monitoring periods. Instead, the two agencies plan to work together to establish a single unified mitigation strategy with integrated mitigation areas. In other words, while there will be multiple independent impact areas, there will be one set of unified permits associated with a single eelgrass mitigation strategy.

Synergistic mitigation will satisfy both party's needs while providing enhanced ecological, cost, and efficiency benefits:

- Ecological Benefits:
 - Construction of a larger restoration project is expected to have greater ecological benefits than construction of multiple smaller restoration projects. A contiguous mitigation area for multiple projects will provide the ecological benefit of establishing a large continuous habitat area rather than several smaller fragmented habitat areas that are both temporally and geographically disconnected.
 - A larger contiguous mitigation area is likely to have a lower probability of failure than several smaller areas that are alienated from one another.
 - Aggregating projects helps increase the chances of overall baywide eelgrass abundance.
- Benefits to Regulatory Agencies:
 - The unified mitigation strategy should reduce the total time and resource demands on Tribal governments and regulatory agencies. As this project will serve to address eelgrass mitigation needs associated with several independently permitted projects, the joint mitigation approach will improve the efficiency of the regulatory process to the benefit of the resource and regulatory agencies.
 - The concept of advancing a few very large eelgrass restoration projects ahead of needs as a means of reducing individual project failure risk was outlined in the Humboldt Bay Eelgrass Comprehensive Management Plan (Merkel & Associates 2017). This plan has the benefit of addressing the high regional failure risk recognized in the CEMP (NMFS 2014) and subsequently reducing the mitigation ratios for later project impacts from the ultimate mitigation requirements of 1.2:1 down to a 1:1 ratio when the restored eelgrass is fully established.

- Cost and Efficiency Benefits:
 - Collaborative mitigation planning and implementation will provide mutual benefit to both Caltrans and the Harbor District by providing the opportunity to share costs and efforts associated with planning, design, permitting, mitigation implementation, monitoring and reporting.
 - A joint approach provides efficiencies of scale and offsets risk of shortfall by integrating surplus area to account for variable and patchy cover in restored beds.
 - Efficiencies in design and construction will be realized due to project scale, site selection opportunities, and reduction in redundant work efforts, including long-term monitoring.
 - Construction of a large site incorporating the needs of present and future projects will facilitate lower mitigation ratios for future projects and reduction of risk for future mitigation performance.

Eelgrass mitigation is an expensive undertaking irrespective of project scale that brings inherent uncertainties in the overall area of return within any restoration site. To mitigate the costs of eelgrass restoration, including upfront design, environmental, and engineering costs, construction and restoration planting, and long-term monitoring expenses it is generally preferred to aggregate mitigation projects.

It is under the above background that the District and Caltrans are seeking to enter into an agreement to cooperatively work together to develop a single eelgrass mitigation project for the collective total of the above mentioned impact projects. Accordingly, the District and Caltrans issued a conceptual joint mitigation proposal to the California Coastal Commission (CCC) on December 7, 2022 to seek concurrence from local CCC staff to satisfy both outstanding and future eelgrass mitigation needs. The CCC issued a concurrence letter dated December 28, 2022, agreeing with the mitigation proposal, which has given the District and Caltrans the confidence to proceed with a cooperative agreement to proceed together with the envisioned joint mitigation strategy.

DISCUSSION: Terms for the Cooperative Agreement with Caltrans to jointly develop an Eelgrass Master Mitigation Project includes:

- The joint eelgrass mitigation project will be separated into three phases. Phase 1 will include the completion of Special Studies (herein referred to as "Phase 1"); Phase 2 will include design and environmental permitting (herein referred to as "Phase 2"); Phase 3 will include construction, maintenance and monitoring, and reporting (herein referred to as "Phase 3").
- Caltrans is providing financial assurances for the completion of Phase 1 tasks via a Financial Assurance Memorandum.
- Both parties agree that the Agreement addresses the terms and conditions solely for Phase 1, and that at the appropriate time during or following completion of the Phase 1, both parties will meet and confer to amend the Agreement to address the terms, conditions, and costs to implement tasks for Phases 2 and 3.
- The District will manage qualified consultants/contractors to complete necessary Special Studies under Phase 1.

- Upon completion of Phase 1 tasks, the District will provide Caltrans with copies of the completed Special Studies.
- All Phase 1 work performed by HBHRCD, or performed on HBHRCD's behalf, will be performed in accordance with all state and federal laws, regulations, policies, procedures, and standards.
- Both parties agree that the total estimated cost for the District to implement Phase 1 tasks is \$589,917. Caltrans will fund these Phase 1 special studies in exchange for the right to utilize a portion of the overall eelgrass mitigation project on District-controlled property.
- Caltrans will provide to the District a deposit of \$117,536.00 within thirty (30) days after the execution of this Agreement.
- Caltrans is funding Phase 1 under the Agreement and will fund Phase 2 and a portion of Phase 3 under a future amendment to the Agreement.
- By accepting the Phase 1 funds from Caltrans, the District grants Caltrans a five-year License to utilize District controlled tidelands for mitigation of eelgrass as outlined in the Mitigation Proposal to the CCC.

ATTACHMENTS:

- A. Cooperative Agreement with Caltrans to jointly develop an Eelgrass Master Mitigation Project**

HUMBOLDT BAY EELGRASS MITIGATION PROJECT

COOPERATIVE AGREEMENT

THIS AGREEMENT, ENTERED INTO EFFECTIVE ON _____, 2023, is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as “CALTRANS,” and the Humboldt Bay Harbor, Recreation and Conservation District, referred to herein as “HBHRCD.”

RECITALS

1. CALTRANS and HBHRCD, hereinafter referred to as “PARTIES,” pursuant to Streets and Highways Code sections 114 and 130, are authorized to enter into this Agreement.
2. CALTRANS has completed the Humboldt Bay Bridges Seismic Retrofit Project (herein referred to as “HBB PROJECT”), located on State Route 255, in Humboldt County, in the City of Eureka, between post miles (PM) 0.2 to 1.9. The HBB PROJECT consisted of seismic retrofit improvements to the existing substructure of the Eureka Channel, Middle Channel, and Samoa Channel Bridges.
3. CALTRANS intends to construct the Eureka Slough Bridges Project (herein referred to as “ESB PROJECT”) located on U.S. Route 101, in Humboldt County, in the City of Eureka between PM 79.5 to PM 80.2. The ESB PROJECT is needed to address structural and geometric deficiencies in the structures.
4. Pursuant to the California Coastal Act (CCA), the California Coastal Commission (CCC) issued a Coastal Development Permit (CDP) identified as CDP #1-01-069, dated September 4, 2002, for the HBB Project. As set forth in Condition 5 of the CDP #1-01-069, a mitigation project was developed to account for permanent eelgrass impacts for the HBB PROJECT. A copy of CDP #1-01-069 is attached hereto as **Exhibit A** and made a part of this Agreement.
5. Pursuant to the CCA, an application for a CDP will be submitted to the CCC for the ESB PROJECT to document that a mitigation project will be implemented to restore eelgrass within Humboldt Bay and thereby mitigate for impacts from the ESB PROJECT. A copy of the ESB PROJECT CDP will be provided to HBHRCD after the CDP is issued and accepted by CALTRANS.
6. The HBB PROJECT and ESB PROJECT, which are collectively referred to as “ROADWAY PROJECTS,” are projected to have impacts, at a minimum, of 443 m² to eelgrass beds.

7. CALTRANS issued a proposal letter to CCC dated December 17, 2019, attached hereto and made part of this Agreement as **Exhibit B**. The letter proposed substrate remediation as a potentially viable option for satisfying CALTRANS' outstanding eelgrass mitigation obligation for the HBB PROJECT. CALTRANS also proposed the completion of a Scoping Study, herein referred to as "Phase A Study," to identify viable mitigation opportunities in Humboldt Bay. CALTRANS sought local CCC staff approval for the eelgrass mitigation proposal based on the following criteria: 1) restoration of 85 m² of eelgrass using the California Eelgrass Mitigation Policy (CEMP) as a guideline for the required monitoring and reporting program and ultimate eelgrass mitigation success criteria, 2) treatment of 266 m² of impacted substrate with increasing substrate treatment remediation required for additional delay penalties, and 3) excess eelgrass restored could be applied to future CALTRANS projects.
8. CCC issued a concurrence memorandum dated January 15, 2020, agreeing that assuming the results of the Phase A Study continued to support expectations that the eelgrass restoration proposal would be successful, local CCC staff could recommend that the CCC approve the eelgrass restoration proposal as a means of achieving the outstanding eelgrass mitigation credit needed to mitigate for the impacts on eelgrass of the HBB PROJECT. The CCC concurrence memorandum is attached hereto as **Exhibit C**.
9. CALTRANS completed the Phase A Study, and a report was generated on March 31, 2022. The report showed that the original substrate remediation project proposed would not result in a successful mitigation project for eelgrass impacts associated with the ROADWAY PROJECTS. As a result, CALTRANS began coordinating with HBHRCD on alternative eelgrass mitigation proposals as HBHRCD also anticipated a need for mitigation as a result of impacts to eelgrass associated with upcoming infrastructure and ongoing maintenance projects. Therefore, to mitigate for impacts to eelgrass as a result of the PARTIES projects, a mitigation project has been developed to restore approximately 10-20 acres of eelgrass beds in Humboldt Bay within mudflat habitats in North Humboldt Bay, herein referred to as "MITIGATION PROJECT." The project is more particularly described in the Basis of Design and Guiding Principles for Joint Eelgrass Mitigation – Caltrans and Harbor District, herein referred to as "MITIGATION PROPOSAL." A copy of the MITIGATION PROPOSAL is attached hereto as **Exhibit D** and made a part of this Agreement.
10. PARTIES agree that to fund and complete the MITIGATION PROJECT, work will be separated into tasks under three phases. Phase 1 will include the completion of Special Studies (herein referred to as "Phase 1"); Phase 2 will include MITIGATION PROJECT design and environmental permitting (herein referred to as "Phase 2"); Phase 3 will include MITIGATION PROJECT construction, maintenance and monitoring, and reporting (herein referred to as "Phase 3").
11. CALTRANS is providing financial assurances for the completion of Phase 1 tasks as outlined in this Agreement, and to be funded by the HBB PROJECT, via a Financial

Assurance Memorandum. A copy of the Financial Assurance Memorandum is attached hereto as **Exhibit E** and made a part of this Agreement.

12. CALTRANS issued a Humboldt Bay Eelgrass Mitigation Update Letter to CCC dated December 7, 2022, attached hereto and made part of this Agreement as **Exhibit F**. The letter was provided to seek concurrence from local CCC staff on the MITIGATION PROPOSAL to satisfy both outstanding and future eelgrass mitigation needs for the PARTIES.
13. CCC issued a concurrence letter dated December 28, 2022, agreeing with the MITIGATION PROPOSAL as presented by the PARTIES to satisfy outstanding and future eelgrass mitigation needs. The CCC concurrence memorandum is attached hereto as **Exhibit G**.
14. As a result of unsuccessful eelgrass mitigation for the HBB PROJECT, CALTRANS is seeking to fully satisfy outstanding eelgrass mitigation obligations through a collaborative eelgrass restoration project with HBHRCD. Once the obligations under this Agreement have been implemented, CALTRANS will submit an amendment to CDP #1-01-069. A copy of the CDP amendment will be provided to HBHRCD after issuance and acceptance by CALTRANS.
15. HBHRCD desires to assist CALTRANS by implementing Phase 1 tasks under this Agreement in order to satisfy outstanding mitigation obligations under Condition 6 of CDP #1-01-069 of the HBB PROJECT and future mitigation needs for the ESB PROJECT.
16. PARTIES agree that this Agreement shall address the terms and conditions solely for Phase 1 tasks, and that at the appropriate time during or following completion of the Phase 1 tasks, PARTIES will meet and confer to amend this Agreement to address the terms, conditions, and costs to implement tasks for Phases 2 and 3.
17. PARTIES agree that the total cost for HBHRCD to implement Phase 1 tasks under this Agreement is not to exceed \$589,917 as described in **Exhibit H**, attached hereto and made a part of this Agreement.
18. PARTIES will now define herein below the terms and conditions under which this Agreement will be implemented.

SECTION I

HBHRCD AGREES:

1. That HBHRCD and/or qualified contractors shall complete necessary Special Studies as listed in **Exhibit H** under Phase 1.
2. That upon completion of Phase 1 tasks, HBHRCD shall provide CALTRANS with copies of the completed Special Studies.
3. All Phase 1 work performed by HBHRCD, or performed on HBHRCD's behalf, shall be performed in accordance with all state and federal laws, regulations, policies, procedures, and standards and as set forth in this Agreement.
4. To the extent applicable to the limited scope of the Phase 1 work, to comply with environmental approval and/or resource agency permits and/or approvals.
5. To submit an initial invoice in the amount of \$117,536.00 (the "Deposit") to CALTRANS within thirty (30) days after the execution of this Agreement.
6. HBHRCD is not required to deplete the entirety of the Deposit prior to submitting to CALTRANS monthly billing statements in arrears.
7. HBHRCD may, in its discretion, retain a portion of the Deposit for cash flow purposes and anticipated large expenditures. Upon completion, if retained funds are more than MITIGATION PROJECT costs, HBHRCD shall refund CALTRANS for any cost overages as a result of retention of advanced funds.
8. Thereafter, to prepare and submit to CALTRANS monthly billing statements in arrears for HBHRCDs' actual expenditures incurred pursuant to Phase 1 work under this Agreement.
9. Subject to sub-section 16 of Section III, below, the total amount of \$589,917, represents CALTRANS' total financial obligation for all Phase 1 work to be performed by HBHRCD pursuant to this Agreement. An amendment to this Agreement will be required if costs are incurred by HBHRCD as a result of additional administrative tasks imposed by CALTRANS and/or regulatory agency requirements beyond the scope of work of this Agreement.
10. To use one hundred percent (100%) of CALTRANS' funds in order to satisfy HBHRCD's obligations and responsibilities for Phase 1 tasks, as set forth in this Agreement.

11. To begin Phase 1 tasks upon execution of this Agreement and receipt of the initial payment of \$117,536.00 which amount represents approximately 20% of the total costs to perform the work identified in Phase 1 of the MITIGATION PROJECT.
12. To retain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred, including support data for cost proposals, and to make materials available at the respective offices of CALTRANS at all reasonable times for three (3) years after the termination date of this Agreement.
13. If the work performed under this Agreement is done under contract and falls within the Labor Code section 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771, HBHRCD must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. The PARTIES agree that the Phase 1 work, which is comprised of scientific studies and planning work, does not fall within the definition of "public works" as that term is defined in Labor Code section 1720.
14. If applicable, to include prevailing wage requirements in its contracts for public work. Work performed by HBHRCD's own forces is exempt from the Labor Code's Prevailing Wage requirements.
15. Shall require its contractors to include prevailing wage requirements in all subcontracts funded by this Agreement when the work to be performed falls within Labor Code sections 1720(a)(1) definition of "public works" or maintenance work under Labor Code section 1771. Subcontracts shall include all prevailing wage requirements set forth in HBHRCD's contracts.
16. If work performed under this Agreement is done under contract, is paid for in whole or part with federal funds and is of the type of work subject to federal prevailing wage requirements, HBHRCD must conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. § 276(a) in addition to Labor Code provisions.
17. To include federal prevailing wage requirements in its contracts for public work. Work performed by HBHRCD's own forces is exempt from federal prevailing wage requirements.

SECTION II

CALTRANS AGREES:

1. To pay HBHRCD within forty-five (45) calendar days of receipt of HBHRCD's signed invoice thereof the Deposit for Phase 1 tasks under this Agreement.
2. Thereafter to pay HBHRCD within forty-five (45) calendar days of receipt of HBHRCD's monthly billing statements in arrears for HBHRCDs' actual expenditures incurred by HBHRCD pursuant to this Agreement. However, in no event shall CALTRANS total financial obligations for the completion of Phase 1 tasks exceed the amount of \$589,917.00. An amendment to this Agreement will be required if costs are incurred by HBHRCD as a result of additional administrative tasks imposed by CALTRANS and/or regulatory agency requirements beyond the scope of work of this Agreement.
3. That HBHRCD is not obligated to perform any work until it receives the first initial payment of \$117,536.00 from CALTRANS.

SECTION III

IT IS MUTUALLY AGREED:

1. In order to complete the MITIGATION PROJECT, funding is needed for Phase 2 and Phase 3.
2. CALTRANS is funding Phase 1 under this Agreement and will fund Phase 2 under a future amendment to this Agreement.
3. All obligations of CALTRANS under the terms of this Agreement are subject to the appropriation of resources by the Legislature, State Budget Act authority and the allocation of funds by the California Transportation Commission (CTC). In the event CALTRANS believes that there is an insufficient appropriation of funds, CALTRANS will notify HBHRCD of the remaining balance of funds available under the contract as soon as reasonably possible and direct HBHRCD to stop work.
4. All applicable laws, rules and policies relating to the use of federal or state funds shall apply notwithstanding other provisions of this Agreement.
5. That once permit applications have been submitted during Phase 1, PARTIES shall endeavor to enter into an amendment to this Agreement to fulfill Phase 2 tasks. HBHRCD shall have no obligation to proceed to Phase 2 unless and until a duly executed

amendment to complete the Phase 2 tasks has been approved by the HBHRCD Board of Commissioners and by CALTRANS.

6. That acceptance of Phase 1 funds by HBHRCD and the completion of CEQA for the mitigation project entitles Caltrans to a five year License to utilize District controlled tidelands for mitigation of eelgrass as outlined in the MITIGATION PROPOSAL regardless of HBHRCD's decision to individually fund future phases of the MITIGATION PROJECT following acceptance of Phase 1 funds. If CalTrans has initiated mitigation, but has not completed the mitigation project, within the five-year License term, the District will grant an automatic five year extension of the License.
7. Upon the completion of Phase 1, the cost estimate for Phase 2 presented in Attachment H may be revisited and revised. At that time, the cost for developing an RFP may be added.
8. Neither HBHRCD nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this agreement. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless HBHRCD and all of its officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS and/or its agents under this agreement.
9. Neither CALTRANS nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by HBHRCD, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon HBHRCD under this agreement. It is understood and agreed that HBHRCD, to the extent permitted by law will defend, indemnify, and save harmless CALTRANS and all of its officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by HBHRCD, its contractors, sub-contractors, and/or its agents under this agreement.
10. In the event of any breach of this Agreement by either party, the other party may enforce this Agreement by any means available at law or in equity. In the event of litigation, mediation or arbitration to resolve any breach of, or dispute related to this Agreement, each party agrees to pay for their own attorneys' cost and expenses, without regard to who prevails.

11. A failure by either party to enforce any provision of this Agreement shall not be construed as a continuing waiver, or as a waiver of the right to compel enforcement of that provision.
12. This Agreement may be executed by wet-ink signature, electronic signature or pdf signature and said signatures shall be binding all PARTIES. Further, the PARTIES agree that this Agreement may be executed in several counterparts and all counterparts so executed shall constitute one Agreement that shall be binding on all PARTIES, notwithstanding that all the PARTIES are not signatory to the original or the same counterpart. If any provision of this Agreement is held invalid, the other provisions shall not be affected thereby.
13. No alteration or variation of the terms of this Agreement shall be valid unless made by a formal amendment executed by the parties hereto and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
14. Nothing within the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not party to this Agreement or to affect the legal liability of either party to the Agreement by imposing any standard of care different from the standard of care imposed by law.
15. This Agreement shall terminate on December 31, 2024, unless amended, however all indemnification, document retention, audit, claims, environmental, legal challenge, hazardous material, operation, maintenance, and ownership articles will remain in effect until terminated or modified in writing by mutual agreement. This Agreement can be amended by written agreement by the parties.
16. The cost estimates set forth in Attachment H for Phase 1 are based upon and assumes the accuracy of and limited to the assumptions listed below as “a” through “j”. If the assumptions are determined to be inaccurate and such inaccuracy results in an increase in the Phase 1 cost above the aggregate total of \$589,917.00, the PARTIES shall immediately meet and confer as to the relative responsibilities for the added costs. If the PARTIES are unable to agree on the relative responsibilities for the increased cost, either PARTY may elect to terminate this Agreement on fifteen days prior written notice. In the event of such termination, CALTRANS remains responsible for HBHRCs’ actual expenditures incurred by HBHRCD pursuant to this Agreement up to the effective date of the termination:
 - a. All dredged material disposal will be offshore at Humboldt Open Ocean Disposal Site. Disposal at another location would require additional planning, special studies, and funding.
 - b. All three mitigation sites would progress together through design and permitting; fixed costs are shared and not a single site carrying the burden of the base cost.

