

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

December 18, 2014

PRESENT:

Commissioner Newman
Commissioner Dale
Commissioner Marks
Commissioner Wilson
Commissioner Higgins

President Marks called the Executive Closed Session to order at 6:05 p.m.

President Marks adjourned the Executive Closed Session at 6:53 p.m.

President Marks called the regular meeting of the Board of Commissioners to order at 7:01 p.m.

President Marks asked Chuck DeWitt to lead those present in the Pledge of Allegiance. Mr. DeWitt declined; President Marks led the Pledge.

District Counsel reported on the Executive Closed Session as follows: Status of Conference with Real Property Negotiators Timber Heritage Association purchase of Redwood Marine Terminal Berth 1 Roundhouse Real Property and Freshwater Tissue Company Notice of Retaining Parcel C per the Option Agreement – No action taken on these items.

PUBLIC COMMENT

Kent Sawatzky said CalTrans held a sea level rise meeting and discussed the Last Chance Grade going into Crescent City as high priority.

CONSENT CALENDAR

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

COMMUNICATIONS AND REPORTS

EXECUTIVE DIRECTOR'S REPORT:

- ❖ Asked for Board direction on the "Name That Boat" contest, specifically regarding rules and process. Commissioners Higgins and Newman both volunteered to help Executive Director.
- ❖ Reported a group in the Philippines interested in purchasing the boiler has asked that any decision on the boiler sale be held until January 8, 2015. Executive Director also proposed the equipment and scrap value to DG Fairhaven for future use and they feel the equipment is a good value. Interested parties are still calling about the turbine generator and the Foxboro control system.
- ❖ Redwood Terminal 2 energy audit – UCM staff determined the scope of work presented would not solve the problem at Redwood Terminal 2. UCM's payment is based on recovery; would be too high.

Andy Sorter and Scott Willits said the inefficiencies need to be identified through an on-site energy assessment. SF6 leaks in the switchyard must be investigated. Cost savings opportunities would be: simple upgrades and changes, revisit metering discrepancy with PG&E and assess the Freshwater Tissue Company office costs. Recommendations: Complete Phase 2 and specify energy conservation measures; complete energy assessment of Woodley Island Marina site. Director of Facility Maintenance thanked Mr. Sorter and Mr. Willits for their information and said it will be very helpful to him in the future.

STAFF REPORTS:

Director of Facility Maintenance

- ❖ RFP for replacement of dredge engine has been distributed.
- ❖ California Conservation Corps is in the process of painting the dredge.
- ❖ The one ton crane at Berth 1 will be open for business in the next couple of weeks. It was salvaged from the old ice plant.
- ❖ Humboldt Bay Municipal Water District is donating a three ton forklift to the District.
- ❖ CalFire is tearing down the lean-to on the backside of the warehouse at Redwood Terminal 2.

Director of Harbor Operations

- ❖ Good News: *CRIMSON POLARIS* took a full load from California Redwood Company.
- ❖ Bad News: typical winter shoaling near the dolos at the entrance has happened. The dredging this year was not completed; there are 39' areas where it should be 48'.
- ❖ The next chip ship will be in Humboldt Bay in March 2015.
- ❖ Working with the Corps of Engineers to get the dredging done earlier in the year.
- ❖ Has been working on the beneficial reuse of dredge materials project.
- ❖ Has to complete his exams for unlimited licensing by February 2015.
- ❖ Will be setting markers for the mariculture pre-permitting sites in the morning.

District Planner

- ❖ Ongoing talks with the City on the dredging project. Bathymetry surveys are coming in and District Planner is helping with the internal assessment of the sampling.
- ❖ Working with the Regional Water Quality Control Board to develop a dredge and sediment material reuse master plan.
- ❖ Working on the King Salmon dredging meetings and overall project description.

DISTRICT COUNSEL REPORT: None.

COMMISSIONER AND COMMITTEE REPORTS:

Commissioner Newman:

- ❖ Crab season is turning out to be disappointing – minimal number of crabs.

Commissioner Marks:

- ❖ Attended a North Coast Rail Authority meeting. Northwestern Pacific Company is alive and well in the southern portion of NCRA's jurisdiction.

Commissioner Higgins

- ❖ Final recommendations from the mariculture pre-permitting committee will come to the Board of Commissioners soon.
- ❖ Assisted with the search for the District's new Deputy Director and is impressed with the quality of the applicants.
- ❖ Saw six military helicopters flying – must be part of the Navy training exercises being done locally.

Leroy Zerlang, Humboldt Bay Maritime Museum, and Chuck DeWitt, Humboldt Baykeeper, addressed the Board of Commissioners stating they would like to acquire the 1913 *LUIGI*, a 28' Monterey moored at Woodley Island Marina. Humboldt Baykeeper would like to use the boat for bay tours and would like one year at no charge at Woodley Island Marina until the *GOLDEN RULE* leaves.

President Marks suggested a committee be formed to work on this issue.

NON AGENDA: None

UNFINISHED BUSINESS

A. CONSIDERATION OF ADOPTING RESOLUTION 2014-14 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY REGIONAL INVASIVE SPARTINA ERADICATION AND NATIVE SALT MARSH RESTORATION PROJECT.

Adam Wagschal, HT Harvey & Associates, reported there is a statewide effort to control Spartina by various methods – burning, Marshmaster and herbicides.

