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

DATE: May 26, 2016
TIME: Executive Closed Session – 6:00 PM
       Regular Session – 7:00 PM
PLACE: Woodley Island Marina Meeting Room

The Meeting Room is wheelchair accessible. Accommodations and access to Harbor District meetings for people with other handicaps must be requested of the Director of Administrative Services at 443-0801 at least 24 hours in advance of the meeting.

1. Call to Order at 6:00 p.m.
   a. Move to Executive Closed Session pursuant to the provisions of the California Government Code Sections 54957(b)(1) (Public Employee Performance Evaluation) and 54956.8 (Conference with Real Property Negotiators)
      1) Public Employee Performance Evaluation
         Title: Chief Executive Officer (Employment Contract)
      2) Conference with Real Property Negotiators
         Agency Negotiator: Board President, Executive Director and District Counsel
         Under Negotiation: PG&E property transfer

2. Adjourn Executive Closed Session

3. Call to Order Regular Session at 7:00 P.M. and Roll Call

4. Pledge of Allegiance

5. Report on Executive Closed Session

6. Public Comment
   Note: This portion of the Agenda allows the public to speak to the Board on 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. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.

7. Consent Calendar
   a. Consideration of extension of Permit No. 11-01 to Taylor Mariculture LLC for Berth 2 Facility.
   b. Consideration of approval of minutes from the February 25, 2016 Board meeting.
   c. Consideration of approval of minutes from the March 10, 2016 Board meeting.
Agenda for May 26, 2016 Regular Board Meeting

8. Communications and Reports
   a. Executive Director Report
   b. Staff Reports
   c. District Counsel, District Planner and District Treasurer Reports
   d. Commissioner and Committee Reports
   e. Other

9. Non Agenda

10. Unfinished Business

11. New Business
   a. Consideration of Adopting an Addendum to the 2007 Initial Study/Mitigated Negative Declaration for Coast Seafoods Company for Modification of Mariculture Activities.
   b. Consideration of Adoption of Resolution 2016-10, A Resolution Establishing Findings Relative to the Request by Coast Seafoods for Modification of Mariculture Activities.
   c. Consideration of Granting 2016 Modification of Permit 04-03 to Coast Seafoods Company for Modification of Mariculture Activities.
   d. Consideration of Nominations to Humboldt Bay Development Association Board.
   e. Consideration to accept PG&E donation of used foot bridge.

12. Administrative and Emergency Permits

13. Adjournment
April 18, 2016

Adam Wagschal
Humboldt Bay Harbor, Recreation, and
Conservation District
PO Box 1030
Eureka, CA 95502-1030

RE: Taylor Mariculture LLC Permit Extension
Permit No. 11-01

Dear Mr. Wagschal:

This letter is submitted on behalf of Taylor Mariculture LLC ("Taylor") requesting an extension of Permit No. 11-01. Taylor has completed construction of its upland mariculture facility and installation of its first six FLUPSYs on the project site and plans to install several additional FLUPSYs this year. Taylor requests this extension through January 26, 2017, at which time it anticipates filing another request for a full 1-year extension of the permit. Thank you for your assistance in this matter. Please let me know if you have any questions.

Very truly yours,

Robert M. Smith

RMS:cm1
PRESENT:
Commissioner Doss
Commissioner Dale
Commissioner Marks
Commissioner Higgins

ABSENT:
Commissioner Wilson

President Higgins called the Executive Closed Session to order at 6:02 p.m.

President Higgins adjourned Executive Closed Session at 6:47 p.m.

President Higgins called the regular meeting of the Board of Commissioners to order at 7:03 p.m.

President Higgins asked Commissioner Marks to lead the Pledge of Allegiance.

District Counsel reported on the Executive Closed Session as follows: Conference with Real Property Negotiators regarding the Lease with Mario's Marina at Shelter Cove and New Market Tax Credits – Lease of Redwood Terminal 2 – no action taken.

PUBLIC COMMENT

Debbie Provolt said there is legislation that says the Executive Director shall at regular intervals, at least once a month, submit a written report and accounting of all receipts and disbursements and fund balances and file a copy with the Board. She asked if the reports will be filed during the public hearing; available under Public Records; part of the Board packet?

Kent Sawatzky said we live in a ‘free stuff’ world, everyone wants free stuff; but if it seems to good to be true, it usually is. The Board of Supervisors has a $3m budget deficit spending. Hard times are expected in FY 2017/18 and more Measure Z money is expected. He is disappointed in the Board of Supervisors' lack of fiscal responsibility.

CONSENT CALENDAR: None

COMMUNICATIONS AND REPORTS

EXECUTIVE DIRECTOR’S REPORT

- Down to the short list on the New Market Tax Credits transaction. Looking at closing next week. It is possible a Special Board Meeting will be required.
- The LACO Associates reliance letter to lenders contains acceptable language and cost.
- The Subordination agreement is acceptable to Taylor Mariculture and Coast Seafoods Company.
- The BBVA final funding approval – it has been too long since approved in October 2015; additional information may be required.
- Status of Public Records Act Request - 30% complete, after 35 hours of work - an extension has been granted.
- Taylor Mariculture has been expanding and making improvements; it has been a good seed year.
- Dredge electrical wiring is 90% complete; 3,000 ft. more pipe has been purchased.
- The Final Redwood Terminal II Infrastructure Reuse Evaluation will be available soon.

STAFF REPORTS:

Deputy Director:

- Shelter Cove
  - Letters written to potential tenants with boats on the property; Positive responses coming in, tenants want to remain at the storage facility.
Cruise Ship
  o Cruise Ship Interest in stopping in Humboldt Bay in the Fall of 2017. An agent from one of the larger Cruise ship companies has made contact and is planning a pre-site visit. Very close to securing a stop, hopefully an announcement coming soon.

Dredge Engine Surplus
  o Staff is looking for a refurbished engine for the booster pump that meets CA emissions standards and needs to meet Tier 3 requirements; ready to surplus engines removed from the dredge and booster pump. There is strong interest in the Engine which has been removed from the Dredge.

PORTS Current monitoring system
  o Maintenance performed on Chevron Dock sensor, re-installed Monday. Meeting with Chevron for renewal of maintenance contract.$30,000 per year.

Federal Dredging
  o -USARmy Corps of Engineers’ survey boat was here and did soundings, waiting for results; Dredging is scheduled for late April.

Portable Vibrocore System Request for Proposals went out.
  o -Proposals due back March 14th.
  o -System will allow District Staff to conduct pre-dredge sampling.

DISTRICT COUNSEL REPORT:

District Counsel reported he has been spending time on the New Market Tax Credit draft documents; the good news is six of District Counsel’s hours equals one hour from the other attorneys.

COMMISSIONER AND COMMITTEE REPORTS:

Commissioner Dale:
  o Just returned from Willapa Bay where there was a lot of discussion about the ocean and how it is changing.
  o Also spent some time at the San Francisco Tiburon Center for CenCoos, the unusual ocean temperatures with the El Nino has created many unknowns.

Commissioner Higgins:
  o Is distressed about the domonic acid and change in ocean temperatures.
  o Saddened that former Commissioner Charles Olivier passed away. His dedication to marine trade, the working man and the Harbor District are without question. His contributions are recognized and appreciated.

Commissioner Marks:
  o Attended the Humboldt County Planning Department workshop on Commercial Dependent Industrial zoning issues around the bay.
  o Attended the Humboldt Bay Working Group luncheon where there was a discussion about moving produce from the Central Valley to Humboldt Bay.
  o Umpires are scheduled for high school baseball.

OTHER: None

NON AGENDA: None

UNFINISHED BUSINESS

A. CONSIDERATION OF ADOPTING RESOLUTION 2016-03, WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE CITY OF EUREKA FOR THE EUREKA WATERFRONT TRAIL PROJECT.