- c. Longfin smelt mitigation if required is not included.
- d. Eelgrass mitigation planning, design and permitting would occur in a similar timeframe as the Redwood Terminal Redevelopment design and permitting work.
- e. Environmental document for the habitat mitigation project will be an Initial Study / Negative Declaration and NEPA documentation will not be required because the project will qualify for a USACE Nationwide permit.
- f. Other than for the Scientific Collecting Permit for Task 9.1.5, permit application fees are not included in the costs.
- g. Tasks 9.1.2 & 9.2.3 Sediment Sampling are for chemical analysis only. No biological testing is included. If required, biological testing may be over \$200,000.
- h. Harbor District will provide a vessel, staff and vibracore for sediment sampling (Tasks 9.1.2 and 9.2.3).
- i. Task 9.2.2 will only be required if agency staff requests further information about invert. communities. Cost would be \$64,000 and is not included in current total.
- j. Prevailing wage is not applicable to the Phase 1 tasks.

SIGNATURES

PARTIES are empowered by CA Streets and Highways Code Section 114 and 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

**HUMBOLDT BAY HARBOR,
RECREATION AND
CONSERVATION DISTRICT**

By: _____
Matthew Brady, District 1 Director

By: _____
Larry Oetker, Executive Director

Approved as to form and procedure:

By: _____

Cassandra Hoff, Deputy Attorney

Verification of funds and authority:

By: _____
Lori Dusi, District 1 Budget

Certified as to financial terms and policies:

By: _____
HQ Accounting Supervisor

Exhibit A. Coastal Development Permit #1-01-069

CALIFORNIA COASTAL COMMISSION

North Coast Area Office
710 E Street, Suite 200
Eureka, CA 95501
(707) 445-7833



Page:1

Date: September 4, 2002

Permit Application No.:1-01-069

COASTAL DEVELOPMENT PERMIT

On August 7, 2002, the California Coastal Commission granted to

California Department Of Transportation, District 1

this permit subject to the attached Standard and Special conditions, for development consisting of

seismically retrofit the substructure of the Eureka Channel, Middle Channel and Samoa Channel Bridges substructure (columns and footings). The project includes (1) strengthening and enlarging bridge foundations by adding a reinforced 18-inch-thick concrete top mat and/or pile cap to each of the 41 pier footings; (2) adding reinforced concrete casings on all pier columns; (3) installing four, three-foot or five-foot-diameter cast-in-steel shell (CISS) footing piles for a total of 148 piles; (4) placing pre-cast concrete skirts around the deep-water pile caps; (5) installing 19 sheet pile cofferdams around the pier footings; (6) excavating approximately 16,000 cubic yards of bay sediment around the bridge footings, (7) installing temporary construction trestles including approximately 1,115 trestle piles and a temporary 12,200-square-foot dock and remove trestles and dock following project construction, and (8) create a 107 square meter eelgrass bed

more specifically described in the application filed in the Commission offices.

The development is within the coastal zone at the

Eureka Channel, Middle Channel, and Samoa Channel bridges on Route 255 (Post Mile 0.2 to 1.9), which collectively span Humboldt Bay, Humboldt County

Issued on behalf of the California Coastal Commission by

PETER M. DOUGLAS
Executive Director

By: Tiffany S. Tauber
Coastal Planner

ACKNOWLEDGMENT:

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4 which states in pertinent part that: "A Public entity is not liable for injury caused by the issuance. . . of any permit. . ." applies to the issuance of this permit.

COASTAL DEVELOPMENT PERMIT

IMPORTANT: THIS PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. 14 Cal. Admin. Code Section 13158(a).

| | |
|------|------------------------|
| Date | Signature of Permittee |
|------|------------------------|

STANDARD CONDITIONS:

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

1. **Timing of Construction to Protect Anadromous Fish, Pacific Herring, and Bird Rookery**

Seismic retrofit construction activities shall be limited as follows:

- A. To avoid impacts to salmonids, no in-water work shall occur in the Eureka Channel between April 1 and August 31 (except eelgrass harvesting). All work within the waters of the Eureka Channel shall occur and be completed between September 1 and March 31. Work may occur within cofferdams in the Eureka Channel between April 1 and August 31 so long as the cofferdams are installed and removed between September 1 and March 31.
- B. To avoid impacts to roosting birds at the Indian Island bird rookery, at Piers M-7, M-8, M-9, S-2, and S-3 as generally depicted on Exhibit No. 6, neither pile driving

COASTAL DEVELOPMENT PERMIT

or the installation of trestles associated with those piers shall occur between February 15 and August 15 during each year of construction.

- C. To avoid impacts to Pacific herring runs, no pile driving or sheet pile installation shall occur in the Middle and Samoa Channels between January 1 and February 28

2. Fisheries Biological Monitor

- A. A qualified biologist shall be on-site at all times during all in-water construction work including installation of cofferdams, excavation around bridge footings, and pile driving to monitor behavior of and disturbance to fish in the project area. The biologist shall capture any salmonids that may become stranded in the residual wetted areas as a result of project activities, and relocate the individuals to areas of the bay outside the project vicinity. Only NMFS approved methods shall be used to capture covered salmonids.
- B. If lethal take occurs, other than that expected during handling of entrapped fish, FHWA/Caltrans shall immediately notify the National Marine Fisheries Service to review the circumstances surrounding the lethal take and develop modification to project activities necessary to prevent further lethal take. If modification to project activities is necessary to prevent further lethal take, all in-water construction shall cease and shall not recommence except as provided in subsection (c) hereof.
- C. An applicant seeking to recommence in-water construction following notification to NMFS of lethal take and determination that modification to project activities is necessary to prevent further lethal take, shall submit a supplementary construction and work plan for the review and approval of the Executive Director.
 - (i) If the Executive Director reviews the Supplementary Construction and Work Plan and determines that the supplementary plan's recommended changes to the proposed development or mitigation measures are de minimis in nature and scope, construction may recommence after this determination is made by the Executive Director.
 - (ii) If the Executive Director reviews the Supplementary Construction and Work Plan, but determines that the changes therein are not de minimis, construction may not recommence until after an amendment to this permit is approved by the Commission.

3. Marine Mammal Monitor

- A. Prior to commencement of pile activities, marine mammal safety zones and noise contours shall be established for areas where the underwater sound pressure levels would reach 160 dB and 190 dB.

COASTAL DEVELOPMENT PERMIT

- B. A qualified biologist shall be on-site at all times during CISS pile driving activities to monitor behavior of and disturbance to Pacific harbor seals and other marine mammals in the project area. The monitor shall be positioned to have an unobstructed view up and down the channel and shall have direct communication with the job foreman so that stop and start work directions could be relayed effectively. If CISS pile driving occurs at more than one bridge at a time, each bridge location would have a biologist or an observer trained by a qualified biologist assigned to monitor the presence of marine mammals.
- C. If marine mammals are seen within the safety zone, pile driving shall not commence, or shall stop immediately and shall not restart until the marine mammal has moved beyond the 190 dB contour, either verified through sighting by a qualified observer outside the contour, or by waiting until enough time has elapsed (15 minutes) to assume that the animal has moved beyond the safety zone. If marine mammals are sighted within the 160 dB zone, behavior of the mammals shall be documented by monitors and reported to NMFS, but operations would not cease.

4. Brackish Channel Restoration

All temporary construction materials including but not limited to culverts and trestle materials shall be removed upon project completion and the original contours of the brackish water channel shall be restored.

5. Revised Eelgrass Mitigation and Monitoring Plan for Permanent Impacts to Eelgrass and Mudflat Habitat

- A. PRIOR TO COMMENCEMENT OF CONSTRUCTION, the applicant shall submit, for review and written approval of the Executive Director, a final revised eelgrass and mudflat mitigation and monitoring plan that substantially conforms with the plan submitted to the Commission dated June 3, 2002 entitled "Humboldt Bay Bridges Seismic Retrofit Project Final Eelgrass Mitigation Plan," except that it shall be revised to include the following provisions:

Eelgrass Mitigation:

- (a) A pre-construction eelgrass survey shall be completed during the months of May through August, the period of active growth of eelgrass. The pre-construction eelgrass survey shall be completed prior to the beginning of construction and shall be valid until the next period of active growth;
- (b) Within five years of the completion of planting, the entire eelgrass mitigation site shall have an extent of vegetated cover equal to a ratio of not less than 1.2 : 1 of the pre-construction extent of vegetated cover and have an average density equal to the average density at the impacted site. Specific success and monitoring criteria are as follows:

COASTAL DEVELOPMENT PERMIT

- i. a minimum of 70 percent areal coverage and 30 percent density after the first year;
 - ii. a minimum of 85 percent areal coverage and 70 percent density after the second year;
 - iii. a sustained 100 percent areal coverage and at least 85 percent density for the third, fourth, and fifth years.
- (c) Monitoring of the permanent eelgrass mitigation site shall determine the percent coverage and density of plants at the site and shall be conducted at 3, 6, 9, 12, 24, 36, 48, and 60 months after completion of the planting. All monitoring work shall be conducted during the active eelgrass growth period (May through August) and shall avoid the winter months (except during the first year).
- (d) The extent of vegetated cover shall be defined as that area where eelgrass is present and where gaps in coverage are less than one meter between individual turion clusters. Density is defined as the average number of turions per unit area;
- (e) Density and extent of vegetative cover shall be estimated at control areas during both pre-construction surveys and annual monitoring. Changes in density and extent of vegetated cover of the control areas will be used to account for natural variability. Selection of an appropriate control site shall be performed in consultation with the Department of Fish and Game and the National Marine Fisheries Service;
- (f) Monitoring methods shall include land-based photos and random sampling of the eelgrass mitigation site using a sampling size adequate to obtain representative qualitative data for the entire mitigation site to determine percent cover and shoot density as defined in subsection (e) above;
- (g) Sedimentation and erosion shall be monitored using calibrated PVC pipe used to monitor for sedimentation and erosion of the mitigation site. The pipes shall be placed at locations throughout the eelgrass mitigation site in a manner adequate to obtain sedimentation and erosion information of the entire mitigation site;
- (h) A detailed monitoring schedule shall be provided that indicates when each of the required eelgrass monitoring events will be completed. Monitoring reports shall be provided to the Coastal Commission, the National Marine Fisheries Service, and the Department of Fish and Game within 30 days after the completion of each required monitoring period.
- (i) The mitigation site shall be remediated within a year of a determination by the permittee or the Executive Director that monitoring results indicate that the site does not meet the performance standards identified in section (b), and in the approved final monitoring and mitigation program. If the

COASTAL DEVELOPMENT PERMIT

performance criteria have not been met at the end of five years following the completion of planting, the applicant shall submit an amendment to the coastal development permit proposing additional mitigation to ensure all performance criteria are satisfied consistent with all terms and conditions of this permit.

Mudflat Mitigation:

- (j) The mitigation plan shall include provisions for the creation of at least 693 square feet of mudflat habitat by excavation of an upland area and/or by removing structural fill material from within Humboldt Bay or by use of a mitigation bank as described in the Memorandum of Understanding signed by Caltrans, the Department of Fish and Game, and the Coastal Commission on April 9, 1980, provided that (a) the owner of the mitigation bank property agrees to use of the property for this purpose, (b) the owner of the mitigation bank property certifies that there is credit remaining pursuant to the April 9, 1980 Memorandum of Understanding, and (c) a current survey is provided to the Executive Director showing that the mitigation bank property continues to exhibit the biological functions anticipated by the MOU.
 - (k) Within 30 days of completion of the mudflat mitigation work (1) "as built" plans shall be submitted demonstrating that the mudflat mitigation work has been completed in accordance with the approved mitigation plan, and shall include (2) an assessment of the initial biological and ecological status of the "as built" mudflat mitigation area. The assessment shall include an analysis of the attributes that will be monitored pursuant to the mitigation plan including at a minimum, (a) infauna species and density, and (b) erosion and sedimentation and shall include a description of the schedule and methods for monitoring.
- B. The permittee shall undertake development in accordance with the approved eelgrass mitigation and monitoring plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

6. Revised Eelgrass Mitigation and Monitoring Plan for Temporary Eelgrass Impacts

- A. PRIOR TO COMMENCEMENT OF CONSTRUCTION, the applicant shall submit, for review and written approval of the Executive Director, a final revised eelgrass mitigation and monitoring plan that substantially conforms with the plan submitted to the Commission dated June 3, 2002 entitled "Humboldt Bay Bridges Seismic Retrofit Project Final Eelgrass Mitigation Plan," except that it shall be revised to include the following provisions:

COASTAL DEVELOPMENT PERMIT

- (a) A pre-construction survey shall be completed during the months of May through August, the period of active growth of eelgrass. The pre-construction survey shall be completed prior to the beginning of construction and shall be valid until the next period of active growth;
- (b) The post-construction survey shall be completed in the same month as the pre-construction survey during the next growing season immediately following the completion of construction;
- (c) If post-construction surveys indicate any decrease in eelgrass density or cover, then the site shall be monitored consistent with the approved final mitigation and monitoring plan for five years or until the performance criteria in section (f) have been met. If post-construction survey results demonstrate to the satisfaction of the Executive Director that eelgrass densities have not decreased at all and there has been no loss of extent of vegetated cover, then no further monitoring or mitigation is required;
- (d) Adverse impacts to eelgrass shall be measured as the difference between the pre-construction and post-construction estimates of eelgrass cover and density. The extent of vegetated cover is defined as that area where eelgrass is present and where gaps in coverage are less than one meter between individual turion clusters. Density is defined as the average number of turions per unit area.
- (e) Density and extent of vegetative cover shall be estimated at control areas during pre-construction surveys, post-construction surveys, and during annual monitoring. Changes in density and extent of vegetated cover of the control areas will be used to account for natural variability. Selection of an appropriate control site shall be performed in consultation with the Department of Fish and Game and the National Marine Fisheries Service;
- (f) Within five years of completion of the project, the entire restoration site shall have an extent of vegetated cover equal to the pre-construction extent of vegetated cover and have an average density equal to the pre-construction average density. Specific success and monitoring criteria are as follows:
 - i. a minimum of 70 percent areal coverage and 30 percent density after the first year;
 - ii. a minimum of 85 percent areal coverage and 70 percent density after the second year;
 - iii. a sustained 100 percent areal coverage and at least 85 percent density for the third, fourth, and fifth years.
- (g) Monitoring methods shall include aerial photographs and random sampling of the restoration site using a sampling size adequate to obtain

COASTAL DEVELOPMENT PERMIT

representative qualitative data for the entire restoration site to determine percent cover and shoot density as defined in subsection (d) above;

- (h) A detailed monitoring schedule shall be provided that indicates when each of the required monitoring events will be completed. Monitoring reports shall be provided to the Coastal Commission, the National Marine Fisheries Service, and the Department of Fish and Game within 30 days after the completion of each required monitoring period.
- (i) The impacted site shall be remediated within a year of a determination by the permittee or the Executive Director that monitoring results indicate that the site does not meet the performance standards identified in section (f) the and in the approved final monitoring and mitigation program. If the performance criteria have not been met at the end of five years following the completion of planting, the applicant shall submit an amendment to the coastal development permit proposing additional mitigation to ensure all performance criteria are satisfied consistent with all terms and conditions of this permit.

- B. The permittee shall undertake development in accordance with the approved eelgrass mitigation and monitoring plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

7. Hazardous Materials Management Plan

- A. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, the applicant shall submit, for the review and written approval of the Executive Director, a plan for the use and management of hazardous materials on the site to reduce impacts to water quality. The plan shall be prepared by a licensed engineer with experience in hazardous material management.
 - 1. The plan, at a minimum, shall provide for the following:
 - (a) Equipment fueling shall occur only during daylight hours in designated fueling areas;
 - (b) Oil absorbent booms and/or pads shall be on site at all times during project construction. All equipment used during construction shall be free of oil and fuel leaks at all times;
 - (c) Provisions for preparing and pouring cement in a manner that will prevent discharges of wet cement into coastal waters including, but not limited to, placement of measures such as catch basins, mats or

COASTAL DEVELOPMENT PERMIT

tarps beneath the construction area to prevent spills or overpours from entering coastal waters;

- (d) Provisions for the handling, cleanup and disposal of any hazardous or non-hazardous materials used during the construction project including, but not limited to, cement, equipment fuel and oil, and contaminated sediments;
- (e) A schedule for maintenance of containment measures on a regular basis throughout the duration of the project;
- (f) Provisions for the containment of rinsate from the cleaning of equipment, including cement mixing equipment, and methods and locations for disposal off- site. Containment and handling shall be in upland areas and otherwise outside of any environmentally sensitive habitat area;
- (g) A site map detailing the location(s) for hazardous material storage, equipment fueling and maintenance, and concrete wash-out facilities;
- (h) Reporting protocols to the appropriate public and emergency services/agencies in the event of a spill.

- B. The permittee shall undertake development in accordance with the approved final plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

8. Erosion Control and Revegetation Plan

- A. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, Caltrans shall submit, for the review and approval of the Executive Director, an erosion control and revegetation plan for all areas disturbed by construction of temporary access roads. The plan shall provide for (1) the use of geotextile fabric and gravel to cover temporary access roads during construction, (2) the complete removal of all geotextile fabric and gravel, (3) placement of erosion control measures such as mulch or rice straw, and (4) replanting the disturbed area with native vegetation.
- B. The permittee shall undertake development in accordance with the approved final plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

COASTAL DEVELOPMENT PERMIT

9. Construction Debris Removal and Disposal

- A. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, the permittee shall submit for the review and approval of the Executive Director a plan for the disposal of construction-related debris and contaminated sediments. The plan shall be consistent with the requirements of Special Condition No. 11. The plan shall describe the manner by which the material will be removed from the construction site and identify all temporary stockpiling and permit disposal sites that will be utilized. The plan shall demonstrate that all stockpiling and disposal sites are in upland areas where construction-related debris from this project may be lawfully stockpiled and disposed.
- B. The permittee shall undertake development in accordance with the approved final plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

10. Trestle Piles

No creosote treated piles shall be placed in the waters of Humboldt Bay. The piles used to construct the temporary trestles shall be of concrete, steel, composite, untreated timber, or timber treated with a wood preservative approved by the Department of Fish and Game for use in marine waters. All piles placed shall be pulled up and completely removed without digging them out or cutting them off at the mudline.

11. Construction Responsibilities

The permittee shall comply with the following construction-related requirements:

- (a) No construction debris or waste shall be placed or stored where it may be subject to entering coastal waters;
- (b) Any and all debris resulting from construction activities shall be removed from the project site within 10 days of project completion and in accordance with the construction debris removal and disposal plan required by Special Condition 9;
- (c) No machinery or construction materials not necessary for project construction shall be allowed at any time in Humboldt Bay;
- (d) Non-buoyant debris discharged into coastal waters shall be recovered as soon as possible after loss.
- (e) Silt curtains and/or water bladder walls appropriate for use in marine waters shall be installed around the areas to be excavated at Piers E-12, E-13, E-14, and E-15.

COASTAL DEVELOPMENT PERMIT

- (f) No contaminated sediments shall be returned to Humboldt Bay. Any contaminated sediments shall be legally disposed of at an appropriate upland facility.
- (g) No imported materials shall be placed in Humboldt Bay around the bridge footings following completion of the retrofit work.
- (h) Grounding and direct contact of the barge with eelgrass beds shall be minimized.
- (i) No propellers, anchors, construction equipment, or piles shall be dragged over the mudflats or eelgrass beds.