Commissioner Dale asked if herbicides are being used. Mr. Wagschal said at this time there are no immediate plans to use herbicides. If it is determined that using herbicides is the least expensive and most effective method, they will be used. There is a process to notify landowners and stakeholders if this becomes the case.

Kent Sawatzky said he would rather see the Spartina grow wild than use herbicides. If John Shelter's workers are available to use, that would be great. Mr. Wagschal said Mr. Shelter's workers have been used in the past.

COMMISSIONER HIGGINS MOVED FOR THE ADOPTION OF RESOLUTION 2014-14 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY REGIONAL INVASIVE SPARTINA ERADICATION AND NATIVE SALT MARSH RESTORATION PROJECT. COMMISSIONER DALE SECONDED. ROLL CALL VOTE WAS TAKEN:

COMMISSIONER NEWMAN – AYE
COMMISSIONER DALE – AYE
COMMISSIONER MARKS – AYE
COMMISSIONER WILSON – AYE
COMMISSIONER HIGGINS – AYE

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF GRANTING PERMIT 14-05 TO THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY REGIONAL INVASIVE SPARTINA ERADICATION AND NATIVE SALT MARSH RESTORATION PROJECT.

COMMISSIONER HIGGINS MOVED TO GRANT PERMIT 14-05 TO THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY REGIONAL INVASIVE SPARTINA ERADICATION AND NATIVE SALT MARSH RESTORATION PROJECT. COMMISSIONER DALE SECONDED. MOTION CARRIED WITHOUT DISSENT.

NEW BUSINESS

A. CONSIDERATION OF EXTENSION OF PERMIT 11-01 WITH TAYLOR MARICULTURE LLC BERTH 2 FACILITY.

COMMISSIONER NEWMAN MOVED TO APPROVE THE EXTENSION OF PERMIT 11-01 WITH TAYLOR MARICULTURE LLC BERTH 2 FACILITY. COMMISSIONER WILSON SECONDED.

Kent Sawatzky said as long as the District has a tenant paying for a lease, everyone is happy.

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF HUMBOLDT FOR COLLABORATION ON THE FORMER PULP MILL INFRASTRUCTURE AND SITE REUSE PLAN.

Andrew Whitney, County of Humboldt, told the Board an MOU between the County of Humboldt and the Harbor District in order to receive the grant monies from EPA for the Former Pulp Mill Infrastructure and Site Reuse Plan.

COMMISSIONER HIGGINS MOVED FOR THE APPROVAL OF MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF HUMBOLDT FOR COLLABORATION ON THE FORMER PULP MILL INFRASTRUCTURE AND SITE REUSE PLAN. COMMISSIONER DALE SECONDED.

District Counsel stated he had concerns about the indemnification language contained in the MOU.

Executive Director suggested a friendly amendment stating the MOU would be approved with District Counsel's approval of the indemnification language.

COMMISSIONER HIGGINS ACCEPTED THE FRIENDLY AMENDMENT. COMMISSIONER DALE SECONDED.

Kent Sawatzky said this is a good grant project and said the County of Humboldt and the Harbor District are doing a good job on collaboration.

MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF PAYMENT OF NEW MARKETS TAX CREDIT LEGAL COUNSEL, SURVEYOR AND ENGINEERS.

Executive Director reported the Community Development entities returned \$75,000 and cancelled the credits – will be available in 2015; the closing documents are 90% complete with a six-month shelf life without update – July 2015; Closing documents include appraisal, environmental studies, legal analysis, RAP approval, Alta Survey, Refunding Bond, rent analysis and EPA settlement (still pending). All closing documents costs will be reimbursed at closing.

Current closing documents requiring payment - Nixon Peabody \$38,000, LACO Associates \$22,000 and Kelly-O'Hern Associates \$22,000.

District Counsel reported Nixon Peabody had a conflict of interest they did not disclose prior to doing work for the Harbor District. However the work they did prepare has value to the District and some negotiation on the fee would be in order.

COMMISSIONER NEWMAN MOVED FOR THE APPROVAL OF PAYMENT TO KELLY-O'HERN ASSOCIATES, LACO AND NIXON-PEABODY AFTER NEGOTIATIONS ARE COMPLETED ON A LOWER PAYMENT. COMMISSIONER WILSON SECONDED.

Kent Sawatzky said Nixon-Peabody should be paid, but negotiate down to zero if they did not disclose a conflict of interest, which would void the contract.

D. CONSIDERATION OF LETTER TO INTERNATIONAL PACIFIC HALIBUT COMMISSION REGARDING QUOTA IN ZONE 2A – HIGGINS.

Commissioner Higgins said there is good news regarding halibut fishing. Data is showing halibut growth better locally than most areas on the Pacific Coast.


Commissioner Newman said the only impact of the quota is to recreational fishing. He feels the International Pacific Halibut Commission is being overly conservative; fishing should be wide open.

COMMISSIONER NEWMAN MOVED FOR APPROVAL OF LETTER TO INTERNATIONAL PACIFIC HALIBUT COMMISSION REGARDING QUOTA IN ZONE 2A. COMMISSIONER WILSON SECONDED. MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None.

The Regular Meeting of the Board of Commissioners adjourned at 8:35 p.m.

APPROVED BY:



Greg Dale
Secretary

RECORDED BY:



Patricia Tyson
Director of Administrative Services