Deputy Director reported the major goals of the project are to: Enhance the non-motorized transportation/commuter corridor; increase pedestrian connectivity; Increase public access to waterfront; and provide nature study opportunities.

The project consists of a 3.75 miles multi-use trail: paved section to accommodate emergency vehicles with two unpaved shoulders; sections of boardwalk; six bridges; trailheads; interpretive signs; playgrounds; workout equipment; parking; landscaping; street crossing; roadway / sidewalks; lighting; fencing; drainage improvements; invasive plant removal and revegetation and landscaping to buffer sensitive habitats.
Tideland impacts will be: Construction of boardwalk will require equipment on salt marsh; will use tracked vehicles and plants will be disturbed, but root systems remain intact; small helical piles screwed into salt marsh soil; permanent wetland and sensitive habitat impacts: 0.364 acres; and temporary wetland and sensitive habitat impacts: 0.35 acres.

Mitigation results will be: a net increase in area of estuarine saltmarsh habitat and will increase the area of *Salix hookeriana* Shrubland Alliance.

The project consists of a Monitoring plan; a long-term adaptive management plan and the City of Eureka will own the site and place it under a conservation easement, to maintain protection in perpetuity.

City of Eureka is the CEQA Lead Agency and CEQA is complete (three Mitigated Negative Declarations and two Categorical Exemptions).

COMMISSIONER DALE MOVED FOR THE ADOPTION OF RESOLUTION 2016-03, WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE CITY OF EUREKA FOR THE EUREKA WATERFRONT TRAIL PROJECT. COMMISSIONER MARKS SECONDED.

Kent Sawatzky said there may not be enough money to complete the trails; we do not have the economy here. Free stuff is going away. More tax base is needed locally. But this is a great project.

Monte Provolt asked if the wetlands are under the Harbor District’s jurisdiction. Deputy Director responded the tidal wetlands are. Mr. Provolt asked who will fix the pollution and damage done by the homeless.

President Higgins asked if California Coastal Trails funds are available. Deputy Director stated the City of Eureka has worked diligently to acquire funding; 95% of the construction is being funded by grants – CalTrans and the California Coastal Conservancy. Additional funding is also being researched.

Commissioner Marks said most of the trail projects are close to being funded. The Harbor District placed two porta-potties near the entrance to the trail behind the Bayshore Mall.

ROLL CALL VOTE WAS TAKEN:
- COMMISSIONER DOSS – AYE
- COMMISSIONER DALE – AYE
- COMMISSIONER HIGGINS – AYE
- COMMISSIONER WILSON – ABSENT
- COMMISSIONER MARKS – AYE

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF GRANTING PERMIT 15-06 TO THE CITY OF EUREKA FOR THE WATERFRONT TRAIL PROJECT.

COMMISSIONER MARKS MOVED FOR THE GRANTING OF PERMIT 15-06 TO THE CITY OF EUREKA FOR THE WATERFRONT TRAIL PROJECT. COMMISSIONER DALE SECONDED. MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF ADOPTING AND CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT AND ASSOCIATED MITIGATION MONITORING AND REPORTING PROGRAM FOR THE HUMBOLDT BAY MARICULURE PRE-PERMITTING PROJECT.

Commissioner Dale recused himself and left the room.

Deputy Director reported the goal for the mariculture pre-permitting project is to allow for an expansion of commercial mariculture activities in Humboldt Bay, to create jobs and improve the local economy, while also increasing local and sustainable seafood production. Traditionally, the private shellfish grower would go through the regulatory agencies for permits: California Coastal Commission, US Army Corps of Engineers, Regional Water Quality Control Board and the Harbor District. In this process, the private shellfish grower gets
their permit through the Harbor District, who has already obtained permits from the traditional regulatory agencies.

The Environmental Impact Report for the project, addressing Intertidal and Subtidal Culture lists three alternatives: Alternative 1 – Subtidal Culture Only (the current project); Alternative 2 – Intertidal Culture Only and Alternative 3 – No Project.

Alternative 1 – Subtidal Culture Only – consists of three sites of a total 21.2 acres. Floating upwelling systems (FLUPSYs) rafts and macroalgae longline will be used. Potential effects are assessed based on the following resources: Cultural and Archeological Resources; Biological resources; Aesthetics and Visual Resources; Air Quality; Greenhouse Gas Emissions; Hydrology and water quality and Land Use. Primary potential impacts will be Eelgrass impacts; increased predation of birds on salmonids and longfin smelt; avoidance by salmonids and noise effects of pile installation.

Final Environmental Impact Report Mitigation Measures are to be: Compliance with air quality regulations; Educational meetings regarding marine mammal avoidance and avoidance of gear loss; Shielding of light fixtures to reduce glare; Eelgrass avoidance by boats and equipment; Screening of water intakes to avoid aquatic species impacts; Spawning herring avoidance; Remove mature clams from bay; Sound threshold criteria and biological monitor for pile installation; Biofouling organism removal from bay; Standard District protocols for inadvertent discovery of cultural or archeological resources; Native American remains and grave goods and Measures to minimize risk of fuel and petroleum spills.

Deputy Director stated Staff recommends certifying the Final Environmental Impact Report and Mitigation Monitoring and Reporting Program

COMMISSIONER MARKS MOVED TO ADOPT AND CERTIFY THE FINAL ENVIRONMENTAL IMPACT REPORT AND ASSOCIATED MITIGATION MONITORING AND REPORTING PROGRAM FOR THE HUMBOLDT BAY MARICULTURE PRE-PERMITTING PROJECT. COMMISSIONER DOSS SECONDED.

Kent Sawatzky said the bids and ranking are now over a year old, stale bids. Many bids are on the outlying areas; but CEQA is only certifying certain areas. He said the idea of the project was to bring in smaller growers.

Debbie Provolt asked about leasing tidelands in front of privately owned property. If the Harbor District filed a quick claim deed to the private owner, is it included in the leased area? The property has already been given up by the Harbor District

Sebastian Elite thanked Deputy Director for his hard work. He also thanked the Board for allowing operations such as his to have the opportunity to expand.

MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF ADOPTING RESOLUTION 2016-04 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY MARICULTURE PRE-PERMITTING PROJECT.

Deputy Director stated language clarifying the certification of the Alternative was added to the resolution after circulation of the agenda report.

COMMISSIONER DOSS MOVED FOR THE ADOPTION OF RESOLUTION 2016-04 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY MARICULTURE PRE-PERMITTING PROJECT. COMMISSIONER MARKS SECONDED.

Kent Sawatzky said it is hard for the public to not have access ahead of time to Board meeting materials in order to make comments. Complete packets for the public are necessary. Additional people have been included that were not in the previous bidding process. This project should go out to bid again.
ROLL CALL VOTE WAS TAKEN:
COMMISSIONER DOSS – AYE
COMMISSIONER DALE – ABSENT
COMMISSIONER HIGGINS – AYE
COMMISSIONER WILSON – ABSENT
COMMISSIONER MARKS – AYE

MOTION CARRIED WITHOUT DISSENT.

E. CONSIDERATION OF GRANTING PERMIT 13-03 TO THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY MARICULTURE PRE-PERMITTING PROJECT.

COMMISSIONER MARKS MOVED TO GRANT PERMIT 13-03 TO THE HUMBOLDT BAY HARBOR DISTRICT FOR THE HUMBOLDT BAY MARICULTURE PRE-PERMITTING PROJECT. COMMISSIONER DOSS SECONDED.

Kent Sawatzky said it may not be in the best interest of the Harbor District for the Committee to grant the permit to itself.

MOTION CARRIED WITHOUT DISSENT.

Commissioner Dale returned to the meeting room.

NEW BUSINESS

A. CONSIDERATION OF ACCEPTING FOR FILING PERMIT APPLICATION 16-03 FROM THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT FOR THE HUMBOLDT BAY PILOT DESALINATION PROJECT.