12. Final Storm Water Pollution Prevention Plan

- A. PRIOR TO COMMENCEMENT OF CONSTRUCTION, Caltrans shall submit, for the review and approval of the Executive Director, a Final Stormwater Pollution Prevention Plan that is consistent with the requirements of Special Condition Nos.7, 8, 9, and 11.
- B. The permittee shall undertake development in accordance with the approved final plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

13. Replant Trees to be Removed

Following project construction, Caltrans shall plant at a minimum, three native trees at the locations of the trees to be removed near the Eureka Channel Bridge abutment on Woodley Island.

14. Boat Launch Closure

Closure of the Eureka boat launch facility under the Eureka Channel Bridge shall not exceed a period longer than six months. The permittee shall obtain a permit amendment to close the boat launch facility under the Eureka Channel Bridge for any period longer than six months.

15. Public Access

During construction, Caltrans shall maintain clearly signed detours for public access around areas to be temporarily closed including a segment of the waterfront walkway in front of Carson Mill Park near the boat launch facility, the bike lane on Waterfront Drive, and Route 255 to safely accommodate vehicles, bicyclists, and pedestrians. Following project construction, all sidewalks or walkways shall be restored to their original condition.

COASTAL DEVELOPMENT PERMIT

16. Channel Access During Construction

- A. At all times during project construction, and at all stages of the tide at and above the mean lower low water (MLLW), passage of at least 50% of the navigable channels adjacent to and under the bridge shall be kept clear of all obstructions including floating and submerged structures, equipment, and suspended overhead hazards to allow for continued access through the project area by boats and recreational water craft. The passage(s) shall be clearly marked with floating buoys.
- B. Prior to commencement of construction, Caltrans shall submit a navigational access plan that is consistent with all other conditions of this permit, and that demonstrates that at least 50% of the navigable channels adjacent to and under the bridge shall be kept clear of all obstructions.
- C. The permittee shall undertake development in accordance with the approved final plan. Any proposed changes to the approved final plan shall be reported to the Executive Director. No changes to the approved final plan shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

17. NOAA Nautical Chart Revision

Within 90 days of the completion of the proposed development, the applicant shall provide written verification to the California Coastal Commission that the applicant has submitted to the U.S. Coast Guard and the National Oceanic and Atmospheric Administration (NOAA):

- 1) as-built drawings, blueprints, or other engineering documents which depict the completed development;
- 2) geographic coordinates of the location, using a Differential Geographic Positioning System (DGPS) unit or comparable navigational equipment; and
- 3) the applicant's point of contact and telephone number.

18. U.S. Army Corps of Engineers Approval

PRIOR TO COMMENCEMENT OF CONSTRUCTION, the permittee shall provide to the Executive Director a copy of a permit issued by the U.S. Army Corps of Engineers, or letter of permission, or evidence that no permit or permission is required. The applicant shall inform the Executive Director of any changes to the project required by the U.S. Army Corps of Engineers. Such changes shall not be incorporated into the project until the applicant obtains a Commission amendment to this coastal development permit, unless the Executive Director determines that no amendment is legally required.

**Exhibit B. Caltrans' Eelgrass Mitigation Proposal Letter
to California Coastal Commission (dated 12-17-19)**

DEPARTMENT OF TRANSPORTATION

NORTH REGION ENVIRONMENTAL
DISTRICT 1, PO BOX 3700
EUREKA, CA 95502-3700
PHONE (707) 441-5615
FAX (707) 441-5775
TTY 711



*Making Conservation
a California Way of Life.*

December 17, 2019

Bob Merrill, District Manager
California Coastal Commission, North Coast District
1385 8th St #130
Arcata, CA 95521

Dear Mr. Merrill,

Thank you for working collaboratively with the California Department of Transportation (Caltrans) to help find a solution to the outstanding eelgrass mitigation owed for the 2002 Humboldt Bay Bridges Seismic Retrofit project.

Mitigation for the project was originally carried out based on an Eelgrass Management Plan (EMP) created with the California Coastal Commission (CCC) and the California Department of Fish and Wildlife (CDFW). Although the restoration ultimately failed, it was not due to lack of effort from any agency, and continued partnership is necessary if we hope to recover eelgrass in Humboldt Bay both for this project and for future projects.

Humboldt Bay eelgrass populations are near carrying capacity, thus to restore additional eelgrass, suitable habitat must be created. To do this, Caltrans in partnership with California Sea Grant, proposes to restore key areas of substrate within the bay where eelgrass has been impacted by the disposal of legacy oyster shell hash and cobble. This material (essentially marine debris) was historically placed to facilitate ground-based oyster mariculture but no longer serves this intended function as contemporary oyster farming practices have changed. However, the persistence of legacy shell hash within former ground-culture areas continues to impede eelgrass recovery in a number of locations within the bay. As this proposed substrate remediation is experimental (with high predicted likelihood of success), the in-water methods to be used need to be determined. To do this Caltrans plans to conduct Phase A as a scoping effort in the Summer of 2020 to determine the information needed to inform the Coastal Development Permit (CDP) amendment. The CDP amendment will authorize the work planned for Phase B of the restoration effort, to take place in summer 2021.

The funding of Phase A does not result in mitigation credit, and therefore will not go before the Commission. Caltrans intends to fund Phase A to inform the CDP Amendment with the understanding that California Coastal Commission North Coast District Staff are supportive in-concept, of pursuing shell hash/substrate remediation (Phase B) as a means of achieving the outstanding eelgrass mitigation credit required. While we recognize that Staff cannot make agreements on behalf of the Commission and there may be unforeseen issues, it is Caltrans understanding that the following criteria would be supported by Coastal Commission Staff at the CDP amendment hearing to authorize Phase B:

- Restoration of 85m² of eelgrass using the California Eelgrass Mitigation Policy (CEMP) as a guideline for the required monitoring and reporting program and ultimate eelgrass mitigation success criteria.
- Treatment of 266m² of impacted substrate via shell hash/cobble removal with potential success criteria including extent of eelgrass recruitment, volume/mass of shell hash/cobble removed, and changes in sediment texture following treatment.
 - Any increase in required substrate treatment area due to increasing delay penalties will be based on the following table.

| year | years post-impact | penalty % | treatment area (m ²) |
|------|-------------------|-----------|----------------------------------|
| 2019 | 15 | 702% | 266 |
| 2020 | 16 | 734% | 278 |
| 2021 | 17 | 766% | 290 |
| 2022 | 18 | 798% | 302 |
| 2023 | 19 | 830% | 315 |
| 2024 | 20 | 862% | 327 |
| 2025 | 21 | 894% | 339 |

- Should, after monitoring, excess eelgrass be restored above and beyond the required mitigation, Coastal Commission staff are supportive of exploring opportunities to apply surplus eelgrass mitigation as advanced mitigation credit towards future Caltrans projects that may impact eelgrass in Humboldt Bay.

Caltrans appreciates the opportunity to work collaboratively with the North Coast District Office and requests a letter of support from Coastal Commission Staff stating their concurrence with the above criteria by January 15th, 2020.

If you have any questions, please contact Lorna McFarlane at (707) 445-6692 or by email at lorna.mcfarlane@dot.ca.gov.

Sincerely,



Brandon Larsen
 North Region Environmental Office Chief
 (707) 441-5730

**Exhibit C. California Coastal Commission Eelgrass
Mitigation Proposal Concurrence Letter to Caltrans
(dated 1-15-20)**

CALIFORNIA COASTAL COMMISSION

NORTH COAST DISTRICT OFFICE
1385 EIGHTH STREET • SUITE 130
ARCATA, CA 95521
VOICE (707) 826-8950
FACSIMILE (707) 826-8960



January 15, 2020

Brandon Larsen
North Region Environmental Office Chief
Department of Transportation
North Region Environmental
District 1
PO Box 3700
Eureka, CA 95502-3700

SUBJECT: Caltrans' Substitute Eelgrass Mitigation Proposal for Unsuccessful Eelgrass Mitigation for the 2002 Humboldt Bay Bridges Seismic Retrofit Project Authorized by CDP 1-01-069.

Dear Mr. Larsen:

We have received your letter of December 17, 2019 seeking the Commission staff's support of Caltrans District 1's eelgrass mitigation proposal to substitute for the unsuccessful eelgrass mitigation performed for the for the 2002 Humboldt Bay Bridges Seismic Retrofit Project Authorized by CDP 1-01-069.

We appreciate the substantial efforts of the District 1 staff over the years to come up with a viable proposal to remediate for the unsuccessful eelgrass restoration work performed to mitigate for the 38 square meters of permanent impacts to eelgrass bed resulting from the seismic retrofit project. The task has been very challenging, and we appreciate the opportunity to collaborate with Caltrans to find a solution.

We have discussed with your staff and representatives of Sea Grant and other state and federal resource agencies Caltrans' proposal to partner with Sea Grant to restore areas of substrate within the bay where eelgrass has been impacted by the disposal of legacy oyster shell hash and cobble originally placed for oyster mariculture operations. The proposal is summarized in your December 17th letter.

To determine what specific techniques and methods would be the most effective for removing the shell hash to allow for recolonization by eelgrass to achieve the desired mitigation, the restoration work would be preceded by a pilot study to be carried out by Sea Grant. Once the results of the pilot study are known, Caltrans would apply for an amendment of CDP No. 1-01-069 to (1) revise the eelgrass mitigation requirements of the permit to allow the proposed shell hash removal and eelgrass recolonization restoration project to serve as the mitigation for the eelgrass impacts of the bridge retrofit project and (2) authorize the development associated with the restoration project. We note that depending on the specific work ultimately proposed for the pilot study, the study may be considered a form of development requiring separate coastal development permit authorization from the Commission.

Brandon Larsen
January 15, 2020
Page 2

Assuming the results of the pilot study continue to support expectations that the eelgrass restoration proposal will be successful, Commission staff could recommend that the Commission approve the eelgrass restoration proposal summarized in your letter via the above described amendment to CDP 1-01-069 as a means of achieving the outstanding eelgrass mitigation credit needed to mitigate for the impacts on eelgrass of the Humboldt Bay Bridges Seismic Retrofit project. Commission staff has reviewed and supports the criteria for the restoration work contained in the letter. The final determination as to whether the restoration proposal is acceptable would be made by the Commission itself when it acts on the permit amendment after the public hearing.

If you have any questions, please don't hesitate to contact me or Melissa Kraemer.

Sincerely,



ROBERT S. MERRILL
North Coast District Manager

cc: Lorna McFarlane, Caltrans North Region Environmental

Exhibit D. HBHRCD-Caltrans Joint Eelgrass Mitigation Proposal (Basis of Design)

COMMISSIONERS:

1st Division
Aaron Newman
2nd Division
Greg Dale
3rd Division
Stephen Kullmann
4th Division
Richard Marks
5th Division
Patrick Higgins

**Humboldt Bay
Harbor, Recreation and Conservation
District**
(707) 443-0801
P.O. Box 1030
Eureka, California 95502-1030



EXECUTIVE DIRECTOR: Larry Oetker

Date: 2/19/23

To: Whom it may concern, including Tribal Governments and regulatory agencies

From: Rob Holmlund, Humboldt Bay Harbor District

Contributors: Adam Wagschal, Moffat & Nichol
Keith Merkel, Merkel & Associates
Whelan Gilkerson, Merkel & Associates

Reviewed by: Caltrans staff: Amanda Chiachi, Lorna McFarlane, Dominic Moore, Jason Meyer, Tim Nelson
Larry Oetker, Humboldt Bay Harbor District
Shane Phillips, Moffatt & Nichol

Re: DRAFT - Basis of Design and Guiding Principles for Joint Eelgrass Mitigation – Caltrans and Harbor District (v3)

Note of Draft Status

This is an early draft memo and is subject to change. While the general approach is not expected to change, the specific numbers within the tables and graphs are likely to change in the coming weeks.

Purpose

The purpose of this memo is to outline the basic approach of how Caltrans and the Humboldt Bay Harbor, Recreation and Conservation District (District) will work together to jointly develop eelgrass (*Zostera marina*) restoration projects that will mitigate eelgrass impacts of various projects implemented by the two agencies. This document may be used to explain the approach to local Tribal Governments and various regulatory agencies, including the Coastal Commission, North Coast Regional Water Quality Control Board, US Army Corps of Engineers, CA Department of Fish and Wildlife, and National Marine Fisheries Service.

Overview of Joint Mitigation Strategy

The Harbor District and Caltrans are pursuing a collaborative approach to satisfy existing and anticipated eelgrass mitigation needs associated with several independent projects within Humboldt Bay. The Harbor District has three projects that require eelgrass mitigation (some that will occur in phases), while Caltrans has two projects that require eelgrass mitigation. Each of these projects could be analyzed separately with independent studies and then each of their respective mitigation areas could be constructed separately in discontinuous locations at different times. Each would then also have stand-alone monitoring periods. Instead, the two agencies plan to work together to establish a single unified mitigation strategy and a single integrated mitigation area. In other words, while there will be five independent impact areas, there will be one set of unified permits associated with eelgrass impacts/mitigation and one combined location for mitigation.

Benefits and Rationale of Joint Mitigation Strategy

The District and Caltrans have multiple projects requiring eelgrass mitigation. Synergistic mitigation will satisfy both party's needs while providing enhanced ecological, cost, and efficiency benefits:

- Ecological Benefits:
 - Construction of a larger restoration project is expected to have greater ecological benefits than construction of multiple smaller restoration projects. A contiguous mitigation area for multiple projects will provide the ecological benefit of establishing a large continuous habitat area rather than several smaller fragmented habitat areas that are both temporally and geographically disconnected.
 - A larger contiguous mitigation area is likely to have a lower probability of failure than several smaller areas that are alienated from one another.
 - Aggregating projects helps increase the chances of overall baywide eelgrass abundance.
- Benefits to Regulatory Agencies:
 - The unified mitigation strategy should reduce the total time and resource demands on Tribal governments and regulatory agencies. As this project will serve to address eelgrass mitigation needs associated with several independently permitted projects, the joint mitigation approach will improve the efficiency of the regulatory process to the benefit of the resource and regulatory agencies.
 - The concept of advancing a few very large eelgrass restoration projects ahead of needs as a means of reducing individual project failure risk was outlined in the Humboldt Bay Eelgrass Comprehensive Management Plan (Merkel & Associates 2017). This plan has the benefit of addressing the high regional failure risk recognized in the CEMP (NMFS 2014) and subsequently reducing the mitigation ratios for later project impacts from the ultimate mitigation requirements of 1.2:1 down to a 1:1 ratio when the restored eelgrass is fully established.
- Cost and Efficiency Benefits:
 - Collaborative mitigation planning and implementation will provide mutual benefit to both Caltrans and the Harbor District by providing the opportunity to share costs and efforts associated with planning, design, permitting, mitigation implementation, monitoring and reporting.
 - A joint approach provides efficiencies of scale and offsets risk of shortfall by integrating surplus area to account for variable and patchy cover in restored beds.
 - Efficiencies in design and construction will be realized due to project scale, site selection opportunities, and reduction in redundant work efforts, including long-term monitoring.
 - Construction of a large site incorporating the needs of present and future projects will facilitate lower mitigation ratios for future projects and reduction of risk for future mitigation performance.

Eelgrass mitigation is an expensive undertaking irrespective of project scale that brings inherent uncertainties in the overall area of return within any restoration site. To mitigate the costs of eelgrass restoration, including upfront design, environmental, and engineering costs, construction and restoration planting, and long-term monitoring expenses it is generally preferred to aggregate projects within over-sized mitigation sites.

Development Projects Anticipated to Have Eelgrass Impacts

The Joint Eelgrass Mitigation Project will mitigate for the following projects (Figure 1):

- Harbor District
 - Redwood Marine Multipurpose Terminal (RMMT) (occurring in three phases)
 - King Salmon Fisherman's Channel maintenance dredging (occurring in two phases)
 - Operations and maintenance dredging and repairs for existing waterfront infrastructure
- Caltrans
 - Samoa Bridges Seismic Retrofit
 - Eureka Slough Bridges Replacement



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

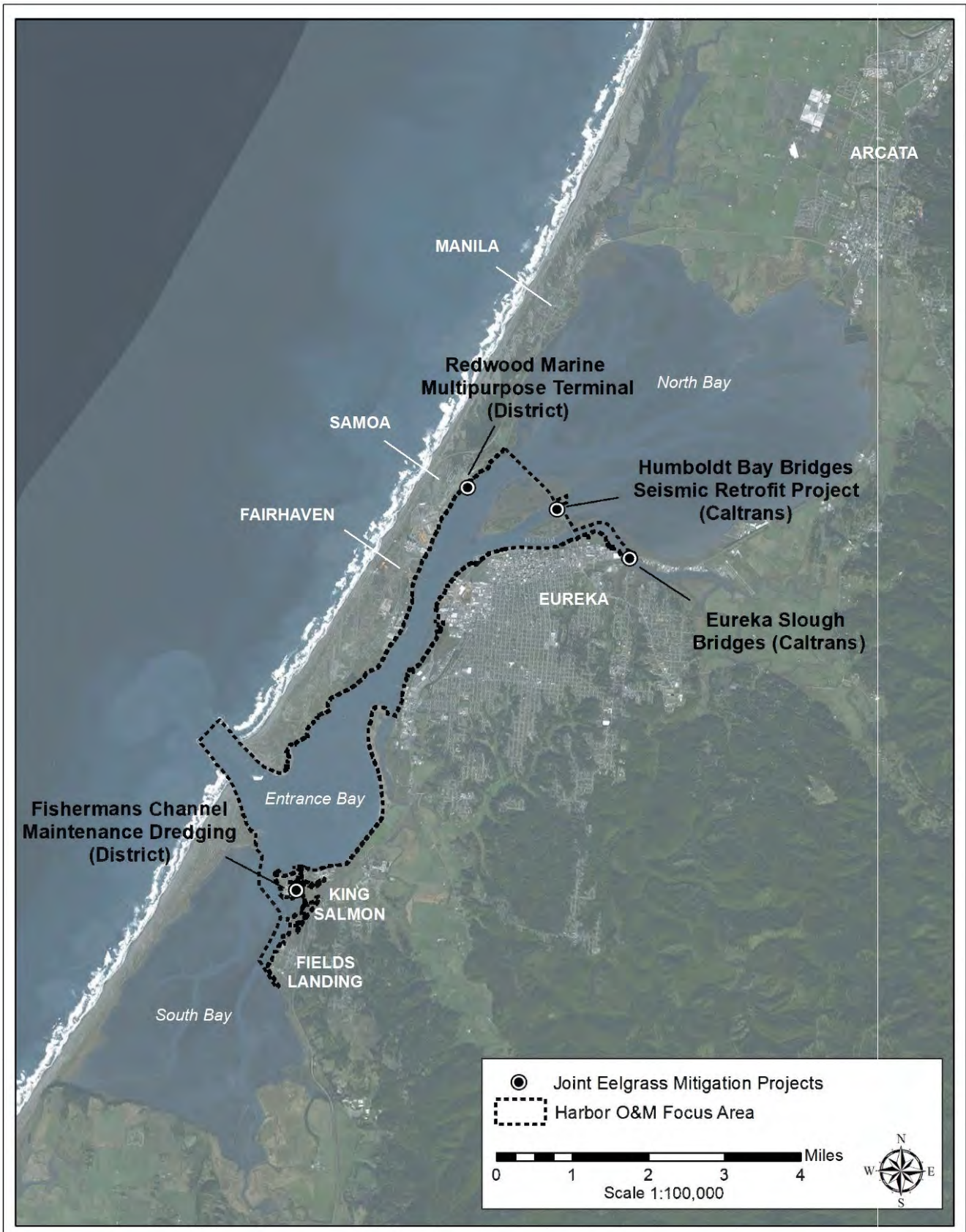


Figure 1: District and Caltrans development projects that would rely on eelgrass mitigation from the Joint Eelgrass Mitigation Project



Summary of Impact Areas and Mitigation Needs

Each of the projects outlined above has a projected range of impacts to eelgrass. Table 1 shows a range of expected impacts by each development project.

| Impact Project | Estimated Min. Impact (Acres) | Estimated Max. Impact (Acres) |
|---|-------------------------------|-------------------------------|
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.102 |
| 2. Eureka Slough Bridge Replacement | 0.012 | 0.025 |
| 3a. RMMT (Phase 1) | 0.05 | 0.250 |
| 4a. King Salmon Fisherman’s Channel | 0.25 | 1.000 |
| 3b. RMMT (Phase 2) | 4.00 | 6.000 |
| 3c. RMMT (Phase 3) | 0.80 | 1.250 |
| 4b. King Salmon Fisherman’s Channel | 2.00 | 3.300 |
| 5. Operations and Maintenance | 8.41 | 27.91 |
| TOTAL ESTIMATED IMPACT | 15.63 | 39.83 |
| <i>Assumed Area of Mitigation at Assumed Minimum Mitigation Ratio of 1 to 1.2</i> | 18.75 | 47.8 |

Table 1: Estimated eelgrass impacts of Development Projects.

The mitigation design will target achieving approximately 18.75 to 47.8 acres of eelgrass habitat creation pending refinement of project design and eelgrass impact assessment. This is expected to provide an eelgrass capacity buffer between the priority project needs and the ultimate restoration yield.

Risk Apportionment Strategy

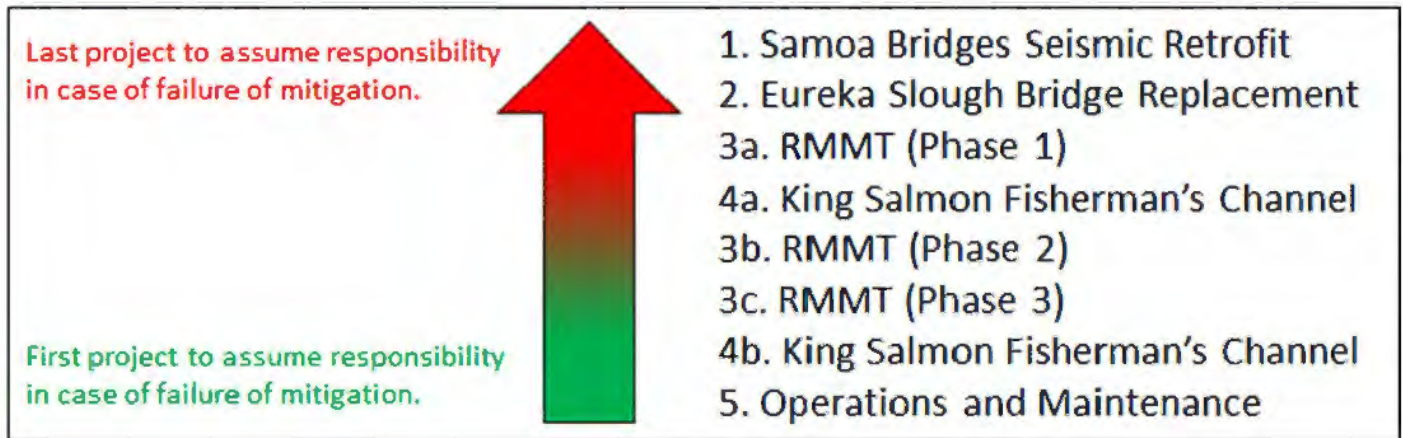
While the five projects will occur in different location within the Bay and at different times, the unified mitigation area will be implemented in three locations in three stages to mitigate for all five projects collectively. This will all be conducted with the underlying assumption that eelgrass mitigation projects have the potential for partial failure, sometimes at substantial levels. If a critical threshold of the mitigation area fails, there will not be enough mitigation area to cover the impacts of all five projects. Thus, preparing for such a contingency is a critical component of the joint mitigation strategy. One potential approach is for all five projects to share equally (or proportionally) in any shortfalls of mitigation area. Instead, the joint mitigation strategy agreed to between the District and Caltrans is for the five projects to be prioritized and for the risk of a shortfall to be apportioned in order of the assigned priority.

For instance, imagine a hypothetical scenario in which five projects each have one acre of impacts to eelgrass for a collective total of five acres of impacts. Under this hypothetical scenario, a 10-acre mitigation area is implemented five years before the impacts occur for any of the projects. At the end of the five-year monitoring period, only 7 acres of eelgrass are surviving. In this example, there has been a 70% success rate (30% failure rate) of the mitigation area. This would not be a problem since the viable area of mitigation (7 acres) is still larger than the area of impact (5 acres). However, if the viable area of mitigation area after five years is only four acres (a 60% failure rate), then under the prioritized risk apportionment strategy, the lowest priority project would not be able to be constructed because there is only enough mitigation area to cover four of the impact projects. The fifth project would need to establish and permit a new mitigation area prior to construction.

For the current real-world projects outlined in this memo, Caltrans and the District have agreed to a “Risk Apportionment” strategy as outlined in Graph 1 below:



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District



Graph 1: Risk Apportionment of the Various Impact Projects

This means that if the planned mitigation areas experiences partial failure in a quantity that exceeds the total combined impact area of all five projects, then the project at the bottom of the list (O&M) will be assigned responsibility for that failure while the other projects will be considered fully covered by the amount of mitigation area that succeeded. If the area of failure exceeds the quantity of impacts of the bottom project, then the responsibility will be assigned to that project (O&M) and the project next up on the list (King Salmon b). This pattern would continue up the list as needed. Thus, the project with the lowest risk is Samoa Bridge Seismic Retrofit and the project with the highest risk is O&M. As shown in Table 2 below, each successive project in the prioritized list requires a cumulatively higher success rate. More detail about the timeline of project implementation is shown in the next section and Attachment 1.

| VIABILITY OF THE CUMULATIVE PROJECTS AT VARIOUS SUCCESS RATES | | | | | | |
|---|--------------------------|---|----------------------------------|--|---|--|
| Impact Project | Estimated Area of Impact | Mitigation Area; equivalent to Area of Impact x 1.2 | Cumulative Total Mitigation Area | Required Cumulative Mitigation Success Rate to Implement Cumulative Projects | Year Impact Will Occur After Mitigation | Condition Prior to Impact |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 0.122 | 0.26% | 0 | NA (impact has already occurred) |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | 0.152 | 0.32% | 6 | ≥0.32% success rate at Year 6 |
| 3a. RMMT (Phase 1) | 0.250 | 0.30 | 0.452 | 0.95% | 1 | ≥0.95% success rate at Year 1 |
| 4a. King Salmon Fisherman’s Channel | 1.000 | 1.20 | 1.652 | 3.46% | 1 | ≥3.46% success rate at Year 1 |
| 3b. RMMT (Phase 2) | 6.000 | 7.20 | 8.852 | 18.52% | 3 | ≥18.52% success rate at Year 3 |
| 3c. RMMT (Phase 3) | 1.250 | 1.50 | 10.352 | 21.66% | 5 | ≥21.66% success rate at Year 5 |
| 4b. King Salmon Fisherman’s Channel | 3.300 | 3.96 | 14.312 | 29.94% | 6 | ≥29.94% success rate at Year 6 |
| 5. Operations and Maintenance | 27.91 | 33.49 | 47.80 | ≥29.95% | 6+ | 29.95% to 100% success rate after Year 6 |
| TOTAL | 39.83 | 47.80 | 47.80 | NA | NA | NA |

Table 2: Viability of the Five Projects at Various Success Rates.

Error! Reference source not found. below shows some hypothetical scenarios. Under Scenario #1, there is an 70% success rate of the planted mitigation area after the five year monitoring periods, and therefore mitigation for projects one through four is fully covered. However, only a portion of the fifth project (O&M) is mitigated for. As shown in Attachment 1 (Implementation Schedule), this would not be a problem since the O&M project is not scheduled to have



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

impacts until after the five-year monitoring periods are complete. Under this scenario, the O&M project would only be permitted to have 19.5 acres of impact rather than the planned 33.49 acres.

Under Scenario #2, there is a 25% success rate of the planted mitigation area, and therefore mitigation for projects one through 3c is fully covered. This would mean that the sixth project is not at all covered by the mitigation area at all and therefore could not be constructed unless/until a new mitigation area is established. In addition, only a portion of the second phase of the King Salmon project is mitigated for. As shown in Attachment 1, this would also not be a problem since the King Salmon project is not scheduled to have impacts until after the five-year monitoring period is complete. Under this scenario, the King Salmon project would only be permitted to have 1.6 acres of impact rather than the planned 3.9 acres.

Under Scenario #3, there is a 15% success rate of the planted mitigation area, and therefore mitigation for projects 1 through 4a is fully covered. This would mean that the fifth and sixth projects are not at all covered by the mitigation area and therefore could not be constructed unless/until a new mitigation area(s) is established. In addition, only a portion of Project 3b (RMMT Phase 2) is mitigated for. Under this scenario, project 3b would only be permitted to have 5.25 acres of impact rather than the planned 7.2 acres.

<See Table 3 on next page>



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

| HYPOTHETICAL SCENARIO #1 | | | | | | | |
|-------------------------------------|------------------------|---|----------------------------------|--|-------------------------------------|------------------------------------|-------------------------------|
| Impact Project | Acres of Impact | Mitigation Area; Acres of Impact x 1.2 | Acres of Joint Mitigation | Acres of Viable Mitigation with success rate of 70% | Hypothetical Acres Mitigated | Hypothetical Net Difference | Mitigation is Complete |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 47.80 | 33.46 | 0.122 | 0.000 | Yes |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | | | 0.030 | 0.000 | Yes |
| 3a. RMMT (Phase 1) | 0.250 | 0.300 | | | 0.30 | 0.00 | Yes |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.200 | | | 1.20 | 0.00 | Yes |
| 3b. RMMT (Phase 2) | 6.000 | 7.200 | | | 7.20 | 0.00 | Yes |
| 3c. RMMT (Phase 3) | 1.250 | 1.500 | | | 1.50 | 0.00 | Yes |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.960 | | | 3.96 | 0.00 | Yes |
| 5. Operations and Maintenance | 27.906 | 33.488 | | | 19.15 | (14.34) | Partial |
| TOTAL | 39.83 | 47.80 | 47.80 | 33.46 | 33.46 | (6.37) | NA |
| HYPOTHETICAL SCENARIO #2 | | | | | | | |
| Impact Project | Acres of Impact | Mitigation Area; Acres of Impact x 1.2 | Acres of Joint Mitigation | Acres of Viable Mitigation with success rate of 25% | Hypothetical Acres Mitigated | Hypothetical Net Difference | Mitigation is Complete |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 47.80 | 11.95 | 0.122 | 0.000 | Yes |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | | | 0.030 | 0.000 | Yes |
| 3a. RMMT (Phase 1) | 0.250 | 0.300 | | | 0.30 | 0.00 | Yes |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.200 | | | 1.20 | 0.00 | Yes |
| 3b. RMMT (Phase 2) | 6.000 | 7.200 | | | 7.20 | 0.00 | Yes |
| 3c. RMMT (Phase 3) | 1.250 | 1.500 | | | 1.50 | 0.00 | Yes |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.960 | | | 1.60 | (2.36) | Partial |
| 5. Operations and Maintenance | 27.906 | 33.488 | | | 0.00 | (33.49) | No |
| TOTAL | 39.83 | 47.80 | 47.80 | 11.95 | 11.95 | (27.88) | NA |
| HYPOTHETICAL SCENARIO #3 | | | | | | | |
| Impact Project | Acres of Impact | Mitigation Area; Acres of Impact x 1.2 | Acres of Joint Mitigation | Acres of Viable Mitigation with success rate of 15% | Hypothetical Acres Mitigated | Hypothetical Net Difference | Mitigation is Complete |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 47.80 | 7.17 | 0.122 | 0.000 | Yes |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | | | 0.030 | 0.000 | Yes |
| 3a. RMMT (Phase 1) | 0.250 | 0.300 | | | 0.30 | 0.00 | Yes |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.200 | | | 1.20 | 0.00 | Yes |
| 3b. RMMT (Phase 2) | 6.000 | 7.200 | | | 5.52 | (1.68) | Partial |
| 3c. RMMT (Phase 3) | 1.250 | 1.500 | | | 0.00 | (1.50) | No |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.960 | | | 0.00 | (3.96) | No |
| 5. Operations and Maintenance | 27.906 | 33.488 | | | 0.00 | (33.49) | No |
| TOTAL | 39.83 | 47.80 | 47.80 | 7.17 | 7.17 | (32.66) | NA |

Table 3: Hypothetical Scenarios of Risk Apportionment at Various Success Rates.



Scheduling and Sequencing of Mitigation Implementation Relative to Impacts

As shown in Attachment 1 (Estimated Schedule), the planning and permitting period for the mitigation area is expected to be completed in late 2023, with the installation of the first stage of mitigation to be completed in mid-2024. The five-year monitoring period for the first stage of mitigation would begin in July of 2025 and last through June of 2030. Simultaneous to the beginning of the monitoring period, the RMMT Phase 1 impacts would occur (mid-2025). The other stages of mitigation and the timing of the impacts would occur as outlined in the Attachment.

Permitting Process for Development Projects

Each of the projects identified above requires a suite of regulatory approvals. The Samoa Bridges Seismic retrofit has been permitted and constructed but requires a Coastal Development Permit amendment. Permitting of the other projects is underway.

The development projects require the following environmental documentation and regulatory approvals. Other approvals may also be required.

- District projects
 - Redwood Marine Multipurpose Terminal – Anticipate completion of permitting in 2024.
 - California Environmental Quality Act/National Environmental Policy Act (CEQA/NEPA)
 - Coastal Development Permit (CDP)
 - Clean Water Act (CWA) Section 404 and 401 approvals
 - District Permit
 - California Endangered Species Act Incidental Take Permit
 - King Salmon Fisherman’s Channel Maintenance Dredging project
 - CEQA/NEPA
 - CDP
 - CWA Section 404 and 401 approvals
 - District Permit
 - California Endangered Species Act Incidental Take Permit (if hydraulic dredging is used)
 - Operations and Maintenance Dredging and Repairs on Existing Waterfront Infrastructure
 - Project specific
- Caltrans projects
 - Samoa Bridges Seismic Retrofit
 - CEQA/NEPA – Complete
 - CDP – Amendment required
 - Other permits – Complete (amendments may be required?)
 - Eureka Slough Bridge Replacement project
 - CEQA – Anticipate completion in 2028 or after.
 - CDP – Anticipate completion in 2028 or after.
 - Other permits – Underway; anticipated completion no later than 2028.
 - Others?

Special Studies for Mitigation Areas

Studies are likely to include:

- Topographic/ hydrographic Surveys
- Sediment Coring, Physical Class, Grain Size Analysis
- Sediment Chemistry and Reuse Options
- Conceptual Habitat Restoration Design
- Recreational Clamming & Clam Distribution
- Biological Impact Evaluation



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

- Benthic Invertebrate Field Collection
- Benthic Invert Sorting and Abundance Report
- Benthic Invert Taxonomy and Community Report

Permitting for Mitigation Areas

The Harbor District will lead the permitting processes associated with the joint mitigation area on behalf of the District and Caltrans. The District will be the CEQA Lead Agency and will develop a CEQA Initial Study / Negative Declaration (or Mitigated Negative Declaration) for the project. The District expects to obtain the following regulatory approvals, but other (or different) approvals may be required:

- IS/MND
- Humboldt Bay Harbor District Permit
- CWA 401 Certification from the North Coast Regional Water Quality Control Board
- Nationwide Permit from the US Army Corps of Engineers (USACE Section 404/10 Permit)
- Coastal Development Permit
- CDFW Section 2081 Permit (if needed for suction dredging)
- Coastal Development Permit (CDP) from the Ca. Coastal Commission

Overview of Proposed Mitigation Sites

The District and Caltrans propose to mitigate for eelgrass impacts from the above projects at one to three locations (Redwood Multipurpose Marine Terminal North, Clam Island, and/or King Salmon) pending the results of preliminary site suitability studies.

RMMT North Site

The proposed Redwood Multipurpose Marine Terminal North (RMMT North) eelgrass mitigation site is located immediately south and north of the western span of the Humboldt Bay Bridges in Samoa and overlaps a Harbor District owned parcel (APN 401-031-041-000) and District-granted State Lands along the Bay's western shoreline (Figure 2). The site consists of an intertidal mudflat bisected by several small, drainage channels with site elevations ranging from approximately 0 to 4 feet above MLLW. While most of the site is currently too high in elevation to support eelgrass, small patches of eelgrass occur within the lower elevation channels and small depressions within the flats that retain water at low tide as well as along the margin of North Bay Channel. Pending the results of hydraulic analysis and refinement of project design, the site may have the capacity to support as much as 10 to 12 acres of eelgrass.

Clam Island Site

The Clam Island site is located on District-granted State Lands at the northern terminus of an intertidal sand shoal in south Humboldt Bay west of King Salmon (Figure 3) and consists of approximately 15 to 20 acres of primarily unvegetated, sandy substrate ranging in elevation from 0.5 to 2.5 feet above Mean Lower Low Water (MLLW). The location and character of the Clam Island site is likely to offer amongst the most favorable ecological outcomes with respect to developing eelgrass habitat capable of supporting wildlife uses that are generally forgone when mitigation is conducted in proximity to more developed areas of the bay.

King Salmon Site

The King Salmon site spans a Harbor District owned parcel (APN 305-161-001-000) and District-granted State Lands along the southwestern shoreline of the King Salmon peninsula adjacent to Gill's by the Bay Restaurant (Figure 3). The site consists of approximately 1 acre of unvegetated, sandy substrate ranging in elevation from approximately 1 to 4 feet above MLLW.



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

Both the Clam Island and the King Salmon sites currently support recreational clamming; therefore, the proposed mitigation effort will include a clamming study that characterizes clam populations (abundance and distribution as a function of elevation and location) and identifies the areas where clamming activity is concentrated so impacts to recreational clamming can be understood and potentially minimized or avoided. It is also possible that mitigation activities could potentially improve conditions for recreational clamming. This will also be analyzed in the clamming study.

The proposed eelgrass mitigation sites at Clam Island and King Salmon are situated on opposing sides of Hookton Channel at the northern end of South Bay (Figure 3). These sand shoal sites were initially identified as good candidate eelgrass mitigation opportunities during development of the Humboldt Bay Eelgrass Comprehensive Management Plan (Humboldt Bay Eelgrass Comprehensive Management Plan, Merkel & Associates; 2017) and reflect a legacy of shoreline modification, armoring and dredging-related changes in bay morphology that have resulted in a diminished hydrodynamic energy regime relative to historic conditions. These sites likely provide the most cost-effective means of mitigating for larger-scale impacts to eelgrass (e.g., one or more acres) in Humboldt Bay at meaningful scales and within areas that will not be in conflict with any future uses. Further, the sites are situated in close proximity to the Bay's entrance, where good tidal circulation and lower ambient water temperatures may afford a level of protection from the effects of eelgrass wasting disease and provide higher capacity to persist long-term under sea level rise scenarios due to clearer water conditions than found more distant from the mouth. The ground elevations at these sites are slightly too high to support eelgrass and would be lowered via mechanical or hydraulic dredging to facilitate eelgrass growth.