Deputy Director stated once the permit is accepted for filing by the Board, the 30-day public comment period will begin. The environmental analysis of the desalination project is that there is very little change to the chemistry of the water. At the water intake is a screen to reduce potential impingement of fish.

COMMISSIONER DALE MOVED TO ACCEPT FOR FILING PERMIT APPLICATION 16-03 FROM THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT FOR THE HUMBOLDT BAY PILOT DESALINATION PROJECT. COMMISSIONER MARKS SECONDED.

Commissioner Doss asked about the goals of Humboldt State University. Deputy Director responded the professor is at the cutting edge of desalination research and funding comes from the Department of Water Resources. Commissioner Doss asked if it generates its own power; the project is considered high energy consumption. Deputy Director responded it does generate power and at a low cost. Executive Director stated the cost of the energy is part of the match.

Commissioner Dale said reverse osmosis and pressure retarded osmosis work together; cutting edge from power generating processes.

Executive Director reported this project leveraged approximately $800,000 of grant funds.

Kent Sawatzky said he strongly supports this project. He asked about the net financial gain and said he guesses HSU is a non-taxpaying tenant.

Monte Provolt asked about the volumes of water. Deputy Director stated 10 gallons of water per minutes through the outfall pipe continuously for one year.

MOTION CARRIED WITHOUT DISSENT.
B. CONSIDERATION OF AWARDING CONTRACT TO MERKEL & ASSOCIATES IN AN AMOUNT NOT TO EXCEED $89,568 FOR DEVELOPMENT OF A HUMBOLDT BAY EELGRASS MANAGEMENT PLAN.

Deputy Director reported the goals of the Humboldt Bay Eelgrass Management Plan as follows: to ensure that the sum of individual eelgrass conservation actions have the greatest benefit to eelgrass and eelgrass functions; facilitate more efficient regulatory processes for projects in the bay; and to provide a long-term eelgrass habitat conservation strategy that allows for sea level rise adaptation, dredging and economic development in Humboldt Bay.

Selection began with a competitive RFP process with a multi-agency selection committee, resulting in seven responses. The scope of work was determined through a public workshop and five partner meetings. The timeline for the development of the plan is March 2016-November 2017. Funding is from an EPA grant to the Harbor District.

COMMISSIONER DALE MOVED TO AWARD A CONTRACT TO MERKEL & ASSOCIATES IN AN AMOUNT NOT TO EXCEED $89,568 FOR DEVELOPMENT OF A HUMBOLDT BAY EELGRASS MANAGEMENT PLAN. COMMISSIONER DOSS SECONDED.

Commissioner Doss said he is hoping through this process suggestions will be given as to how to manage eelgrass different from the guidelines now imposed.

Whelan Gilkerson, Merkel & Associates, said he recognizes there are strong feelings on both sides of the eelgrass management issues. Humboldt Bay is fortunate to have a lot of eelgrass; however it is a challenge to manage activities that need to occur and may impact eelgrass.

Commissioner Higgins said he is glad this issue is being addressed; strategies need to be developed.

Monte Provolt said he has a boat moored at King Salmon. Since there is such an abundance of eelgrass there, is it possible to transplant eelgrass and help the rest of the state?

Kent Sawatzky said Aleutian Geese like eelgrass; he suggested breeding them.

Commissioner Dale said Mr. Gilkerson is probably the most knowledgeable about eelgrass in our area. Eelgrass is valuable, but also creates heartburn. The goal is to maintain our infrastructure without harm to the habitat.

Commissioner Marks said Humboldt Bay has more eelgrass than San Francisco Bay. We have a healthy ecosystem. Brant eat half the eelgrass stem and helps to increase production. Humboldt Bay has the only high health certification; how much is attributed to eelgrass and oysters?

MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF ADOPTION OF RESOLUTION 2016-05, A RESOLUTION APPROVING THE APPLICATION FOR AND/OR EXECUTION OF GRANT FUNDS FROM THE WATER QUALITY, SUPPLY, AND INFRASTRUCTURE ACT OF 2014 (PROPOSITION 1).

Deputy Director reported the Shelter Cove Fish Cleaning Station Remediation process as follows: Replace the existing fish waste disposal system by separating the fish cleaning wastes into three streams: carcasses, fish offal, and wash water from the cleaning tables. The carcasses will be boxed and stored in an onsite freezer, transported to the Eureka area, and sold as bait for the commercial crab fleet. Local organic farmers will utilize the soft parts for composted fertilizer amendments after the offal is ground up and stored in plastic barrels for pickup. The unutilized waste from the fish cleaning station will be the wash water which will enter the Shelter Cove Resort Improvement District’s wastewater system.

The Harbor District’s match is $22,000 per year for the next four years.
COMMISSIONER DOSS MOVED FOR THE ADOPTION RESOLUTION 2016-05, A RESOLUTION, APPROVING THE APPLICATION FOR AND/OR EXECUTION OF GRANT FUNDS FROM THE WATER QUALITY, SUPPLY, AND INFRASTRUCTURE ACT OF 2014 (PROPOSITION 1). COMMISSIONER DALE SECONDED.

Commissioner Doss asked if the cost of the cultural inspection is included in the match. Executive Director responded it is.

Sebastian Elrite said this sounds like a good project. He said he knew a couple of charter boat operators and crab fishermen that might be interested in the carcasses.

ROLL CALL VOTE WAS TAKEN:
COMMISSIONER DOSS – AYE
COMMISSIONER DALE – AYE
COMMISSIONER HIGGINS – AYE
COMMISSIONER WILSON – ABSENT
COMMISSIONER MARKS – AYE

MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 8:45 p.m.

APPROVED BY: 

__________
Greg Dale
Secretary

RECORDED BY:

__________
Patricia Tyson
Director of Administrative Services
PRESENT:
Commissioner Doss
Commissioner Dale
Commissioner Wilson
Commissioner Marks

ABSENT:
Commissioner Higgins

Vice President Wilson called the Executive Closed Session to order at 6:02 p.m.

Vice President Wilson adjourned Executive Closed Session at 6:58 p.m.

Vice President Wilson called the regular meeting of the Board of Commissioners to order at 7:05 p.m.

Vice President Wilson asked Commissioner Marks to lead the Pledge of Allegiance.

District Counsel reported on the Executive Closed Session as follows: Conference with Real Property Negotiators regarding the Lease with Mario’s Marina at Shelter Cove and King Salmon canal lease – no action taken.

Vice President Wilson moved New Business Item (a) to this point in the meeting.

NEW BUSINESS

A. CONSIDERATION OF ADOPTION OF RESOLUTION 2016-07, A RESOLUTION HONORING THE MEMORY OF FORMER COMMISSIONER CHARLES OLLIVIER.

COMMISSIONER MARKS MOVED FOR THE ADOPTION OF RESOLUTION 2016-07, A RESOLUTION HONORING THE MEMORY OF FORMER COMMISSIONER CHARLES OLLIVIER. COMMISSIONER DALE SECONDED.

Commissioner Marks said Commissioner Ollivier was bigger than life as a union leader and longshoreman. Commissioner Marks said he was fortunate to have Commissioner Ollivier as a keynote speaker when he was organizing chip dock workers. He was one of a kind, honest, and stood behind his passion and words and Commissioner Marks said he was honored to get to know Commissioner Ollivier.

Commissioner Wilson said it was fun have Commissioner Ollivier on the Board. They did not always agree, but Commissioner Wilson learned lots; Commissioner Ollivier was “super cool”. He had lots of stories and details relative to the history of Humboldt Bay and its people. His drive was from the want to improve lives of people in Humboldt County. Commissioner Wilson said he appreciated Commissioner Ollivier’s perspective of collective bargaining and democracy; he believed in the function of government.

Commissioner Dale said Commissioner Ollivier made him feel comfortable during his first meeting at the Harbor District and then was his friend and mentor from then on. Commissioner Ollivier loved oysters and was certainly larger than life. Commissioner Ollivier worked hard for his community, the Harbor District and for the people.

Commissioner Doss said he knew Commissioner Ollivier outside of the Harbor District; he was honored to meet him during the election cycle. Commissioner Ollivier was such a resource and a very positive force. Commissioner Doss said he was looking forward to Commissioner Ollivier’s help during his first term; he was just learning about Commissioner Ollivier’s depth of knowledge about the harbor.

District Counsel said it was a pleasure to meet Commissioner Ollivier in 2001, who made him feel comfortable from the beginning when he was retained to the be the second-ever District Counsel for the Harbor District; he was a fountain of knowledge and cared deeply about people. Commissioner Ollivier acted in the best interest of his constituents; he was confident, knowledgeable and fun. District Counsel said he was sorry for the loss of
Commissioner Ollivier to his family and his community. He will be missed by the people of Humboldt County and Humboldt Bay in particular.

Director of Harbor Operations stated he worked with Commissioner Ollivier just less than 20 years. Commissioner Ollivier always said he was lucky to work on Humboldt Bay.

Commissioner Wilson said he had just returned from Paris and Marseille, France and thought of the many stories Commissioner Ollivier had told. His stories were always about adventures. Commissioner Ollivier married adventure. Commissioner Wilson then introduced Carol Ollivier.

Carol said she was raised locally, rode the ferry to Hammond Lumber Company. Les Westfall, Westfall Stevedore, introduced her to Commissioner Ollivier.

Commissioner Wilson presented the resolution to Carol Ollivier.

THE BOARD OF COMMISSIONERS ADOPTED THE RESOLUTION BY ACCLAMATION.

PUBLIC COMMENT

Jim Roberts, Sr. said the Harbor District and PG&E signed the documents for the pilot project for King Salmon; the Harbor District took the $2 million and ran. The people of King Salmon have no say; the pilot project is law. The Harbor District signed a contract stating they will do one thing and then did another. Last week at the meeting people were upset. There was a good turnout.

Jim Roberts, Jr. said all his life PG&E has promised to dredge. Three years ago there were quarterly meetings with PG&E and then the $2 million check was given. Now the pilot project is out. The Harbor District blamed the Coastal Commission, then Fish and Game and then others. No one has a record of the Harbor District applying for a permit. The Harbor District never tells the truth. King Salmon was supposed to be dredged to the original depth and width and the fingers permitted, but now nothing. The Harbor District is wasting time, money and resources. The dredge that was purchased was sunk for a while. Executive Director will not return phone calls. Mr. Roberts asked how he gets honesty from anyone. The Harbor District is the most corrupt organization. There is a contract signed by the Harbor District and PG&E. The pilot project is a joke.

CONSENT CALENDAR

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

COMMUNICATIONS AND REPORTS

EXECUTIVE DIRECTOR’S REPORT

- New Market Tax Credit transaction completed at 11:20 today.
  - All clear given at 8:57 am yesterday - 2 pm - $8.6 million transfers.
  - Contractors meeting next Wednesday – The Notice to Proceed will be issued to all contractors.
  - First draw before the end of the month - Scheduled advances.
  - Professional and closing costs budget $500,000 over <$57,000>.
  - CDE and Lowes’ retainers returned $95,000 net to project +$38,000.
  - County property taxes had to be paid $11,000 plus $4,000 transfer fees
    - District Counsel stated the County has attempted to charge the Harbor District in years past, but the CA constitution prohibits the County from assessing another public agency for taxes. It is really the Samoa Fire District’s assessment and the County Assessor said he did not have the authority to remove it. A letter was written to the Samoa Fire District, but no response. A letter was written today to the County Assessor and copied to the Samoa Fire District stating these taxes were paid in order to close the New Markets Tax Credits transaction, but were paid in protest. Asked county to remit back to us immediately when received; do not remit to the Samoa Fire District. If necessary, the Harbor District will file legal action against County of Humboldt in order to get them the authority they need to release the funds back to the Harbor District.
Disbursement account balance - $3,406,000 includes $200,000 management fee.
Four new checking accounts with BBVA setup - approvals needed soon.

STAFF REPORTS:

Deputy Director:
- Provided update to County Board of Supervisors regarding Mariculture Pre-Permitting Project.
- Coordinating with Humboldt State University Students on senior projects related to shoreline management and Woodley Island Wildlife Area management.
- Continuing regulatory processes for:
  - King Salmon Dredging
  - Mariculture Pre-Permitting Project
  - HSU Desalination Project
  - Seafood Market Project
  - Spartina Eradication Project

Director of Harbor Operations:
- Cruise Ship Convention Fort Lauderdale, Florida March 14.
  - Bruce Conner Leaving Saturday, Representing Humboldt Bay and Astoria.
  - Marketing Items from Eureka Sent for Show.
  - Bruce will be Meeting with Representatives from Most of the Major Cruise Lines.
- Lease Renewals coming up for USACE Office, MSRC Fields Landing, Chevron/PORTS.
- USACE Yearly Inspection was conducted.
- New Lease for Office Space at Berth 2 - Nelson Bio, Inc.
- USACE Soundings Delivered. 31 foot Draft Restriction put in place.
- Surplus Engines - Auction bids are out and due back April 4.
- F/V Dennis Gayle sunk at Humboldt Bay Forest Products Dock in Fields Landing.
  - USACE to survey to see if the vessel is in the Navigational Channel.
  - Owner has responded and is working on a solution with CA Dept. Fish and Wildlife and the US Coast Guard.

Director of Facility Maintenance:
- Dredge repairs
  - Tier 3 main engine installed; Auxiliary engine serviced; Fuel tanks cleaned and inspected; New fuel filters; New fuel lines, tank to filters, filters to main and auxiliary engines; Generator inspection and out puts loads checked; Hydraulic pump serviced; Hydraulic fluid changed to environmentally safe type; Hydraulic hoses inspected and replaced as necessary; Cutter head rebuilt with hard facing cutter teeth and main boss supports; Wheel house instrumentation cleaned up with new dash mount paint; New insulation in the wheel house; New paneling and floor boards in wheel house; All cabling removed and inspected, replaced as necessary and lubed; Anchor wrenches refurbished; All new DC switch gear and panels; All new AC switch gear and panels; All new wiring, DC and AC; All new interior work lights and New navigational equipment and monitor.

DISTRICT COUNSEL REPORT:

District Counsel reported he has been spending time on the New Market Tax Credit documents to make sure they were ready for the close of the transaction.

DISTRICT PLANNER REPORT:

- Last Thursday he attached a Humboldt County Planning Commission meeting regarding the lot line adjustment creating the parcel PG&E will be giving to the Harbor District. General Plan conformity needs to be reviewed by the Planning Commission; a vote of 3-1 confirmed conformity.
- Working on the language for the RFP for use of EDA funds for Samoa Peninsula for economic development.
- Commenting to County on the interim use ordinance which will go back to the Planning Commission next month.
DISTRICT TREASURER REPORT:

- Audit has been finalized. It is needed by BBVA for New Markets Tax Credits transaction.

COMMISSIONER AND COMMITTEE REPORTS:

Commissioner Doss:
- Attended the special workshop meeting with the King Salmon residents. The pilot program was discussed.
- CA Department of Public Health will be conducting a water quality study in Humboldt Bay from March 14-25; red dye will be put in the water for testing.
- Was honored at the HumCPR dinner with Estelle Fennell and Mock Wahlund.

Commissioner Dale:
- His son attend Cal Poly San Luis Obispo and was selected to be part of the team to analyze water storage; the team presented to the state legislature last week and Commissioner Dale watched a private presentation to the Farm Bureau. It was enlightening to have the information brought down to an understandable level. The younger generation is doing just fine.
- Attended the King Salmon dredge workshop.