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

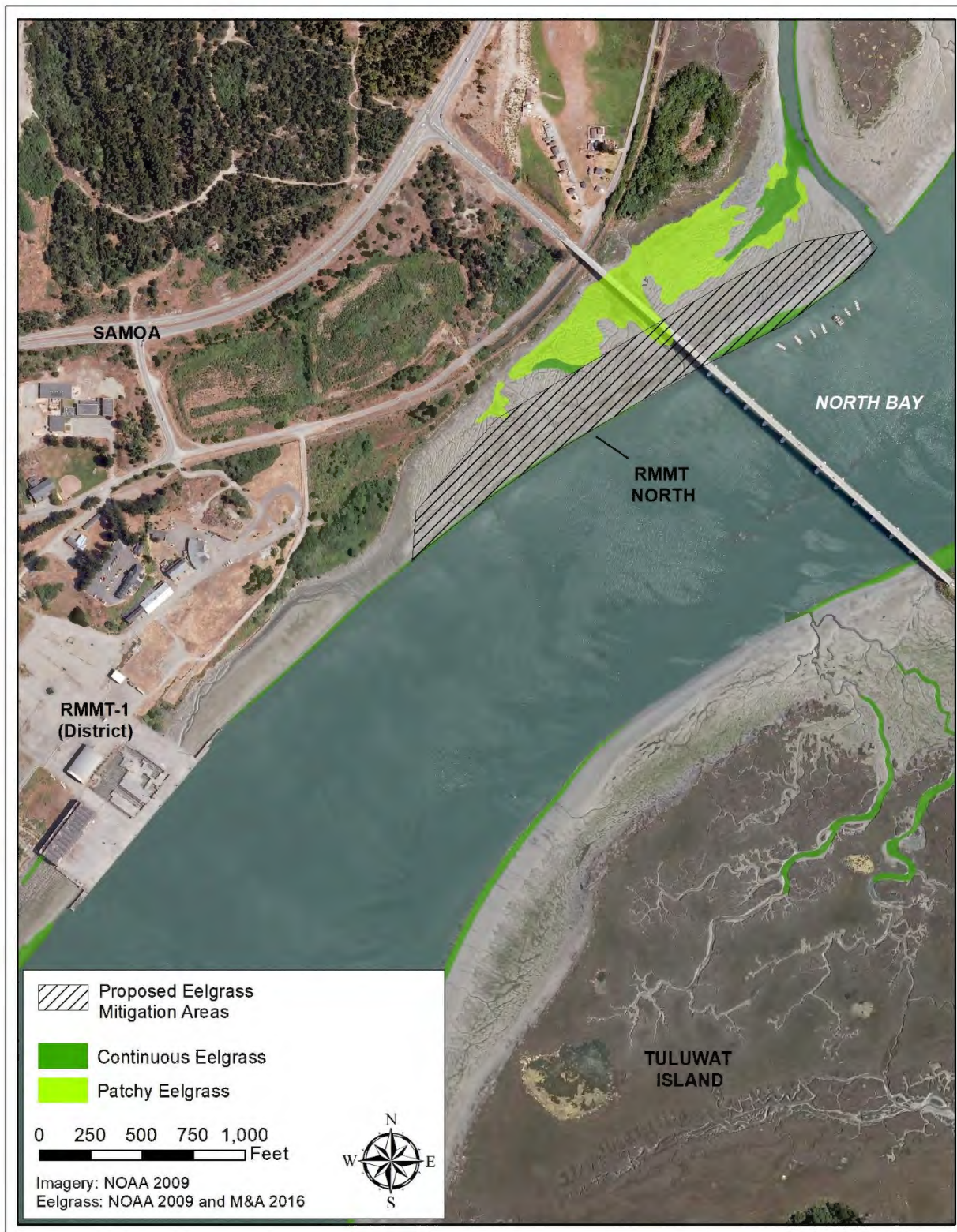


Figure 2: Location of the Proposed RMMT North Eelgrass Mitigation Site.

Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District



Figure 3: Location of the proposed Clam Island and King Salmon Eelgrass Mitigation Sites



Proposed Mitigation Strategy by Site

Clam Island

The proposed Clam Island eelgrass mitigation site would be constructed by lowering the shoal elevation by means of mechanical or hydraulic dredging to achieve a stable configuration. The sand dominated dredged material would be transported by barge and assessed for potential upland re-use as structural fill within the RMMT project area, the Intertidal Coastal Marsh Restoration south of Bracut, or another approved site, or alternatively hauled outside of the Coastal Zone for upland disposal. Following several weeks of settlement, the Clam Island site would then be planted with eelgrass sourced within Humboldt Bay using bare-root eelgrass planting units.

King Salmon

The proposed King Salmon mitigation site's location adjacent to undeveloped uplands owned by the District make it straightforward to implement using traditional, terrestrial heavy equipment (e.g. bulldozers, excavators, and offroad dump trucks), with good access for equipment ingress and egress at the site. To construct an eelgrass mitigation site at this location, the beach would be lowered (excavated or hydraulic dredged) and graded to achieve a stable transition to the natural shore slope, mimicking the beach contour and elevations further north where eelgrass is present. Excavated sand would be assessed for potential upland re-use as structural fill within the RMMT project area, the Intertidal Coastal Marsh Restoration south of Bracut, placement within the undeveloped uplands to the west of King Salmon, or another approved site, or alternatively hauled outside of the Coastal Zone for upland disposal. Following several weeks of settlement, the site would then be planted with eelgrass sourced within Humboldt Bay using bare-root eelgrass planting units.

RMMT North

The intertidal mudflats at RMMT North would be lowered (excavated or hydraulic dredged) to shallow subtidal depths to expand channel capacity. Excavated/dredged material would then be assessed for potential upland re-use as fill within the RMMT project, the Intertidal Coastal Marsh Restoration south of Bracut, or another approved site, ocean disposal, or alternatively, hauled outside of the Coastal Zone for upland disposal. Following excavation and several weeks of site settlement/adjustment, the portions of the excavated flats falling within the suitable depth range to support eelgrass would be transplanted using bare-root eelgrass planting units sourced within Humboldt Bay.

Anticipated Schedule

The planned schedule for Implementation is provided in Attachment 1.

Administrative Details of Joint Strategy

The structure of the collaborative approach between Caltrans and the Harbor District reflects the differences in institutional resource capacity and overall mitigation needs identified between the two parties. The Harbor District retains site control and jurisdiction over the majority of preferred eelgrass mitigation opportunities that have been recently identified within Humboldt Bay, while also having a substantially greater area need for eelgrass mitigation. Caltrans has a relatively small overall mitigation need and the capacity to provide funding support to meet the need but, lacks eelgrass mitigation opportunities within Caltrans jurisdiction. As such, the proposed collaborative structure reflects Caltrans ability to financially support the upfront mitigation planning, design, and permitting, as well as participate in funding of the project implementation and monitoring, while the District is better positioned to provide the mitigation site, and lead the project efforts, including the mitigation implementation and monitoring elements.

In identifying and scoping the various elements of a joint eelgrass mitigation project, allocation of costs, risks, and benefits provides the framework for establishing a mutually beneficial partnership. With the District taking a lead role in the project and having the larger overall eelgrass mitigation need, the District would propose to assume the risk of



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

mitigation failure such that any shortfall in achieving the combined mitigation need across parties/projects would fall on the District first and not Caltrans. Caltrans would buy down this risk by contributing more initial funding to the project development. In turn, the District would contribute the waters of the candidate mitigation sites under their jurisdiction and provide long-term site control. The District would also take on the site development management role to bring the mitigation to fruition.

Eelgrass restoration sites would be designed and developed to be oversized to limit failure risk for the highest priority Caltrans projects as well as the District's RMMT project. Surplus eelgrass developed beyond the needs of these projects would flow to the needs of prioritized additional District work including the maintenance dredging of Fisherman's Channel and other District operations and maintenance repairs within the developed waterfront. All mitigation would be based on either previously established mitigation needs for the Samoa Bridge Seismic Retrofit project, or CEMP standards (NMFS 2014) for the remainder sites.

Attachments

- Attachment 1: Estimated Schedule



Attachment 1

Estimated Schedule



Memorandum

*Making Conservation
a California Way of Life.*

To: Stephanie Frederickson
Senior Environmental Planner
North Region Mitigation Analysis and Planning,
Acting Branch Chief
North Region Environmental, D01 Eureka

Date: March 8, 2023

File: Humboldt Bay Bridges Seismic Retrofit
Project
01-HUM-255-PM 0.2/1.9
EA: 01-29670
EFIS: 0100000086

From: Karl Falk-Carlsen
D1 COS Project Coordination Manager
Caltrans District 1

SUBJECT: Financial Assurance Memorandum for Humboldt Bay Joint Eelgrass Mitigation Project with Humboldt Bay Harbor, Recreation, and Conservation District for eelgrass impacts associated with Humboldt Bay Bridges Seismic Retrofit Project (01-29670)

Dear Ms. Frederickson,

The California Department of Transportation (Caltrans) is providing this funding assurance memorandum to complete Phase 1 tasks for the Humboldt Bay Joint Eelgrass Mitigation Project (Mitigation Project), a collaborative eelgrass (*Zostera marina*) restoration project occurring in Humboldt Bay with the Humboldt Bay Harbor, Recreation, and Conservation District (HBHRCD). The proposed Mitigation Project is to satisfy outstanding mitigation obligations for eelgrass impacts associated with Caltrans' 2002 Humboldt Bay Bridges Seismic Retrofit Project (01-29670, EFIS 0100000086), future eelgrass impacts for Caltrans' Eureka Slough Bridges Project (01-0M760, EFIS 0123000066), and eelgrass impacts for upcoming HBHRCD Humboldt Bay infrastructure and maintenance projects. This memo demonstrates Caltrans' financial commitment to meeting all mitigation requirements pursuant to laws regulating jurisdictional resources such as eelgrass (e.g., California Coastal Act).

The overall objective of the Mitigation Project is to treat approximately 10-20 acres of habitat suitable for the successful restoration of eelgrass (Attachment 1). As such, the project will employ a phased approach consisting of Special Studies (Phase 1), Design and Permitting (Phase 2), and Construction and Post-Construction Monitoring/Reporting (Phase 3). For the purposes of this financial assurance memo, only Phase 1 (Special Studies) costs will be considered with subsequent phases requiring separate financial assurance memos and Cooperative Agreement amendments. Tasks covered under Phase 1 Special Studies will include topographic and/or hydrographic surveys, sediment analysis and reuse options, clam distribution surveys and impacts to recreational clamming, benthic invertebrate surveys, and biological impact evaluation. Caltrans is committed to funding the current costs to complete all Phase 1 tasks as outlined in HBHRCD's Joint Eelgrass Mitigation Project Phase 1 Budget (Attachment 2) and will continue to work towards satisfying outstanding mitigation obligations for the Humboldt Bay Bridges Project. Should costs exceed the Phase 1 Budget, Caltrans and HBHRCD shall meet to discuss reasons and potential solutions prior to executing an amendment to the Cooperative Agreement to incorporate additional funds to complete Phase 1 tasks.

Humboldt Bay Bridges Seismic Retrofit Project (01-29670)
Humboldt Bay Joint Eelgrass Mitigation Project
Re: Financial Assurance Memorandum for Outstanding Mitigation Obligation
Page 2 of 2

Eelgrass impacts from past and future anticipated Caltrans projects will be mitigated at the agreed upon mitigation ratios approved by the California Coastal Commission at the time of permitting and consistent with any other terms of special conditions related to mitigation requirements. For the Humboldt Bay Bridges Seismic Retrofit Project, mitigation will include compensation for the temporary and permanent loss of eelgrass incidental to the construction of the project plus additional mitigation owed as a penalty due to previously failed mitigation efforts. In conjunction with or immediately following Phase 1 tasks, HBHRCD will complete Phase 2 tasks including restoration project design and permitting. In Phase 3 Construction and Post-Construction Monitoring/Reporting, mitigation activities will include the lowering of mudflat substrates to elevations conducive for the survival of eelgrass. Natural recruitment and transplanting of eelgrass individuals is anticipated to occur followed by up to 5 years of maintenance and monitoring to achieve agency approved performance and success criteria. The areas proposed for restoration are under the ownership and/or delegated authority of the HBHRCD. As mentioned earlier, Phases 2 and 3 will require separate financial memos of assurances along with agreement amendments however, Caltrans assures that the amount of programmed funds available in the Humboldt Bay Bridges Seismic Retrofit Project are sufficient to cover all the Phase 1 Mitigation Project costs totaling \$587,680.

Caltrans looks forward to working with the HBHRCD to further plan, design, and implement the measures necessary to satisfy Caltrans' mitigation obligations. This memo intends to formally acknowledge our obligation with the proposed mitigation described above.

Should you have any questions, please contact me at Karl.Falk-Carlsen@dot.ca.gov or (707) 296-5674 or Tim Nelson at Timothy.Nelson@dot.ca.gov or (707) 492-0158.

Sincerely,

Karl Falk-Carlsen
D1 COS Project Coordination Manager

c: Valency Fitzgerald, Office Chief, Programming/Asset Management
Lorna McFarlane, Senior Coastal Liaison
Tim Nelson, Mitigation Specialist

Attachment 1 – Basis of Design and Guiding Principles for Joint Eelgrass Mitigation

Attachment 2 – HBHRCD's Mitigation Project Phase 1 Budget

Attachment 1. HBHRCD-Caltrans Joint Eelgrass Mitigation Project Basis of Design and Guiding Principles

COMMISSIONERS:

1st Division
Aaron Newman
2nd Division
Greg Dale
3rd Division
Stephen Kullmann
4th Division
Richard Marks
5th Division
Patrick Higgins

**Humboldt Bay
Harbor, Recreation and Conservation
District**
(707) 443-0801
P.O. Box 1030
Eureka, California 95502-1030



EXECUTIVE DIRECTOR: Larry Oetker

Date: 2/19/23

To: Whom it may concern, including Tribal Governments and regulatory agencies

From: Rob Holmlund, Humboldt Bay Harbor District

Contributors: Adam Wagschal, Moffat & Nichol
Keith Merkel, Merkel & Associates
Whelan Gilkerson, Merkel & Associates

Reviewed by: Caltrans staff: Amanda Chiachi, Lorna McFarlane, Dominic Moore, Jason Meyer, Tim Nelson
Larry Oetker, Humboldt Bay Harbor District
Shane Phillips, Moffatt & Nichol

Re: DRAFT - Basis of Design and Guiding Principles for Joint Eelgrass Mitigation – Caltrans and Harbor District (v3)

Note of Draft Status

This is an early draft memo and is subject to change. While the general approach is not expected to change, the specific numbers within the tables and graphs are likely to change in the coming weeks.

Purpose

The purpose of this memo is to outline the basic approach of how Caltrans and the Humboldt Bay Harbor, Recreation and Conservation District (District) will work together to jointly develop eelgrass (*Zostera marina*) restoration projects that will mitigate eelgrass impacts of various projects implemented by the two agencies. This document may be used to explain the approach to local Tribal Governments and various regulatory agencies, including the Coastal Commission, North Coast Regional Water Quality Control Board, US Army Corps of Engineers, CA Department of Fish and Wildlife, and National Marine Fisheries Service.

Overview of Joint Mitigation Strategy

The Harbor District and Caltrans are pursuing a collaborative approach to satisfy existing and anticipated eelgrass mitigation needs associated with several independent projects within Humboldt Bay. The Harbor District has three projects that require eelgrass mitigation (some that will occur in phases), while Caltrans has two projects that require eelgrass mitigation. Each of these projects could be analyzed separately with independent studies and then each of their respective mitigation areas could be constructed separately in discontinuous locations at different times. Each would then also have stand-alone monitoring periods. Instead, the two agencies plan to work together to establish a single unified mitigation strategy and a single integrated mitigation area. In other words, while there will be five independent impact areas, there will be one set of unified permits associated with eelgrass impacts/mitigation and one combined location for mitigation.

Benefits and Rationale of Joint Mitigation Strategy

The District and Caltrans have multiple projects requiring eelgrass mitigation. Synergistic mitigation will satisfy both party's needs while providing enhanced ecological, cost, and efficiency benefits:

- Ecological Benefits:
 - Construction of a larger restoration project is expected to have greater ecological benefits than construction of multiple smaller restoration projects. A contiguous mitigation area for multiple projects will provide the ecological benefit of establishing a large continuous habitat area rather than several smaller fragmented habitat areas that are both temporally and geographically disconnected.
 - A larger contiguous mitigation area is likely to have a lower probability of failure than several smaller areas that are alienated from one another.
 - Aggregating projects helps increase the chances of overall baywide eelgrass abundance.
- Benefits to Regulatory Agencies:
 - The unified mitigation strategy should reduce the total time and resource demands on Tribal governments and regulatory agencies. As this project will serve to address eelgrass mitigation needs associated with several independently permitted projects, the joint mitigation approach will improve the efficiency of the regulatory process to the benefit of the resource and regulatory agencies.
 - The concept of advancing a few very large eelgrass restoration projects ahead of needs as a means of reducing individual project failure risk was outlined in the Humboldt Bay Eelgrass Comprehensive Management Plan (Merkel & Associates 2017). This plan has the benefit of addressing the high regional failure risk recognized in the CEMP (NMFS 2014) and subsequently reducing the mitigation ratios for later project impacts from the ultimate mitigation requirements of 1.2:1 down to a 1:1 ratio when the restored eelgrass is fully established.
- Cost and Efficiency Benefits:
 - Collaborative mitigation planning and implementation will provide mutual benefit to both Caltrans and the Harbor District by providing the opportunity to share costs and efforts associated with planning, design, permitting, mitigation implementation, monitoring and reporting.
 - A joint approach provides efficiencies of scale and offsets risk of shortfall by integrating surplus area to account for variable and patchy cover in restored beds.
 - Efficiencies in design and construction will be realized due to project scale, site selection opportunities, and reduction in redundant work efforts, including long-term monitoring.
 - Construction of a large site incorporating the needs of present and future projects will facilitate lower mitigation ratios for future projects and reduction of risk for future mitigation performance.

Eelgrass mitigation is an expensive undertaking irrespective of project scale that brings inherent uncertainties in the overall area of return within any restoration site. To mitigate the costs of eelgrass restoration, including upfront design, environmental, and engineering costs, construction and restoration planting, and long-term monitoring expenses it is generally preferred to aggregate projects within over-sized mitigation sites.