Commissioner Wilson:
- Missed the last Board meeting because he was in France; visited the port city of Marseille.
- He and Deputy Director met with HSU students who have bioengineered levy protections and are looking at less expensive, less intrusive ways for fixing the levees around the bay.

Commissioner Marks:
- Chaired the Humboldt Bay Development Association meeting prior to this meeting. The New Market Tax Credits transaction is complete – the first in Northern California.
- Attended the King Salmon dredge meeting. There were people at the meeting who were very solution-oriented. The Harbor District did a good job telling what the future plans are. Congratulations to Commissioner Dale for being on the forefront and handling it well.
- The dredge – the Board made the decision to buy the dredge; used local maritime consultants and staff research. The dredge will save the City of Eureka and others millions of dollars.
- NCRA is selling property; funds needed for projects.
- Needs the rain to stop – umpires are assigned for high school and college baseball games.

Commissioner Wilson said the Board looked at multiple dredge options, technology and methods; had many public meetings. It was an arduous and exhaustive process.

Commissioner Dale said he wanted to be clear, he did not dance with the $2 million check. Regarding the dye release next week in Humboldt Bay, City of Arcata is changing their outfall location and the study is to determine where would be the best location.

OTHER: None

NON AGENDA: None

UNFINISHED BUSINESS

A. CONSIDERATION OF ADOPTING RESOLUTION 2016-08, WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY COAST SEAFOODS COMPANY FOR THE REDWOOD TERMINAL 2 COAST SEAFOODS COMPANY WATER INTAKE AND DISCHARGE PROJECT.

Commissioner Dale recused himself and left the room.

COMMISSIONER MARKS MOVED TO ADOPT RESOLUTION 2016-08, WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY COAST SEAFOODS COMPANY FOR THE REDWOOD TERMINAL 2 COAST SEAFOODS COMPANY WATER INTAKE AND DISCHARGE PROJECT. COMMISSIONER DOSS SECONDED.
Deputy Director reported the project includes four 6-inch intake pipes, and intake screen designed to State and Federal criteria for protection of juvenile salmonids and longfin smelt and intakes and discharge 5-6 ft. above the bay floor with horizontal discharge.

The 30-day public review period for the project is complete. There was consultation with the Wiyot Tribe and Bear River Band of Rohnerville Rancheria regarding initial concern about ground disturbance for pipe installation across the road, but the parties were satisfied that an existing trench will be used. The Harbor District is CEQA lead and the project qualifies for a Categorical Exemption under CEQA §15303 (New Construction of Small Structures). Permits are also needed from the California Coastal Commission, US Army Corps of Engineers and the North Coast Regional Water Quality Control Board. The Harbor District permit contains standard language as well as requirements for intake screen that protects juvenile salmonids and longfin smelt from entrainment or impingement. Deputy Director will add District’s standard inadvertent cultural resource discovery protocol to permit.

ROLL CALL VOTE WAS TAKEN:
COMMISSIONER DOSS – AYE
COMMISSIONER DALE – RECUSED
COMMISSIONER HIGGINS – ABSENT
COMMISSIONER WILSON – AYE
COMMISSIONER MARKS – AYE

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF GRANTING PERMIT 15-05 TO COAST SEAFOODS COMPANY FOR THE REDWOOD TERMINAL 2 COAST SEAFOODS COMPANY WATER INTAKE AND DISCHARGE PROJECT.

COMMISSIONER MARKS MOVED FOR THE GRANTING OF PERMIT 15-05 TO COAST SEAFOODS COMPANY FOR THE REDWOOD TERMINAL 2 COAST SEAFOODS COMPANY WATER INTAKE AND DISCHARGE PROJECT. COMMISSIONER DOSS SECONDED. MOTION CARRIED WITHOUT DISSENT.

Commissioner Dale returned to the meeting.

NEW BUSINESS

B. CONSIDERATION OF APPROVAL OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH MARC SCHMIDT DBA COASTLINE CHARTERS.
C. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A BED AND BREAKFAST BUSINESS WITH R. CHARLES (DOBY) AND KIM CLASS DBA FIRST CLASS.
D. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH GARY BLASI DBA FULL THROTTLE SPORTFISHING.
E. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH MATT DALLAM DBA NORTHWIND CHARTERS.
F. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH CLIFF FRIEDLEY, DBA FOREEL SPORTFISHING.
G. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH TIM KLASSSEN AND SHERRY KLASSSEN DBA REEL STEEL SPORTFISHING.
H. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH JOHN W. KRAMER LLC DBA JOLI TIME SPORT FISHING.
I. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE WITH TONY SEPULVEDA DBA SHELLBACK SPORT FISHING.

Deputy Director reported New Business Items (B) through (I) are standard Harbor District permits to operate businesses within Woodley Island Marina and all are renewals.

COMMISSIONER DALE MOVED FOR THE APPROVAL OF NEW BUSINESS ITEMS (B) THROUGH (I). COMMISSIONER DOSS SECONDED. MOTION CARRIED WITHOUT DISSENT.
ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 8:05 p.m.

APPROVED BY:                               RECORDED BY:

____________________________  ______________________________
Greg Dale                        Patricia Tyson
Secretary                        Director of Administrative Services
AGENDA REPORT

For agenda of: May 26, 2016

Agenda Items: Agenda Items 11 (a-c)

New Business

11(a) Consideration of adopting an Addendum to the 2007 Initial Study/Mitigated Negative Declaration (SCH #99062069) which analyzed Coast Seafood’s intertidal and subtidal shellfish aquaculture activities in Humboldt Bay (approximately 300 acres total). Approximately 294 intertidal acres of the operational footprint are now planted with oyster longlines, primarily cultch-on-longline culture, with some basket-on-longline culture (the remaining acreage is subtidal).

The Addendum analyzes the proposed modification to convert one existing approximately 7.88 acre intertidal shellfish aquaculture bed (MR 10) from 2.5-foot spaced, single-hung longlines to 5-foot spaced, double-hung longlines. Addendum Exhibits A-C show existing and proposed spacing and map of existing intertidal shellfish aquaculture areas and bed MR10 location.

The Addendum determines that the 2007 IS/MND analyses and conclusions remain current and valid. The proposed permit modification would not cause new significant effects not identified in the MND nor increase the level of environmental effect to substantial or significant, and, hence, no new mitigation measures would be necessary to reduce significant effects. No change has occurred with respect to circumstances surrounding the proposed project that would cause new or substantially more severe significant environmental effects than were identified in the 2007 IS/MND. In addition, no new information has become available that shows that the project would cause new or substantially more severe significant environmental effects which have not already been analyzed in the MND. Therefore, no further environmental review is required beyond this Addendum.

Board Packet Material:
- Addendum to the 2007 IS/MND for Permit 04-03, 2016 Modification for Coast Seafoods Company

Staff Recommendation: that the Board of Commissioners adopt the 2007 IS/MND Addendum and determine that:

(1) The Addendum to the 2007 IS/MND has been completed in compliance with CEQA,

(2) The Addendum to the 2007 IS/MND was presented to the decision-making body of the Humboldt Bay Harbor District and that the Humboldt Bay Harbor District reviewed and considered the information contained in the Addendum prior to approving the project; and

(3) The Addendum to the 2007 IS/MND reflects the Humboldt Bay Harbor District’s independent judgement and analysis.

and,
11(b) Consideration of adopting Resolution 2016-10 which establishes findings relative to the 2016 modification of Permit 04-03 for the Coast Seafoods Company Humboldt Bay Permit Renewal and Expansion Project.

Board Packet Material:
- Resolution 2016-10

Staff Recommendation: approval of Resolution 2016-10

11(e) Consideration of granting a modification to Coast Seafoods Company Permit 04-03, for the Humboldt Bay Permit Renewal and Expansion Project, to convert longline spacing at one existing intertidal shellfish aquaculture bed.

Summary: Coast’s existing Permit 04-03 authorizes approximately 300 acres of intertidal and subtidal floating shellfish aquaculture. Longline spacing varies, with most longlines spaced at 2.5-ft intervals, typically with a wider row of 5-ft between groups of 5 longlines. Each longline is supported by notched PVC stakes driven into the substrate every 2.5-ft and is suspended between 8-12 inches above the substrate.

The proposed permit modification would allow Coast to widen spacing between oyster longlines within approximately 7.88 acres of its existing intertidal footprint (2.6% of its existing intertidal culture footprint) known as aquaculture bed MR 10, from 2.5-ft spaced, single-hung longlines to 5-ft spaced, double-hung longlines.

As part of the bed MR 10 redesign, Coast will be proposing “double-hanging” oyster longlines and planting them at wider spacing in an effort to reduce impacts to eelgrass and other resources. Double-hung longlines have two rows of oysters strung vertically one on top of the other, with the first (bottom) row of oysters at 8 inches above the substrate and the second (top) row of oysters at 16 inches above the substrate. The top and bottom rows of oysters are supported by separate PVC pipes, with the two pipes supporting the top and bottom.

Board Packet Material:
- Letter from Plauche Carr April 22 2016 Coast Seafoods Company Application for Modification of Permit No. 04-03
- Letter from Plauche Carr May 03 2016 Coast Seafoods Company Application for Modification of Permit No. 04-03
- Permit 04-03 Coast Seafoods Company – 2016 Modification

Staff Recommendation: Modify Permit 04-03 as described.
April 22, 2016

Adam Wagschal
Humboldt Bay Harbor, Recreation and Conservation District
601 Startare Drive
Eureka, CA 95501

RE: Coast Seafoods Company Application for Modification of Permit No. 04-03

Dear Adam:

I am writing on behalf of Coast Seafoods Company ("Coast") to request modification of Coast's Humboldt Bay Harbor, Recreation and Conservation District ("Harbor District") Permit No. 04-03 ("Permit"). The Permit authorizes approximately 300 acres of intertidal and subtidal floating shellfish aquaculture in Humboldt Bay. Per this letter, Coast requests that the Harbor District authorize a minor modification of the Permit to allow Coast to widen the spacing between oyster longlines within approximately 7.88 acres of its existing intertidal footprint (2.6% of its existing intertidal culture footprint).

Approximately 294 intertidal acres\(^1\) of Coast's existing operational footprint are planted with oyster longlines, primarily culch-on-longline culture with some acreage of basket-on-longline culture. Longline spacing on Coast's existing acreage varies, with most longlines spaced at 2.5-ft intervals, typically with a wider row of 10-ft between groups of 5 longlines. Each longline is supported by notched PVC stakes driven into the substrate every 2.5-ft and is suspended between 8-12 inches above the substrate. The spacing and configuration of longlines on Coast's existing intertidal acreage is depicted in Exhibit A.\(^2\)

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\(^1\) The remaining acreage is subtidal.

\(^2\) Additional information can be found in Section 4.3 of the DEIR for Coast's Humboldt Bay Permit Renewal and Expansion Project.
1. **Pending Application for Humboldt Bay Permit Renewal & Expansion Project**

On June 2, 2014, Coast submitted a permit application ("Application") to the Harbor District requesting authorization to continue its existing shellfish farming activities in Humboldt Bay and to expand its intertidal culture of oysters in the Bay by 621 acres ("Humboldt Bay Permit Renewal and Expansion Project" or "Project"). Subsequently, Coast worked with the Harbor District to draft and publish a Draft Environmental Impact Report ("DEIR") for the Project pursuant to the California Environmental Quality Act ("CEQA"). The DEIR was circulated for a 45-day public comment period ending on December 31, 2016. Numerous State and Federal agencies, scientists, environmental non-profits and members of the public took the opportunity to submit comments on the Project before the close of comments. The comments were helpful to identify areas for improvement in both the analysis of impacts and the proposed Project design.

Over the last three months, Coast has been working on extensive changes to the Project design to address the comments received on the DEIR. Coast has also worked closely with experts to revise the analysis of potential eelgrass impacts associated with the Project. Because the Project revisions are extensive, Coast is proposing to recirculate a revised DEIR later this year for a second round of public comments.

As part of the redesign of its Humboldt Bay Permit Renewal and Expansion Project, Coast will be proposing "double-hanging" oyster longlines and planting them at wider spacing in an effort to reduce impacts to eelgrass and other resources. Double-hung longlines have two rows of oysters strung vertically one on top of the other, with the first (bottom) row of oysters at 8 inches above the substrate and the second (top) row of oysters at 16 inches above the substrate. See Exhibit B. The top and bottom rows of oysters are supported by separate PVC pipes, with the two pipes supporting the top and bottom row of oysters planted as close together as possible in the substrate, and with 2.5-ft between each set of 2 pipes. There will be no substantial change in the total number of PCV pipes planted in the substrate as a result of the conversion to 5-ft spaced, double-hung longlines.

The best available science on the interaction between oyster longlines and eelgrass in Humboldt Bay, Rumrill and Poulton (2004), shows that there is a correlation between spacing and eelgrass growth, with more eelgrass growth in wider-spaced longlines. Therefore, conversion from 2.5-ft spaced single hung longlines to 5-ft or wider-spaced double-hung longlines is expected to reduce the eelgrass impacts associated with Coast’s existing culture in Humboldt Bay while maintaining the farm’s economic productivity. However, because Coast has not previously used a double-hung configuration in Humboldt Bay, there are operational uncertainties regarding the grow rate and success of oysters when they are double-hung.
2. **Request for Permit Modification to Move to 5-ft Spacing on 7.88 Acres of Existing Intertidal Culture Footprint**

In order to resolve some of the operational questions associated with wider-spaced, double-hung longlines, Coast requests that the Harbor District modify its Permit to allow it to convert a small, 7.88-acre portion of its existing acreage to 5-ft spaced, double-hung lines this summer. The conversion of this small test plot would allow Coast to determine how oysters grow when double-hung in advance of wider application of this technique as part of the Humboldt Bay Permit Renewal and Expansion Project. While this is a very limited sample, Coast believes that it may learn enough in one growing season to evaluate oyster growth when longlines are double hung and spaced at wider intervals.

The area proposed for this conversion ("Conversion Area") is in the North West portion of Humboldt Bay near the Mad River Slough (Plot MR 10), as depicted in Exhibit C. The Conversion Area is on Humboldt County Parcel 400-201-002, which Coast leases from the Karamu Corporation. The Conversion Area is currently planted with 503 longlines spaced with a uniform 2.5-ft between longlines. If authorized, Coast would remove approximately half of the existing longlines in the plot and change the remaining approximately 251 longlines from a single to double-hung configuration. The total number of oysters planted in the Conversion Area would not change significantly with the move to 5-ft spaced lines.

Because longline spacing in the test plot will change from 2.5-ft to 5-ft, the scientific literature supports the conclusion that impacts on eelgrass growth will be reduced by making the conversion. The potential impacts associated with the conversion are therefore expected to be less than those analyzed in previous CEQA documents associated with Coast's existing intertidal longline oyster culture (2007 Mitigated Negative Declaration).

I would be happy to answer any questions you may have regarding this request for permit modification. Thank you for your time and consideration.

Very truly yours,

Jessica F. Anderson

JFA:cmI

Enclosures

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3 Coast is also requesting permit modifications from the California Coastal Commission, U.S. Army Corps of Engineers, and North Coast Regional Water Quality Control Board.