Development Projects Anticipated to Have Eelgrass Impacts

The Joint Eelgrass Mitigation Project will mitigate for the following projects (Figure 1):

- Harbor District
 - Redwood Marine Multipurpose Terminal (RMMT) (occurring in three phases)
 - King Salmon Fisherman's Channel maintenance dredging (occurring in two phases)
 - Operations and maintenance dredging and repairs for existing waterfront infrastructure
- Caltrans
 - Samoa Bridges Seismic Retrofit
 - Eureka Slough Bridges Replacement



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

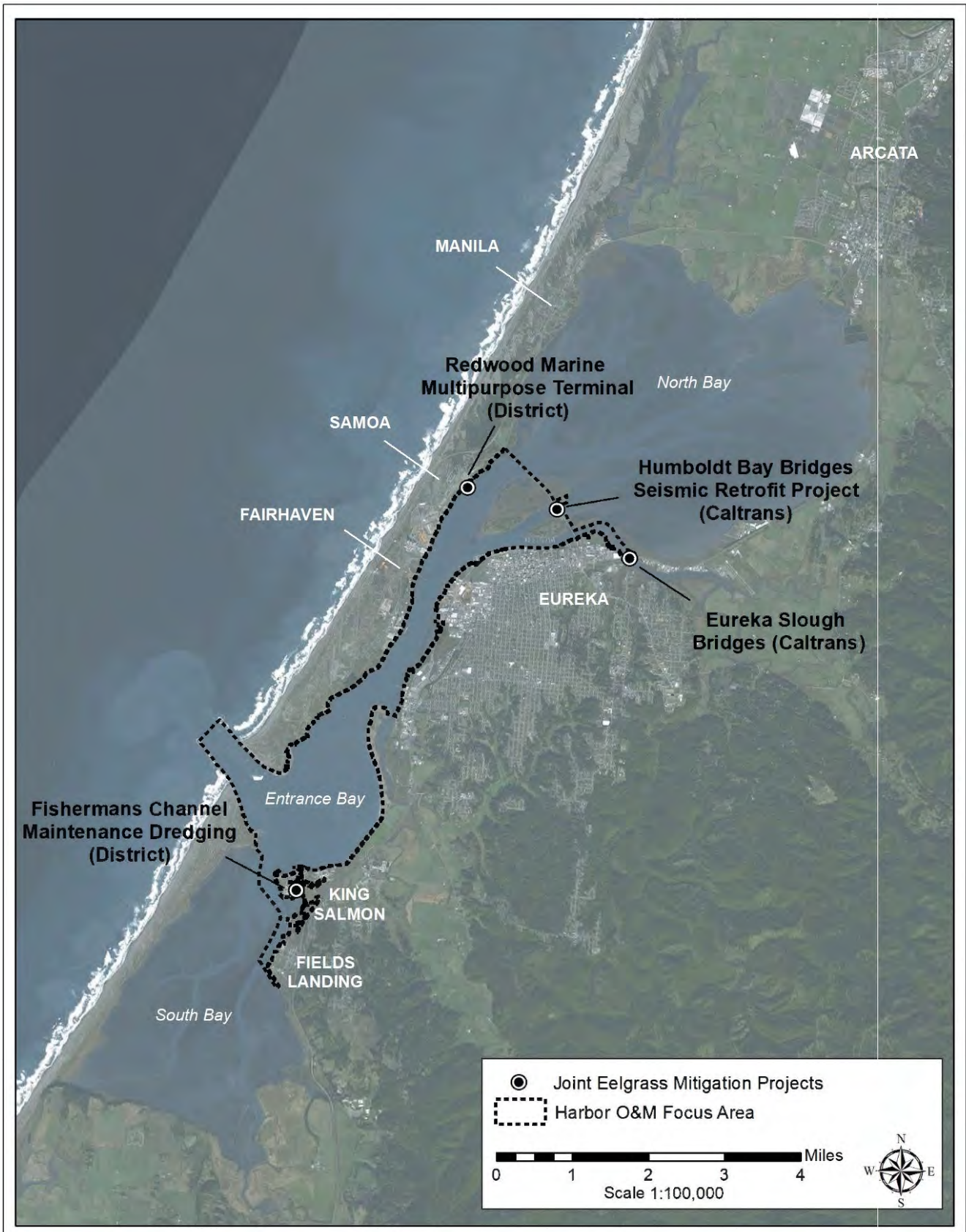


Figure 1: District and Caltrans development projects that would rely on eelgrass mitigation from the Joint Eelgrass Mitigation Project



Summary of Impact Areas and Mitigation Needs

Each of the projects outlined above has a projected range of impacts to eelgrass. Table 1 shows a range of expected impacts by each development project.

| Impact Project | Estimated Min. Impact (Acres) | Estimated Max. Impact (Acres) |
|---|-------------------------------|-------------------------------|
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.102 |
| 2. Eureka Slough Bridge Replacement | 0.012 | 0.025 |
| 3a. RMMT (Phase 1) | 0.05 | 0.250 |
| 4a. King Salmon Fisherman’s Channel | 0.25 | 1.000 |
| 3b. RMMT (Phase 2) | 4.00 | 6.000 |
| 3c. RMMT (Phase 3) | 0.80 | 1.250 |
| 4b. King Salmon Fisherman’s Channel | 2.00 | 3.300 |
| 5. Operations and Maintenance | 8.41 | 27.91 |
| TOTAL ESTIMATED IMPACT | 15.63 | 39.83 |
| <i>Assumed Area of Mitigation at Assumed Minimum Mitigation Ratio of 1 to 1.2</i> | 18.75 | 47.8 |

Table 1: Estimated eelgrass impacts of Development Projects.

The mitigation design will target achieving approximately 18.75 to 47.8 acres of eelgrass habitat creation pending refinement of project design and eelgrass impact assessment. This is expected to provide an eelgrass capacity buffer between the priority project needs and the ultimate restoration yield.

Risk Apportionment Strategy

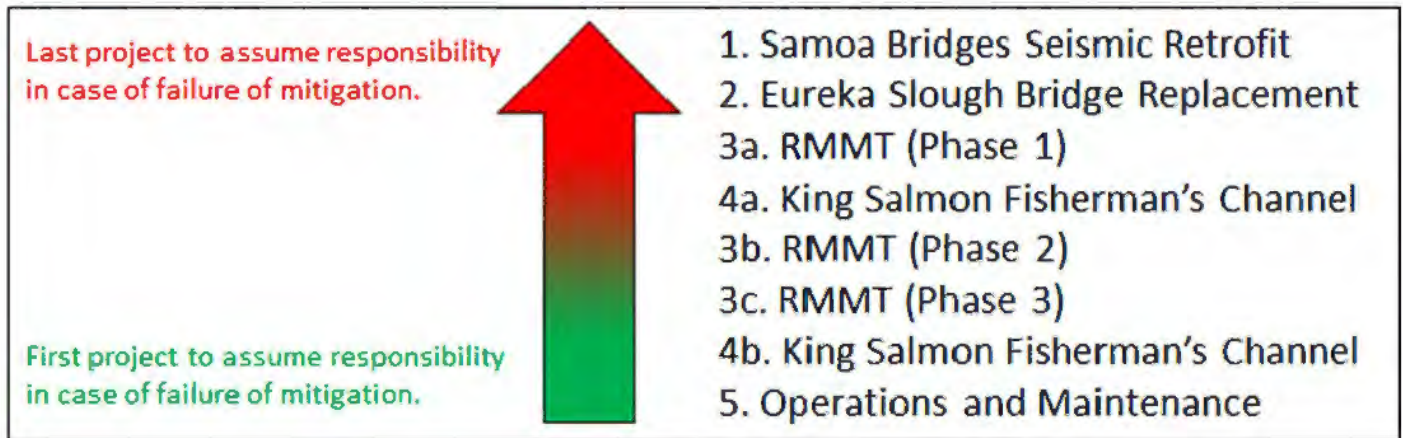
While the five projects will occur in different location within the Bay and at different times, the unified mitigation area will be implemented in three locations in three stages to mitigate for all five projects collectively. This will all be conducted with the underlying assumption that eelgrass mitigation projects have the potential for partial failure, sometimes at substantial levels. If a critical threshold of the mitigation area fails, there will not be enough mitigation area to cover the impacts of all five projects. Thus, preparing for such a contingency is a critical component of the joint mitigation strategy. One potential approach is for all five projects to share equally (or proportionally) in any shortfalls of mitigation area. Instead, the joint mitigation strategy agreed to between the District and Caltrans is for the five projects to be prioritized and for the risk of a shortfall to be apportioned in order of the assigned priority.

For instance, imagine a hypothetical scenario in which five projects each have one acre of impacts to eelgrass for a collective total of five acres of impacts. Under this hypothetical scenario, a 10-acre mitigation area is implemented five years before the impacts occur for any of the projects. At the end of the five-year monitoring period, only 7 acres of eelgrass are surviving. In this example, there has been a 70% success rate (30% failure rate) of the mitigation area. This would not be a problem since the viable area of mitigation (7 acres) is still larger than the area of impact (5 acres). However, if the viable area of mitigation area after five years is only four acres (a 60% failure rate), then under the prioritized risk apportionment strategy, the lowest priority project would not be able to be constructed because there is only enough mitigation area to cover four of the impact projects. The fifth project would need to establish and permit a new mitigation area prior to construction.

For the current real-world projects outlined in this memo, Caltrans and the District have agreed to a “Risk Apportionment” strategy as outlined in Graph 1 below:



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District



Graph 1: Risk Apportionment of the Various Impact Projects

This means that if the planned mitigation areas experiences partial failure in a quantity that exceeds the total combined impact area of all five projects, then the project at the bottom of the list (O&M) will be assigned responsibility for that failure while the other projects will be considered fully covered by the amount of mitigation area that succeeded. If the area of failure exceeds the quantity of impacts of the bottom project, then the responsibility will be assigned to that project (O&M) and the project next up on the list (King Salmon b). This pattern would continue up the list as needed. Thus, the project with the lowest risk is Samoa Bridge Seismic Retrofit and the project with the highest risk is O&M. As shown in Table 2 below, each successive project in the prioritized list requires a cumulatively higher success rate. More detail about the timeline of project implementation is shown in the next section and Attachment 1.

| VIABILITY OF THE CUMULATIVE PROJECTS AT VARIOUS SUCCESS RATES | | | | | | |
|---|--------------------------|---|----------------------------------|--|---|--|
| Impact Project | Estimated Area of Impact | Mitigation Area; equivalent to Area of Impact x 1.2 | Cumulative Total Mitigation Area | Required Cumulative Mitigation Success Rate to Implement Cumulative Projects | Year Impact Will Occur After Mitigation | Condition Prior to Impact |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 0.122 | 0.26% | 0 | NA (impact has already occurred) |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | 0.152 | 0.32% | 6 | ≥0.32% success rate at Year 6 |
| 3a. RMMT (Phase 1) | 0.250 | 0.30 | 0.452 | 0.95% | 1 | ≥0.95% success rate at Year 1 |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.20 | 1.652 | 3.46% | 1 | ≥3.46% success rate at Year 1 |
| 3b. RMMT (Phase 2) | 6.000 | 7.20 | 8.852 | 18.52% | 3 | ≥18.52% success rate at Year 3 |
| 3c. RMMT (Phase 3) | 1.250 | 1.50 | 10.352 | 21.66% | 5 | ≥21.66% success rate at Year 5 |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.96 | 14.312 | 29.94% | 6 | ≥29.94% success rate at Year 6 |
| 5. Operations and Maintenance | 27.91 | 33.49 | 47.80 | ≥29.95% | 6+ | 29.95% to 100% success rate after Year 6 |
| TOTAL | 39.83 | 47.80 | 47.80 | NA | NA | NA |

Table 2: Viability of the Five Projects at Various Success Rates.

Error! Reference source not found. below shows some hypothetical scenarios. Under Scenario #1, there is an 70% success rate of the planted mitigation area after the five year monitoring periods, and therefore mitigation for projects one through four is fully covered. However, only a portion of the fifth project (O&M) is mitigated for. As shown in Attachment 1 (Implementation Schedule), this would not be a problem since the O&M project is not scheduled to have



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

impacts until after the five-year monitoring periods are complete. Under this scenario, the O&M project would only be permitted to have 19.5 acres of impact rather than the planned 33.49 acres.

Under Scenario #2, there is a 25% success rate of the planted mitigation area, and therefore mitigation for projects one through 3c is fully covered. This would mean that the sixth project is not at all covered by the mitigation area at all and therefore could not be constructed unless/until a new mitigation area is established. In addition, only a portion of the second phase of the King Salmon project is mitigated for. As shown in Attachment 1, this would also not be a problem since the King Salmon project is not scheduled to have impacts until after the five-year monitoring period is complete. Under this scenario, the King Salmon project would only be permitted to have 1.6 acres of impact rather than the planned 3.9 acres.

Under Scenario #3, there is a 15% success rate of the planted mitigation area, and therefore mitigation for projects 1 through 4a is fully covered. This would mean that the fifth and sixth projects are not at all covered by the mitigation area and therefore could not be constructed unless/until a new mitigation area(s) is established. In addition, only a portion of Project 3b (RMMT Phase 2) is mitigated for. Under this scenario, project 3b would only be permitted to have 5.25 acres of impact rather than the planned 7.2 acres.

<See Table 3 on next page>



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

| HYPOTHETICAL SCENARIO #1 | | | | | | | |
|-------------------------------------|------------------------|---|----------------------------------|--|-------------------------------------|------------------------------------|-------------------------------|
| Impact Project | Acres of Impact | Mitigation Area; Acres of Impact x 1.2 | Acres of Joint Mitigation | Acres of Viable Mitigation with success rate of 70% | Hypothetical Acres Mitigated | Hypothetical Net Difference | Mitigation is Complete |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 47.80 | 33.46 | 0.122 | 0.000 | Yes |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | | | 0.030 | 0.000 | Yes |
| 3a. RMMT (Phase 1) | 0.250 | 0.300 | | | 0.30 | 0.00 | Yes |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.200 | | | 1.20 | 0.00 | Yes |
| 3b. RMMT (Phase 2) | 6.000 | 7.200 | | | 7.20 | 0.00 | Yes |
| 3c. RMMT (Phase 3) | 1.250 | 1.500 | | | 1.50 | 0.00 | Yes |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.960 | | | 3.96 | 0.00 | Yes |
| 5. Operations and Maintenance | 27.906 | 33.488 | | | 19.15 | (14.34) | Partial |
| TOTAL | 39.83 | 47.80 | 47.80 | 33.46 | 33.46 | (6.37) | NA |
| HYPOTHETICAL SCENARIO #2 | | | | | | | |
| Impact Project | Acres of Impact | Mitigation Area; Acres of Impact x 1.2 | Acres of Joint Mitigation | Acres of Viable Mitigation with success rate of 25% | Hypothetical Acres Mitigated | Hypothetical Net Difference | Mitigation is Complete |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 47.80 | 11.95 | 0.122 | 0.000 | Yes |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | | | 0.030 | 0.000 | Yes |
| 3a. RMMT (Phase 1) | 0.250 | 0.300 | | | 0.30 | 0.00 | Yes |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.200 | | | 1.20 | 0.00 | Yes |
| 3b. RMMT (Phase 2) | 6.000 | 7.200 | | | 7.20 | 0.00 | Yes |
| 3c. RMMT (Phase 3) | 1.250 | 1.500 | | | 1.50 | 0.00 | Yes |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.960 | | | 1.60 | (2.36) | Partial |
| 5. Operations and Maintenance | 27.906 | 33.488 | | | 0.00 | (33.49) | No |
| TOTAL | 39.83 | 47.80 | 47.80 | 11.95 | 11.95 | (27.88) | NA |
| HYPOTHETICAL SCENARIO #3 | | | | | | | |
| Impact Project | Acres of Impact | Mitigation Area; Acres of Impact x 1.2 | Acres of Joint Mitigation | Acres of Viable Mitigation with success rate of 15% | Hypothetical Acres Mitigated | Hypothetical Net Difference | Mitigation is Complete |
| 1. Samoa Bridges Seismic Retrofit | 0.102 | 0.122 | 47.80 | 7.17 | 0.122 | 0.000 | Yes |
| 2. Eureka Slough Bridge Replacement | 0.025 | 0.030 | | | 0.030 | 0.000 | Yes |
| 3a. RMMT (Phase 1) | 0.250 | 0.300 | | | 0.30 | 0.00 | Yes |
| 4a. King Salmon Fisherman's Channel | 1.000 | 1.200 | | | 1.20 | 0.00 | Yes |
| 3b. RMMT (Phase 2) | 6.000 | 7.200 | | | 5.52 | (1.68) | Partial |
| 3c. RMMT (Phase 3) | 1.250 | 1.500 | | | 0.00 | (1.50) | No |
| 4b. King Salmon Fisherman's Channel | 3.300 | 3.960 | | | 0.00 | (3.96) | No |
| 5. Operations and Maintenance | 27.906 | 33.488 | | | 0.00 | (33.49) | No |
| TOTAL | 39.83 | 47.80 | 47.80 | 7.17 | 7.17 | (32.66) | NA |

Table 3: Hypothetical Scenarios of Risk Apportionment at Various Success Rates.



Scheduling and Sequencing of Mitigation Implementation Relative to Impacts

As shown in Attachment 1 (Estimated Schedule), the planning and permitting period for the mitigation area is expected to be completed in late 2023, with the installation of the first stage of mitigation to be completed in mid-2024. The five-year monitoring period for the first stage of mitigation would begin in July of 2025 and last through June of 2030. Simultaneous to the beginning of the monitoring period, the RMMT Phase 1 impacts would occur (mid-2025). The other stages of mitigation and the timing of the impacts would occur as outlined in the Attachment.

Permitting Process for Development Projects

Each of the projects identified above requires a suite of regulatory approvals. The Samoa Bridges Seismic retrofit has been permitted and constructed but requires a Coastal Development Permit amendment. Permitting of the other projects is underway.

The development projects require the following environmental documentation and regulatory approvals. Other approvals may also be required.

- District projects
 - Redwood Marine Multipurpose Terminal – Anticipate completion of permitting in 2024.
 - California Environmental Quality Act/National Environmental Policy Act (CEQA/NEPA)
 - Coastal Development Permit (CDP)
 - Clean Water Act (CWA) Section 404 and 401 approvals
 - District Permit
 - California Endangered Species Act Incidental Take Permit
 - King Salmon Fisherman’s Channel Maintenance Dredging project
 - CEQA/NEPA
 - CDP
 - CWA Section 404 and 401 approvals
 - District Permit
 - California Endangered Species Act Incidental Take Permit (if hydraulic dredging is used)
 - Operations and Maintenance Dredging and Repairs on Existing Waterfront Infrastructure
 - Project specific
- Caltrans projects
 - Samoa Bridges Seismic Retrofit
 - CEQA/NEPA – Complete
 - CDP – Amendment required
 - Other permits – Complete (amendments may be required?)
 - Eureka Slough Bridge Replacement project
 - CEQA – Anticipate completion in 2028 or after.
 - CDP – Anticipate completion in 2028 or after.
 - Other permits – Underway; anticipated completion no later than 2028.
 - Others?

Special Studies for Mitigation Areas

Studies are likely to include:

- Topographic/ hydrographic Surveys
- Sediment Coring, Physical Class, Grain Size Analysis
- Sediment Chemistry and Reuse Options
- Conceptual Habitat Restoration Design
- Recreational Clamming & Clam Distribution
- Biological Impact Evaluation



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

- Benthic Invertebrate Field Collection
- Benthic Invert Sorting and Abundance Report
- Benthic Invert Taxonomy and Community Report

Permitting for Mitigation Areas

The Harbor District will lead the permitting processes associated with the joint mitigation area on behalf of the District and Caltrans. The District will be the CEQA Lead Agency and will develop a CEQA Initial Study / Negative Declaration (or Mitigated Negative Declaration) for the project. The District expects to obtain the following regulatory approvals, but other (or different) approvals may be required:

- IS/MND
- Humboldt Bay Harbor District Permit
- CWA 401 Certification from the North Coast Regional Water Quality Control Board
- Nationwide Permit from the US Army Corps of Engineers (USACE Section 404/10 Permit)
- Coastal Development Permit
- CDFW Section 2081 Permit (if needed for suction dredging)
- Coastal Development Permit (CDP) from the Ca. Coastal Commission

Overview of Proposed Mitigation Sites

The District and Caltrans propose to mitigate for eelgrass impacts from the above projects at one to three locations (Redwood Multipurpose Marine Terminal North, Clam Island, and/or King Salmon) pending the results of preliminary site suitability studies.

RMMT North Site

The proposed Redwood Multipurpose Marine Terminal North (RMMT North) eelgrass mitigation site is located immediately south and north of the western span of the Humboldt Bay Bridges in Samoa and overlaps a Harbor District owned parcel (APN 401-031-041-000) and District-granted State Lands along the Bay's western shoreline (Figure 2). The site consists of an intertidal mudflat bisected by several small, drainage channels with site elevations ranging from approximately 0 to 4 feet above MLLW. While most of the site is currently too high in elevation to support eelgrass, small patches of eelgrass occur within the lower elevation channels and small depressions within the flats that retain water at low tide as well as along the margin of North Bay Channel. Pending the results of hydraulic analysis and refinement of project design, the site may have the capacity to support as much as 10 to 12 acres of eelgrass.

Clam Island Site

The Clam Island site is located on District-granted State Lands at the northern terminus of an intertidal sand shoal in south Humboldt Bay west of King Salmon (Figure 3) and consists of approximately 15 to 20 acres of primarily unvegetated, sandy substrate ranging in elevation from 0.5 to 2.5 feet above Mean Lower Low Water (MLLW). The location and character of the Clam Island site is likely to offer amongst the most favorable ecological outcomes with respect to developing eelgrass habitat capable of supporting wildlife uses that are generally forgone when mitigation is conducted in proximity to more developed areas of the bay.

King Salmon Site

The King Salmon site spans a Harbor District owned parcel (APN 305-161-001-000) and District-granted State Lands along the southwestern shoreline of the King Salmon peninsula adjacent to Gill's by the Bay Restaurant (Figure 3). The site consists of approximately 1 acre of unvegetated, sandy substrate ranging in elevation from approximately 1 to 4 feet above MLLW.