4 An analysis of longline aquaculture on MR 10 was included in the 2007 MND. However, note that bed MR 10 was inadvertently omitted from the maps provided in Coast's Application and those included in the DEIR. That omission will be corrected going forward.
EXHIBIT A - Graphic showing configuration of longlines in Coast's existing operational footprint (2.5-ft spaced, single-hung lines).
EXHIBIT B – Graphic showing proposed configuration of 5-ft spaced, double-hung longlines proposed in Conversation Area.
EXHIBIT C – Map of Coast Seafoods Company's existing intertidal shellfish aquaculture in Humboldt Bay with Conversion Area shown
May 3, 2016

Adam Wagschal
Humboldt Bay Harbor, Recreation and Conservation District
601 Startare Drive
Eureka, CA 95501

Re: Coast Seafoods Company Application for Modification of Permit No. 04-03

Dear Adam:

Thank you for your email and the detailed comments on my April 22, 2016 letter requesting modification of Coast Seafoods Company’s (“Coast”) Humboldt Bay Harbor, Recreation and Conservation District Permit No. 04-03. Permit 04-03 authorizes Coast’s existing intertidal and subtidal shellfish aquaculture activities in Humboldt Bay. My April 22, 2016 letter requested authorization for Coast to covert one of its existing intertidal shellfish aquaculture beds (MR 10) from 2.5-ft spaced, single-hung longlines to 5-ft spaced, double-hung longlines. This letter responds to your questions and comments on the specifics of the proposed conversion and provides additional information regarding the conversion’s potential impacts under the California Environmental Quality Act (“CEQA”).

1. **Duration of change**

The change from 2.5-ft spaced, single-hung cultch-on-longlines to 5-ft spaced, double-hung cultch-on-longlines on bed MR 10 (“Conversion Area”) will carry forward into the future, provided that the double-hung configuration allows for adequate oyster growth. Coast will be amending its applications for the Humboldt Bay Permit Renewal and Expansion Project to include this change in its existing acreage.

2. **PVC pipes**

There are currently approximately 20,623 PVC pipes supporting 503 single-hung longlines in the Conversion Area. Post-conversion, there will be approximately 20,582-20,664 PVC pipes supporting between 251-252 double-hung longlines. To support a double-hung longline, a set of two PVC pipes is planted as close together in the substrate as possible (i.e. right next to each other), with one pipe supporting the top longline and the other, shorter pipe, supporting the bottom longline. Each set of two PVC pipes are separated by 2.5-ft. This arrangement is as illustrated in Exhibit B of my earlier letter.
3. **Number of oysters**

Coast’s current approvals allow Coast to plant either Kumamoto or Pacific oysters. The number of oysters planted per longline changes depending on the species planted (Kumamoto or Pacific). The Conversion Area is currently planted with approximately 241,440 Kumamoto oysters. Post-Conversion, Coast anticipates that it will continue to plant Kumamoto oysters in the Conversion Area and that it will plant 251 to 252 double-hung longlines, which will support approximately 240,960 or 241,920 Kumamoto oysters, respectively.

4. **Potential Impacts to Biological Resources**

The 2007 MND discussed potential impacts to Federally-listed species, sensitive natural communities including eelgrass, and migration corridors. With mitigation, these potential impacts were found to be less-than-significant. The nature and degree of potential impacts to biological resources as a result of the conversion to 5-ft, double-hung longlines is not expected to change. Moreover, Coast will continue to implement all mitigation measures identified in the 2007 MND to ensure that potential impacts to biological resources remain less-than-significant.

Because the space between longlines will be wider following the conversion from 2.5-ft to 5-ft spaced longlines, the potential impacts to eelgrass are expected to be less significant than those analyzed in the 2007 MND. Coast's current permit authorizes Coast to plant longlines up to 12 inches in height. The double-hung longlines proposed by Coast will be up to 4-inches taller at 16-inches above the substrate. The 16-inch double-hung longlines are expected to cast a larger shadow than is cast by single-hung 12-inch longlines. However, the space between lines will be doubled, allowing much greater light penetration throughout the Conversion Area.

Current research shows that light is not a limiting factor in Humboldt Bay. According to research conducted by Thom et al. (2008), the daily thresholds for eelgrass survival is 7 mol photosynthetically active radiation (PAR) on average during spring and summer. Long-term survival (i.e., through the winter) requires a minimum average of 3 mol PAR. In Humboldt Bay, Rumrill and Poulton (2004) measured incidental light profiles along a transect that ran beneath single-hung oyster longlines spaced 2.5-ft apart with a 5-ft space every six lines. The light meter was passed under oyster longlines multiple times with drops in light levels observed within oyster beds that were not observed in adjacent eelgrass beds. These drops in light levels were due to shading from oyster culture and represented up to a 62% decrease in available light (from approximately 60 mol/day to 23 mol/day). This reduction in incidental light from the shellfish aquaculture gear is more than three times higher than the daily threshold for eelgrass survival reported by Thom et al. (2008). Even if the assumption is that the shading footprint can exclude eelgrass, this would likely occur only at the lower limit of eelgrass growth where light is a control factor. Gilkerson (2008) observed maximum depths of eelgrass as ranging between -1.5-ft and -4.5-ft MLLW in North Bay, and oyster culture overlaps this maximum depth range between -1.5-ft and -2.0-ft MLLW. In summary, data from Rumrill and Poulton (2004) indicates that, even with shellfish longlines installed, there is ample light available for eelgrass survival.

Therefore, the conversion from single-hung to taller, double-hung lines is not expected to exceed daily thresholds for eelgrass survival and will not result in a significant impact to eelgrass. Given that the conversion will promote eelgrass regrowth in areas currently occupied by PVC pipes, and that the increased longline height is not anticipated to result in adverse shading impacts, the biological impacts from conversion are anticipated to be less than those analyzed in the 2007 MND.
5. **Other potential impacts**

The proposed conversion to double-hung longlines in the Conversion Area is expected to result in less than significant impacts to all resources of concern. The 2007 MND analyzed potential impacts to the following resources:

- aesthetics
- agricultural resources
- air quality
- biological resources
- cultural resources
- geology and soils
- hazards and hazardous materials
- hydrology and water quality
- land use planning
- mineral resources
- noise
- population and housing
- public services
- recreation
- transportation/traffic
- utilities and service systems

Of these, the 2007 MND identified potentially significant impacts to biological resources, air quality, toxics/hazards and water quality and adopted mitigation and conversation measures to ensure that these impacts were less than significant.

It is expected that there will be no change in the significance of any of the potential impacts as a result of the conversion to 5-ft spaced, double-hung longlines in the Conversion Area. Coast is not proposing any change to the suite of mitigation and conservation measures incorporated into the MND or Permit 04-03. Therefore, all potential impacts are expected to remain less than significant.

A brief summary of each resource is provided below.

- **aesthetics**: The conversion is expected to result in less-than-significant impacts to aesthetics. The Conversion Area is in the middle of Coast's existing culture area in North Bay, and mariculture structures such as longlines are part of the historical viewscape in the Bay. Because the Conversion Area is one of Coast's existing beds furthest from any viewpoint or public highway, it is unlikely that the average observer will detect any significant visual change as a result of the conversion. Moreover, as with the current culture area, the bed will be submerged and not visible for a substantial portion of daylight hours. When it is exposed, there will be more open space between longlines as a result of wider longline spacing, creating better views of the water and substrate. Therefore, visual impacts associated with the conversion will be less than significant and may be less significant than those analyzed in the 2007 MND.

- **agricultural resources**: There will be no impact to agricultural resources beyond that analyzed in the 2007 MND. Impacts to agricultural resources will be less than significant.

- **air quality**: There will be no change to the number of boat trips or other maintenance or operation activities in the Conversion Area as a result of the conversion. Therefore, the potential
impacts to air quality are the same as those analyzed in the 2007 MND and are expected to remain less-than-significant with mitigation.