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

Both the Clam Island and the King Salmon sites currently support recreational clamming; therefore, the proposed mitigation effort will include a clamming study that characterizes clam populations (abundance and distribution as a function of elevation and location) and identifies the areas where clamming activity is concentrated so impacts to recreational clamming can be understood and potentially minimized or avoided. It is also possible that mitigation activities could potentially improve conditions for recreational clamming. This will also be analyzed in the clamming study.

The proposed eelgrass mitigation sites at Clam Island and King Salmon are situated on opposing sides of Hookton Channel at the northern end of South Bay (Figure 3). These sand shoal sites were initially identified as good candidate eelgrass mitigation opportunities during development of the Humboldt Bay Eelgrass Comprehensive Management Plan (Humboldt Bay Eelgrass Comprehensive Management Plan, Merkel & Associates; 2017) and reflect a legacy of shoreline modification, armoring and dredging-related changes in bay morphology that have resulted in a diminished hydrodynamic energy regime relative to historic conditions. These sites likely provide the most cost-effective means of mitigating for larger-scale impacts to eelgrass (e.g., one or more acres) in Humboldt Bay at meaningful scales and within areas that will not be in conflict with any future uses. Further, the sites are situated in close proximity to the Bay's entrance, where good tidal circulation and lower ambient water temperatures may afford a level of protection from the effects of eelgrass wasting disease and provide higher capacity to persist long-term under sea level rise scenarios due to clearer water conditions than found more distant from the mouth. The ground elevations at these sites are slightly too high to support eelgrass and would be lowered via mechanical or hydraulic dredging to facilitate eelgrass growth.



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

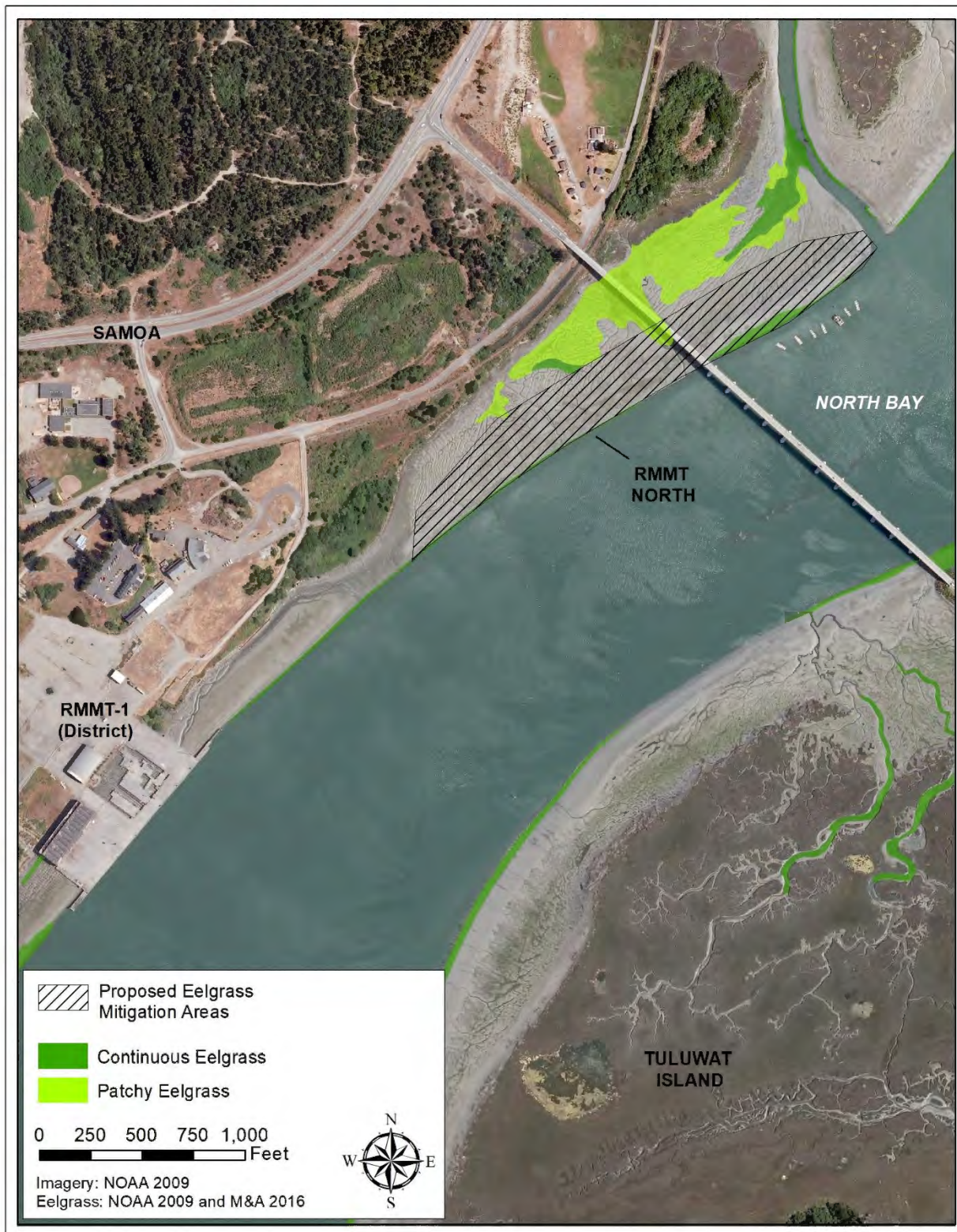


Figure 2: Location of the Proposed RMMT North Eelgrass Mitigation Site.

Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District



Figure 3: Location of the proposed Clam Island and King Salmon Eelgrass Mitigation Sites



Proposed Mitigation Strategy by Site

Clam Island

The proposed Clam Island eelgrass mitigation site would be constructed by lowering the shoal elevation by means of mechanical or hydraulic dredging to achieve a stable configuration. The sand dominated dredged material would be transported by barge and assessed for potential upland re-use as structural fill within the RMMT project area, the Intertidal Coastal Marsh Restoration south of Bracut, or another approved site, or alternatively hauled outside of the Coastal Zone for upland disposal. Following several weeks of settlement, the Clam Island site would then be planted with eelgrass sourced within Humboldt Bay using bare-root eelgrass planting units.

King Salmon

The proposed King Salmon mitigation site's location adjacent to undeveloped uplands owned by the District make it straightforward to implement using traditional, terrestrial heavy equipment (e.g. bulldozers, excavators, and offroad dump trucks), with good access for equipment ingress and egress at the site. To construct an eelgrass mitigation site at this location, the beach would be lowered (excavated or hydraulic dredged) and graded to achieve a stable transition to the natural shore slope, mimicking the beach contour and elevations further north where eelgrass is present. Excavated sand would be assessed for potential upland re-use as structural fill within the RMMT project area, the Intertidal Coastal Marsh Restoration south of Bracut, placement within the undeveloped uplands to the west of King Salmon, or another approved site, or alternatively hauled outside of the Coastal Zone for upland disposal. Following several weeks of settlement, the site would then be planted with eelgrass sourced within Humboldt Bay using bare-root eelgrass planting units.

RMMT North

The intertidal mudflats at RMMT North would be lowered (excavated or hydraulic dredged) to shallow subtidal depths to expand channel capacity. Excavated/dredged material would then be assessed for potential upland re-use as fill within the RMMT project, the Intertidal Coastal Marsh Restoration south of Bracut, or another approved site, ocean disposal, or alternatively, hauled outside of the Coastal Zone for upland disposal. Following excavation and several weeks of site settlement/adjustment, the portions of the excavated flats falling within the suitable depth range to support eelgrass would be transplanted using bare-root eelgrass planting units sourced within Humboldt Bay.

Anticipated Schedule

The planned schedule for Implementation is provided in Attachment 1.

Administrative Details of Joint Strategy

The structure of the collaborative approach between Caltrans and the Harbor District reflects the differences in institutional resource capacity and overall mitigation needs identified between the two parties. The Harbor District retains site control and jurisdiction over the majority of preferred eelgrass mitigation opportunities that have been recently identified within Humboldt Bay, while also having a substantially greater area need for eelgrass mitigation. Caltrans has a relatively small overall mitigation need and the capacity to provide funding support to meet the need but, lacks eelgrass mitigation opportunities within Caltrans jurisdiction. As such, the proposed collaborative structure reflects Caltrans ability to financially support the upfront mitigation planning, design, and permitting, as well as participate in funding of the project implementation and monitoring, while the District is better positioned to provide the mitigation site, and lead the project efforts, including the mitigation implementation and monitoring elements.

In identifying and scoping the various elements of a joint eelgrass mitigation project, allocation of costs, risks, and benefits provides the framework for establishing a mutually beneficial partnership. With the District taking a lead role in the project and having the larger overall eelgrass mitigation need, the District would propose to assume the risk of



Basis of Design for Joint Eelgrass Mitigation – Caltrans and Harbor District

mitigation failure such that any shortfall in achieving the combined mitigation need across parties/projects would fall on the District first and not Caltrans. Caltrans would buy down this risk by contributing more initial funding to the project development. In turn, the District would contribute the waters of the candidate mitigation sites under their jurisdiction and provide long-term site control. The District would also take on the site development management role to bring the mitigation to fruition.

Eelgrass restoration sites would be designed and developed to be oversized to limit failure risk for the highest priority Caltrans projects as well as the District's RMMT project. Surplus eelgrass developed beyond the needs of these projects would flow to the needs of prioritized additional District work including the maintenance dredging of Fisherman's Channel and other District operations and maintenance repairs within the developed waterfront. All mitigation would be based on either previously established mitigation needs for the Samoa Bridge Seismic Retrofit project, or CEMP standards (NMFS 2014) for the remainder sites.

Attachments

- Attachment 1: Estimated Schedule



Attachment 1

Estimated Schedule



ESTIMATED SCHEDULE OF MITIGATION PLANNING, MITIGATION IMPLEMENTATION, IMPACT PROJECTS, AND MONITORING PERIODS

| ACTIVITIES | | 2002 | | 2023 | | | | 2024 | | | | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | | 2030 | | | | 2031 | | | | 2032 | | | |
|---------------------------------|--|------|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|--|--|--|
| | | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | | |
| Studies, CEQA, and Permits | Agreement signed between District and Caltrans | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Quantification of impacts and completion of special studies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Completion and Adoption of CEQA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Completion of permits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Approval of permits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mitigation Stage 1 Constructive | Stage 1 - Mitigation site preparation/grading | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 1 - Test/initial planting of eelgrass at mitigation site | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 1 - Eelgrass planting at mitigation site | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mitigation Stage 1 Monitoring | Stage 1 - Monitoring Year 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 1 - Monitoring Year 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 1 - Monitoring Year 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 1 - Monitoring Year 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 1 - Monitoring Year 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mitigation Stage 2 Constructive | Stage 2 - Mitigation site preparation/grading | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 2 - Test/initial planting of eelgrass at mitigation site | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 2 - Eelgrass planting at mitigation site | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mitigation Stage 2 Monitoring | Stage 2 - Monitoring Year 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 2 - Monitoring Year 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 2 - Monitoring Year 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 2 - Monitoring Year 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 2 - Monitoring Year 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mitigation Stage 3 Constructive | Stage 3 - Mitigation site preparation/grading | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 3 - Test/initial planting of eelgrass at mitigation site | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 3 - Eelgrass planting at mitigation site | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mitigation Stage 3 Monitoring | Stage 3 - Monitoring Year 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 3 - Monitoring Year 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 3 - Monitoring Year 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 3 - Monitoring Year 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Stage 3 - Monitoring Year 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| act Projects | 1. Samoa Bridges Seismic Retrofit | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2. Eureka Slough Bridge Replacement | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 3a. RMMT (Phase 1) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Attachment 2. HBHRCD-Caltrans Joint Eelgrass Mitigation Project Phase 1 Budget

Table 2. Fiscal Participation in Funding the Joint Eelgrass Mitigation Project

| ESTIMATE OF PROBABLE COSTS BY PHASE, TASK, AND SITE | | | AGREED TO DIVISION OF COSTS | | | | | |
|---|---|--|---|----------------------------|-------------------|----------------------------|--------------------|------------------|
| JOINT MITIGATION COST CATEGORIES | | TASKS | TOTAL ESTIMATE OF PROBABLE COST BY TASK | HARBOR DISTRICT | | CALTRANS | | |
| | | | | Agreed-to Percent of Costs | Proportional Cost | Agreed-to Percent of Costs | Proportional Cost | |
| MITIGATION PROJECT PHASE 1 | Remaining Special Studies <small>(many other studies have already been completed)</small> | 1.1: Topographic/ hydrographic Surveys (design-level survey) | \$34,978 | 0% | \$0 | 100% | \$34,978 | |
| | | 1.2: Mitigation Sediment Characterization | \$115,177 | 0% | \$0 | 100% | \$115,177 | |
| | | 1.3: Dredge Material Management | \$34,954 | 0% | \$0 | 100% | \$34,954 | |
| | | 1.4: Conceptual Habitat Restoration Design | \$67,108 | 0% | \$0 | 100% | \$67,108 | |
| | | 1.5: Recreational Clamming & Clam Distribution | \$19,681 | 0% | \$0 | 100% | \$19,681 | |
| | | 1.6: Biological Impact Evaluation | \$44,924 | 0% | \$0 | 100% | \$44,924 | |
| | | 1.7: Benthic Invertebrate Field Collection | \$10,082 | 0% | \$0 | 100% | \$10,082 | |
| | | 1.8: Benthic Invert Sorting and Abundance Report | \$43,132 | 0% | \$0 | 100% | \$43,132 | |
| | | 1.9: Benthic Invert Taxonomy and Community Report | \$0 | 0% | \$0 | 100% | \$0 | |
| | | 1.10: Habitat Restoration Preliminary Design | \$150,036 | 0% | \$0 | 100% | \$150,036 | |
| | | <i>Phase 1 Administration (13%)</i> | | \$67,609 | 0% | \$0 | 100% | \$67,609 |
| PHASE 1 SUB-TOTAL | | \$587,680 | 0.0% | \$0 | 100% | \$587,680 | | |
| MITIGATION PROJECT PHASE 2 | Design and Permitting | 2.0 Benthic Invert Taxonomy and Community Reporting Plan | \$54,000 | 0% | \$0 | 100% | \$54,000 | |
| | | 2.1: Mitigation & Monitoring Plan | \$36,921 | 0% | \$0 | 100% | \$36,921 | |
| | | 2.2: Permits, Consultations and Approvals | \$272,698 | 0% | \$0 | 100% | \$272,698 | |
| | | 2.3: Final Habitat Restoration Design | \$217,493 | 0% | \$0 | 100% | \$217,493 | |
| | | <i>Phase 2 Administration (13%)</i> | | \$75,545 | 0% | \$0 | 100% | \$75,545 |
| | | PHASE 2 SUB-TOTAL | | \$656,657 | 0.0% | \$0 | 100% | \$656,657 |
| GRAND TOTAL | | | \$1,244,337 | 0.00% | \$0 | 100.00% | \$1,244,337 | |
| MITIGATION PROJECT PHASE 3: CONSTRUCTION | | FINAL CONSTRUCTION COSTS | tbd | 98.9% | tbd | 1.1% | tbd | |

ASSUMPTIONS

1. For future construction estimates, Construction Management will be assumed to be 3.5% of construction cost.
2. Contingency of 5% applied to cover unforeseen conditions associated with subsurface soils, additional requested studies.
3. Prevailing wage to be assumed for construction (Dredging) but would not apply to biological restoration field work and monitoring or data collection efforts.
4. For construction estimates, Dredged Material disposal assumed to be nearshore placement or offshore at HOODS.
5. All 3 mitigation sites would progress together through design, permitting and construction; fixed costs are shared and not a single site carrying the burden of the base cost.
6. Construction of all three sites assumed to occur within not more than 3 mobilizations.

7. Longfin smelt mitigation if required is not included.
8. Construction cost estimates will assume private contractor through public works bid process.
9. Eelgrass mitigation planning, design and permitting would occur in similar timeframe as the Redwood Terminal Redevelopment design and permitting work.
10. 5% contingency added to the dredging, disposal & transplant costs. Additional adjustment factors for inflation not included.
11. Environmental document for the habitat mitigation project will be an Initial Study / Negative Declaration and NEPA documentation will not be required because the projects will qualify for a USACE Nationwide permit.
12. For Task 1.2, \$200k costs are not included for bioassay testing that will only be required if initial sampling finds relatively high levels of certain contaminants.
13. Task 1.9 is an optional task that will only be required if needed due to agency feedback on the Task 1.8 report.
14. Other than for the Scientific Collecting Permit for Task 1.5, permit application fees are not included in the costs.

COST NOTES

Task 2.4 for small pilot scale project would be approximately \$60,000.

Task 1.10 for small pilot scale project would be approximately \$50,000.

Task 1.2 Sediment Sampling for chemical analysis only. No Bioassays; additional \$200k needed if required.

**Exhibit F. Caltrans-HBHRCD Eelgrass Mitigation
Proposal Update Letter to California Coastal
Commission (dated 12-7-22)**

DEPARTMENT OF TRANSPORTATION

NORTH REGION ENVIRONMENTAL

1656 Union Street

Eureka, CA 95501

(707) 498-7483

www.dot.ca.gov

TTY 711



Making Conservation
a California Way of Life.

December 7, 2022

Melissa Kraemer, District Manager
California Coastal Commission, North Coast District
1385 8th St #130
Arcata, CA 95521

SUBJECT: Humboldt Bay Eelgrass Mitigation Update

Dear Mrs. Kraemer,

Thank you for working collaboratively with the California Department of Transportation (Caltrans) to help find a solution to the outstanding eelgrass mitigation owed for the 2002 Humboldt Bay Bridges (HBB) Seismic Retrofit Project (EA 01-29670) and plans to complete advanced mitigation for the upcoming Eureka Slough Bridges Project (EA 01-0F200).

As an update to the 2019 and 2021 memos from our respective agencies (Attachments A and B), Caltrans is seeking a renewed agreement. This agreement states that local California Coastal Commission (CCC) staff will support the 2022 changes made to the mitigation strategy when both the permit amendment for the Humboldt Bay Bridges Seismic Retrofit Project and the Eureka Slough Bridges Project Coastal Development Permit (CDP) applications are presented to the Commission.

Humboldt Bay eelgrass populations are near carrying capacity; thus, to restore additional eelgrass, local eelgrass restorationists suggest that suitable habitat must be created. To do this, Caltrans, in partnership with the Humboldt Bay Harbor, Recreation and Conservation District (Harbor District), proposes to restore key areas of substrate within the bay for eelgrass to colonize. The Harbor District and Caltrans are pursuing a collaborative approach to satisfy existing and anticipated eelgrass mitigation needs associated with several independent projects within Humboldt Bay. In addition to the two Caltrans projects detailed above, the Harbor District has identified three projects that require eelgrass mitigation: the Redwood Marine Multipurpose Terminal Project (RMMT) (Phases 1 and 2), the King Salmon Fisherman's Channel Project, and ongoing

"Provide a safe and reliable transportation network that serves all people and respects the environment"

California Department of Transportation — North Region Environmental

District 1
1656 Union Street, Eureka, CA 95501

District 2
1657 Riverside Drive, Redding, CA 96001 (DO)
1031 Butte Street, Redding, CA 96001 (W. Venture)

District 3
703 B Street, Marysville, CA 95901

Operations and Maintenance projects. The two agencies plan to work together to establish a single unified mitigation strategy and a single integrated mitigation area. In other words, while there will be five independent impact areas, there will be one set of unified permits associated with eelgrass impacts/mitigation and one combined location for mitigation. Please see Attachments C and D for more detailed information.

Currently, the scoping studies required to complete the Harbor District's CDP application for the restoration site need to be completed. Caltrans proposes to fund these scoping studies, as well as additional future construction costs proportional to the amount of eelgrass credit Caltrans will receive from the total created by the mitigation project. The final monetary and mitigation offset amounts will be detailed in the forthcoming CDP applications.

While we recognize that local CCC staff cannot make agreements on behalf of the Commission and there may be unforeseen issues, it is Caltrans' understanding that the following criteria would be supported by local CCC staff at all relevant CDP hearings:

- a. Caltrans may partner with the Harbor District to complete one eelgrass restoration site to offset the impacts of multiple other Caltrans and Harbor District projects,
- b. The final monetary contribution Caltrans makes to the Harbor District will be proportional to the amount of total mitigation credit that will be attributed to Caltrans projects, and
- c. The monetary contribution from Caltrans can be used at the discretion of the Harbor District for project planning, scoping work, and/or construction.
- d. In case of failure of the mitigation site, and based on the anticipated impact/mitigation requirements of all projects, the order of projects assuming responsibility in case of failure will occur in the following order:
 1. Operations and Maintenance
 2. King Salmon Fisherman's Channel
 3. RMMT (Phase 2)
 4. RMMT (Phase 1)
 5. Eureka Slough Bridges
 6. Humboldt Bay Bridges Seismic Retrofit

"Provide a safe and reliable transportation network that serves all people and respects the environment"

California Department of Transportation — North Region Environmental

District 1
1656 Union Street, Eureka, CA 95501

District 2
1657 Riverside Drive, Redding, CA 96001 (DO)
1031 Butte Street, Redding, CA 96001 (W. Venture)

District 3
703 B Street, Marysville, CA 95901

Melissa Kraemer, California Coastal Commission, North Coast District Office
Re: Humboldt Bay Eelgrass Mitigation
EAs: 01-29670 & 01-0F200
December 7, 2022
Page 3

Caltrans appreciates the opportunity to work collaboratively with the North Coast District CCC office and requests a letter of support from local CCC staff stating their concurrence with the above criteria by October 31, 2022.

If you have any questions, please contact Lorna McFarlane at (707) 672-3593 or by email at lorna.mcfarlane@dot.ca.gov.

Sincerely

Brandon Larsen

Brandon Larsen

North Region Environmental Office Chief

Attachment(s): A. Caltrans Eelgrass Mitigation 121719
 B. CCC Letter 11520
 C. Basis of Design_Joint Eelgrass Mitigation_ Caltrans and HD-V2
 D. Eelgrass Caltrans Presentation To CCC-220929 Print Version

c: Lorna McFarlane
 Tim Nelson
 Meghan Hall

"Provide a safe and reliable transportation network that serves all people and respects the environment"

California Department of Transportation — North Region Environmental

District 1
1656 Union Street, Eureka, CA 95501

District 2
1657 Riverside Drive, Redding, CA 96001 (DO)
1031 Butte Street, Redding, CA 96001 (W. Venture)

District 3
703 B Street, Marysville, CA 95901

**Exhibit G. California Coastal Commission Updated
Eelgrass Mitigation Proposal Concurrence Letter to
Caltrans (dated 12-28-22)**

CALIFORNIA COASTAL COMMISSION

NORTH COAST DISTRICT OFFICE
1385 EIGHTH STREET, SUITE 130
ARCATA, CA 95521
VOICE (707) 826-8950
FAX (707) 826-8960



December 28, 2022

Lorna McFarlane, Senior Coastal Liaison
Caltrans District 1, North Region Environmental
P.O. Box 3700
Eureka, CA 95502-3700

RE: Humboldt Bay Eelgrass Mitigation Update

Dear Ms. McFarlane:

We are in receipt of a letter from Caltrans District 1 dated December 7, 2022 regarding an eelgrass restoration effort in Humboldt Bay to address the outstanding eelgrass mitigation owed for the 2002 Humboldt Bay Bridges (HBB) Seismic Retrofit Project (EA 01-29670; Coastal Development Permit No. 1-01-069) and which would also plan to provide potential advanced mitigation for the upcoming Eureka Slough Bridges Project (EA 01-0F200). The letter requests agreement by Commission staff in support of District 1's revised eelgrass mitigation strategy¹ for (1) substitute mitigation needed for the unsuccessful eelgrass mitigation performed for the 2002 HBB Project (which will be permitted under an amendment to the original CDP); and (2) the forthcoming CDP application for the Eureka Slough Bridges Project.

In brief, the current updated eelgrass restoration strategy involves a partnership between Caltrans and the Humboldt Bay Harbor, Recreation, and Conservation District to restore key areas of the bay for eelgrass to colonize (essentially, existing mudflat areas adjacent to existing eelgrass beds would be lowered to suitable elevations). Caltrans plans to fund the necessary scoping studies and future construction costs proportional to the amount of eelgrass credit Caltrans will receive from the total created by the mitigation project. After completion of scoping studies and environmental review, the Harbor District would apply for a CDP to implement the eelgrass restoration project.²

¹ A previous eelgrass mitigation strategy, summarized in a December 17, 2019 letter from Caltrans staff to Commission staff, involved a partnership between Caltrans and Sea Grant to restore areas of substrate within the bay where eelgrass has been impacted by the disposal of legacy oyster shell hash and cobble originally placed for oyster mariculture operations. Commission staff wrote a letter to Caltrans staff expressing support for this strategy (see letter dated January 15, 2020 from former North Coast District Manager Bob Merrill to former North Region Environmental Office Chief Brandon Larsen).

² Please note: While under this agreement Caltrans and the Harbor District agree that the Harbor District will be responsible for applying for and obtaining the CDP (and other necessary permits) to implement the eelgrass restoration project, Caltrans still will be responsible for applying for an amendment to CDP 1-01-069 and still ultimately responsible for the mitigation obligations if this effort is unsuccessful in fully

As noted in your recent letter, the final monetary and mitigation offset amounts will be detailed in the forthcoming CDP applications.

With the understanding that Commission staff has not yet evaluated details of the proposed mitigation feasibility studies, planning, and implementation, we generally are supportive of the project approach and appreciate the partnership between Caltrans and Harbor District to more efficiently meet both agencies' outstanding and upcoming mitigation needs. We also generally agree with the tiered mitigation approach – in particular, that Caltrans's outstanding project needs for the mitigation project would be assigned the lowest risk/greatest guarantee of receiving mitigation credit. Assuming that the upcoming environmental review supports moving forward with the proposed restoration strategy, Commission staff could recommend to the Commission that the Commission approve the eelgrass restoration project as mitigation for the two projects outlined above. The final determination as to whether the restoration proposal is acceptable mitigation would be made by the Commission itself when it acts, after a public hearing, on (1) the forthcoming CDP application for the Eureka Slough Bridges Project, and (2) the necessary permit amendment application for 1-01-069.

If you have any questions, please don't hesitate to contact me.

Sincerely,



Melissa B. Kraemer
District Manager

ec: Peter Allen, Commission Transportation Program Manager
Meghan Hall, Commission Staff Senior Ecologist
Liza Walker, Caltrans District 1 North Region Environmental Acting Office Chief
Tim Nelson, Caltrans District 1 Mitigation Specialist

meeting the requirements of CDP 1-01-069. As required by Special Condition 5-A-i, which required Caltrans to implement compensatory mitigation for permanent impacts to eelgrass associated with the Humboldt Bay Bridge seismic retrofit project, if the final approved mitigation plan failed to meet the success standards outlined in the plan, “the applicant shall submit an amendment to the coastal development permit proposing additional mitigation to ensure all performance criteria are satisfied consistent with all terms and conditions of this permit” (emphasis added).

Table 1. Eelgrass Mitigation Project Costs

| ESTIMATE OF PROBABLE COSTS BY PHASE, TASK, AND SITE | | |
|--|---|---|
| JOINT MITIGATION COST CATEGORIES | TASKS | TOTAL ESTIMATE OF PROBABLE COST BY SUB-CATEGORY |
| PHASE 1 Phase 9.1 Special Studies, Preliminary Design and Permit Applications | 9.1.1: Topographic/ Hydrographic Surveys (design-level survey) | \$17,708 |
| | 9.1.2: Mitigation Sediment Characterization (RMMT) | \$47,586 |
| | 9.1.3: Dredge Material Management | \$34,954 |
| | 9.1.4: Conceptual Habitat Restoration Design | \$67,108 |
| | 9.1.5: Recreational Clamming & Clam Distribution | \$21,681 |
| | 9.1.6: Biological Impact Evaluation | \$50,324 |
| | 9.1.7: Benthic Invertebrate Field Collection | \$10,082 |
| | 9.1.8: Permit Applications and CEQA | \$154,525 |
| | 9.1.9: Habitat Restoration Preliminary Design | \$118,084 |
| | <i>Subtotal (MN Contract Amount)</i> | \$522,050 |
| | <i>District Overhead (13%)</i> | \$67,867 |
| PHASE 1 SUB-TOTAL | \$589,917 | |
| PHASE 2 Phase 9.2 Permitting, Additional Special Studies and Final Engineering Design | 9.2.1: Benthic Invert Sorting and Abundance Report | \$47,982 |
| | 9.2.2: Benthic Invert Taxonomy and Community Report (If Needed) | If Needed |
| | 9.2.3: Mitigation Sediment Characterization (CI and KS) | \$82,204 |
| | 9.2.4: Mitigation & Monitoring Plan | \$38,221 |
| | 9.2.5: Permitting and CEQA Completion | \$159,599 |
| | 9.2.6: Topographic / Hydrographic Surveys (cont.) | \$36,690 |
| | 9.2.7: Final Habitat Restoration Design | \$245,213 |
| | <i>Subtotal (MN Contract Amount)</i> | \$609,908 |
| | <i>District Overhead (13%)</i> | \$79,288 |
| PHASE 2 SUB-TOTAL | \$689,196 | |
| TOTAL | | \$1,279,113 |

Assumptions

1. Dredged Material disposal assumed offshore at Humboldt Open Ocean Disposal Site. Disposal at another location would require additional planning, special studies and funding.
2. All three mitigation sites would progress together through design and permitting ; fixed costs are shared and not a single site carrying the burdon of the base cost.
3. Longfin smelt mitigation if required is not included.
4. Eelgrass mitigaton planning, design and permitting would occur in a similar timeframe as the Redwood Terminal Redevelopment design and permitting work.
5. Environmental document for the habitat mitigation project will be an Initial Study / Negative Declaration and NEPA documentation will not be required because the project will qualify for a USACE Nationwide permit.
6. Other than for the Scientific Collecting Permit for Task 9.1.5, permit application fees are not included in the costs.
7. Tasks 9.1.2 & 9.2.3 Sediment Sampling are for chemical analysis only. No biological testing is included. If required, biological testing may be over \$200,000.
8. Harbor District will provide a vessel, staff and vibracore for sediment sampling (Tasks 9.1.2 and 9.2.3).
9. Task 9.2.2 will only be required if agency staff requests further information about invert. communities. Cost would be \$64,000 and is not included in current total.

COOPERATIVE EELGRASS MITIGATION PROJECT: SCHEDULE FOR PHASES 1, 2, AND 3

| ACTIVITIES | | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
|--|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|
| Coop Agreement Signed by both parties | | | | | | | | | | | | | |
| PHASE 1 | 9.1.1: Topographic/ Hydrographic Surveys (design-level survey) | | | | | | | | | | | | |
| | 9.1.2: Mitigation Sediment Characterization (RMMT) | | | | | | | | | | | | |
| | 9.1.3: Dredge Material Management | | | | | | | | | | | | |
| | 9.1.4: Conceptual Habitat Restoration Design | | | | | | | | | | | | |
| | 9.1.5: Recreational Clamming & Clam Distribution Study | | | | | | | | | | | | |
| | 9.1.6: Biological Impact Evaluation | | | | | | | | | | | | |
| | 9.1.7: Benthic Invertebrate Field Collection | | | | | | | | | | | | |
| | 9.1.8: Permit Applications and CEQA | | | | | | | | | | | | |
| | 9.1.9: Habitat Restoration Preliminary Design | | | | | | | | | | | | |
| PHASE 2 | 9.2.1: Benthic Invert Sorting and Abundance Report | | | | | | | | | | | | |
| | 9.2.2: Benthic Invert Taxonomy and Community Report (Optional) | | | | | | | | | | | | |
| | 9.2.3: Mitigation Sediment Characterization (CI and KS) | | | | | | | | | | | | |
| | 9.2.4: Mitigation & Monitoring Plan | | | | | | | | | | | | |
| | 9.2.5: Permitting and CEQA Completion | | | | | | | | | | | | |
| | 9.2.6: Topographic / Hydrographic Surveys (cont.) | | | | | | | | | | | | |
| | 9.2.7: Final Habitat Restoration Design | | | | | | | | | | | | |
| Phase 3 will consist of project bidding, dredging, dredge material disposal, and planting in the two years following the end of Phase 2. | | | | | | | | | | | | | |



COMMISSIONERS

1st Division

Aaron Newman

2nd Division

Greg Dale

3rd Division

Stephen Kullmann

4th Division

Craig Benson

5th Division

Patrick Higgins

Humboldt Bay
Harbor, Recreation and Conservation District
 (707)443-0801
 P.O. Box 1030
 Eureka, California 95502-1030



STAFF REPORT
HARBOR DISTRICT MEETING
October 12, 2023

TO: Honorable Board President and Harbor District Board Members

FROM: Chris Mikkelsen, Deputy Executive Director

DATE: October 5, 2023

TITLE: Review and Approve an Agreement to Stay Loan and Rent Payment Obligations Between the Harbor District and the Humboldt Bay Development Association, Related to the Chase Community Capital New Market Tax Credit Loan

STAFF RECOMMENDATION: Staff recommends the Board: Review, approve, and authorize the execution of an Agreement to Stay Loan Payments related to the New Market Tax Credit Exit Agreement dated March 10, 2023, and the Fund Interest Purchase Agreement dated March 10, 2023.

SUMMARY: In March of 2016, the Humboldt Bay Harbor District, (District), in partnership with the Humboldt Bay Development Association, (HBDA), invested in and entered into a New Market Tax Credit (NMTC) loan fund for ongoing site clean-up and capital improvements of the vacant former Evergreen Pulp Mill. Such an agreement required the District and HBDA to enter into certain credit and lease agreements to carry out the intended improvements.

DISCUSSION: Whereas certain resulting actions now leave the District as a tenant of HBDA and HBDA as a debtor of the District, and whereas HBDA has faithfully performed all of its obligations and covenants of those certain credit and lease agreements, and whereas the District has faithfully performed all of its obligations and covenants of those certain credit and lease agreements, the parties wish to stay future loan and rent payments while they work to provide for the orderly dissolution of such. The Agreement To Stay Loan and Rent Payment Obligations, attached hereto, provides for a cooperative arrangement allowing the parties to reach an orderly dissolution. Upon approval and execution, the agreement will be presented to the Board of HBDA for consideration of the same.

ATTACHMENTS

- A.** Agreement To Stay Loan and Rent Payment Obligations

AGREEMENT TO STAY LOAN AND RENT PAYMENT OBLIGATIONS

THIS AGREEMENT TO STAY LOAN AND RENT PAYMENT OBLIGATIONS is made effective as of October 12, 2023 (“Effective Date”), by and between the Humboldt Bay Harbor, Recreation, and Conservation District (“District”), a California special district, and the Humboldt Bay Development Association (“HBDA”), a California non-profit corporation. The District, Samoa LLC, and HBDA may be referred to individually as a “Party” or collectively as the “Parties”.

RECITALS

WHEREAS, the District is special district formed pursuant to Appendix 2 of the California Harbors and Navigation Code;

WHEREAS, HBDA is a duly formed and operating public benefit corporation, focused on promoting development in and around Humboldt Bay for the benefit of the local community;

WHEREAS, in order to facilitate the rehabilitation of certain real property owned by the District on the Samoa Peninsula, the District caused HBDA to be formed and thereafter partnered with HBDA to obtain New Market Tax Credits loan funds in the principal amount of \$8,680,000.00 (“Loan”), which funds were used to rehabilitate portions of the District’s property;

WHEREAS, reference is made to that certain Credit Agreement (“Loan Agreement”) dated as of March 9, 2016, by and among New Markets Community Capital XVII, LLC, a Delaware limited liability company (“NMCC”), as lender, CNMC SUB-CDE 69, LLC, a Delaware limited liability company (“CNMC”), as lender, and HBDA, as borrower, dated March 9, 2016, under which HBDA entered into that certain Leasehold Deed of Trust, Security Agreement, Assignment of Rents and Fixture Filing dated March 9, 2016 in favor of NMCC and CNMC (collectively referred to herein as the “Leasehold Mortgage”);

WHEREAS, in order to facilitate the receipt of the loan funds, the District leased certain real property to HBDA by way of that Ground Lease dated March 9, 2016, for a period of 65 years (the “Ground Lease”); in turn, to allow the District to possess, manage, and rehabilitate the property, HBDA sub-leased the real property to the District by way of that Operating Lease dated March 9, 2016 (the “Operating Lease”);

WHEREAS, pursuant to the Ground Lease, at commencement of the lease term, HBDA made a lump sum payment to the District in the amount of \$3,906,000.00, which HBDA received through the Loan;

WHEREAS, pursuant to the Operating Lease, the District was obligated to pay monthly rent to HBDA in the amounts set forth in Exhibit B to the Operating Lease, which rent payments HBDA used to make payments on the Loan;

WHEREAS, in accordance with the Credit Agreement and the New Market Tax Credit program, HBDA has successfully completed its obligations owed to NMCC and CNMC, and each assigned

to Chase NMTC Samoa Investment Fund, LLC, a Delaware limited liability company (“Samoa LLC”), their collective interest in the Leasehold Mortgage, as more particularly set forth in that Assignment of Leasehold Deed of Trust dated March 10, 2023 (“Assignment”), and recorded as Document Number 2023-005958 in the Official Records of Humboldt County on May 10, 2023;

WHEREAS, pursuant to that NMTC Exit Agreement dated March 10, 2023, and the Fund Interest Purchase Agreement dated March 10, 2023, the District holds a 100% membership interest in Samoa LLC;

WHEREAS, pursuant to that Release of Leasehold Deed of Trust, Security Agreement, Assignment of Rents and Fixture Filing dated March 10, 2023 (“Release and Reconveyance”), and recorded as Document No. 2023-005959 in the Official Records of Humboldt County on May 10, 2023, Samoa LLC fully released and reconveyed to HBDA its interest in Leasehold Mortgage following the Assignment;

WHEREAS, in light of the fact that HBDA has successfully completed its obligations owed to NMCC and CNMC and such lenders have assigned to Samoa LLC all right, title and interest in the Loan, the District, Samoa LLC, and HBDA desire to stay any further Loan payments and any further rent payments under the Operating Lease, while the parties work to provide for the orderly dissolution and winding up of the Ground Lease and Operating Lease.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Stay in Rental Payments. During the Term of this Agreement and subject to the terms and conditions herein, HBDA agrees to relieve the District of its obligations under the Operating Agreement to make payments of monthly rent. All other terms and conditions of the Operating Lease remain in full force and effect.

2. Stay in Loan Payments. During the Term of this Agreement and subject to the terms and conditions herein, the District and Samoa LLC agree to relieve HBDA of its obligations under the Loan Agreement (all ancillary agreements thereto, including, without limitation, any notes and the Leasehold Mortgage) to make payments on the Loan.

3. Term. The term of this agreement shall retroactively commence on April 1, 2023, and shall remain in place for a period of twelve full calendar months, concluding on March 31, 2024 (“Term”), unless sooner terminated or extended by mutual agreement of the Parties.

4. Dissolution and Unwinding. During the Term, the Parties agree to work together, in good faith, to reach an agreement to unwind the Ground Lease, Operating Lease, and the Loan Agreement; provided, that nothing in this Agreement obligates either Party to reach an agreement.

5. Authority. Each Party hereto represents and warrants to the other that the individual executing this Agreement has the requisite authority to execute this Agreement.

IN WITNESS WHEREOF, this NMTC Exit Agreement has been duly executed and delivered by the duly authorized person of each party hereto as of the date first above written.

HUMBOLDT BAY DEVELOPMENT
ASSOCIATION, INC., a California nonprofit public
benefit corporation

By: _____

Name: _____

Its: _____

HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT, a California
public entity

By: _____

Greg Dale
President