- biological resources: Discussed above.

- cultural resources: There are no known cultural or archaeological resources in the Conversion Area. The Conversion Area is an area that has been historically farmed by Coast for many years and there will be no new ground disturbance. Therefore, the potential impacts to cultural resources are the same as those analyzed in the 2007 MND and are expected to remain less-than-significant.

- geology and soils: The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to geology or soils different or greater than those impacts analyzed in the 2007 MND.

- hazards and hazardous materials: There will be no change in any of Coast's operations related to the use of hazardous materials or the creation of hazardous conditions. Coast will continue to follow the Mitigation Measures identified in the 2007 MND and its existing approvals to ensure that hazardous materials are appropriately used and disposed of. Therefore, the proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to hazards or hazardous materials different or greater than those impacts analyzed in the 2007 MND. Through incorporation of existing mitigation identified in the 2007 MND, this impact is less-than-significant.

- hydrology and water quality: The 2007 MND identified potentially significant impacts associated with sedimentation and water quality, particularly as a result of spillage of hazardous materials. Coast is not proposing any operational changes in relation to its conversion to 5-ft spaced, double-hung longlines. Post-conversion, the Conversion Area will be planted with substantially the same number of PVC pipes and Kumamoto oysters as are currently planted on MR 10. Therefore, the potential impacts to hydrology and water quality are expected to be the same as those analyzed in the 2007 MND and, as already mitigated will be less-than-significant.

- land use planning: The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to land use planning different or greater than those impacts analyzed in the 2007 MND.

- mineral resources: The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to mineral resources different or greater than those impacts analyzed in the 2007 MND.

- noise: There will be no change to the number of boat trips or other maintenance or operation activities in the Conversion Area as a result of the conversion. Therefore, the proposed change to 5-ft spaced, double-hung longlines is not expected to result in any noise impacts different or greater than those impacts analyzed in the 2007 MND.

- population and housing: The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any population and housing impacts different or greater than those impacts analyzed in the 2007 MND.
- public services: The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to public services different or greater than those impacts analyzed in the 2007 MND.

- recreation: The proposed change to 5-ft spaced, double-hung longlines will not change the overall operational footprint in the Conversion Area or its less-than significant impact to recreation. The increased spacing between longlines may allow for more/easier access to the project area by small non-motorized watercraft at tide heights that make navigating over the longlines infeasible. When the Conversion Area is inundated, recreational access will not be impaired. This potential impact is expected to be less than significant, and less significant than that analyzed in the 2007 MND.

- transportation/traffic: Coast is not proposing any additional boat trips to service the Conversion Area and will not be hiring additional staff or using additional facilities as a result of the conversion. Therefore, the proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to transportation/traffic different or greater than those impacts analyzed in the 2007 MND.

- utilities and service systems: The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to utilities or service systems different or greater than those impacts analyzed in the 2007 MND.

I would be happy to answer any further questions or provide additional information. Feel free to contact me at (206) 973-1261 or at jessica@plauhecarr.com.

Very truly yours,

Jessica P. Anderson

JFA:cm!
ADDENDUM

CEQA INITIAL STUDY/ MITIGATED NEGATIVE DECLARATION

Coast Seafoods Company
Continued Mariculture Operations in Humboldt Bay, California
(SCH #99062069)

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

May 2016
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ATTACHMENTS

INTRODUCTION

This document constitutes an Addendum to the 2007 Initial Study/Mitigated Negative Declaration (2007 IS/MND) prepared for Coast Seafoods Company’s (Coast) application for continued mariculture operations in Humboldt Bay, California. This Addendum evaluates whether proposed minor modifications to Coast’s Humboldt Bay Harbor, Recreation and Conservation District (Harbor District) Permit No. 04-03 (Permit) would result in any new or substantially more adverse significant effects or require any new mitigation measures not identified in the 2007 IS/MND.

Coast’s existing Permit authorizes approximately 300 acres of intertidal and subtidal floating shellfish aquaculture in Humboldt Bay. The proposed Permit modification would allow Coast to widen the spacing between oyster longlines within approximately 7.88 acres of its existing intertidal footprint (2.6% of its existing intertidal culture footprint). The proposed modification would allow Coast to convert one of its existing intertidal shellfish aquaculture beds (MR 10) from 2.5-ft spaced, single-hung longlines to 5-ft spaced, double-hung longlines.

As verified in this Addendum, the analyses and the conclusions in the 2007 IS/MND remain current and valid. The proposed Permit modification would not cause new significant effects not identified in the MND nor increase the level of environmental effect to substantial or significant, and, hence, no new mitigation measures would be necessary to reduce significant effects. No change has occurred with respect to circumstances surrounding the proposed project that would cause new or substantially more severe significant environmental effects than were identified in the 2007 IS/MND. In addition, no new information has become available that shows that the project would cause new or substantially more severe significant environmental effects which have not already been analyzed in the 2007 IS/MND. Therefore, no further environmental review is required beyond this Addendum.

BACKGROUND

Harbor District Permit 04-03 authorizes Coast’s existing intertidal and subtidal shellfish aquaculture activities in Humboldt Bay (approximately 300 acres total). Approximately 294 intertidal acres\(^1\) of Coast’s existing operational footprint are planted with oyster longlines, primarily cultch-on-longline culture with some acreage of basket-on-longline culture. Longline spacing on Coast’s existing acreage varies, with most longlines spaced at 2.5-ft intervals, typically with a wider row of 5-ft between groups of 5 longlines. Each longline is supported by notched PVC stakes driven into the substrate every 2.5-ft and is suspended between 8-12 inches above the substrate. The spacing and configuration of longlines on Coast’s existing intertidal acreage is depicted in Exhibit A.

Coast now wishes to convert a small portion of its existing acreage from the 2.5-ft spacing described above to 5-ft spaced, double-hung cultch-on-longlines. Double-hung longlines have two rows of oysters strung vertically one on top of the other, with the first (bottom) row of oysters at 8 inches above the substrate and the second (top) row of oysters at 16 inches above the substrate (Exhibit B). The top and bottom rows of oysters are supported by separate PVC pipes, with the two pipes supporting the top and bottom row of oysters planted as close together as possible in the substrate, and with 2.5-ft between each set of 2 pipes.

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\(^1\) The remaining acreage is subtidal.
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FRAMEWORK

This addendum analyzes the proposed permit modification as required under the CEQA Guidelines, Sections 15162 and 15164. An addendum to an adopted mitigated negative declaration shall be prepared if only minor technical changes or additions are necessary or none of the following conditions calling for the preparation of a subsequent MND have occurred:

(1) Substantial changes in the project which require major revisions to the MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes with respect to the circumstances under which the project is undertaken which require major revisions to the MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time of MND adoption, shows any of the following:

A) The project will have one or more significant effects not discussed in the MND,
B) The project will result in impacts substantially more severe than those disclosed in the MND,
C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponent declines to adopt the mitigation measure or alternative, or
D) Mitigation measures or alternatives that are considerably different from those analyzed in the MND would substantially reduce one or more significant effects on the environment, but the project proponent declines to adopt the mitigation measure or alternative.

The purpose of this Addendum is to evaluate whether the proposed permit modification would result in any new or substantially greater significant effects not identified in the 2007 IS/MND and to demonstrate that the proposed project does not trigger any of the conditions described above. Based on the analysis provided below, an Addendum to the 2007 IS/MND is the appropriate CEQA document.

PROJECT INFORMATION

Summary
Coast has requested that the Harbor District\(^2\) modify its Permit to allow it to convert a small, 7.88-acre portion of its existing acreage to 5-ft spaced, double-hung lines. The conversion of this small test plot would allow Coast to determine how oysters grow when double-hung in advance of wider application of this technique as part of Coast's Humboldt Bay Shellfish Aquaculture: Permit Renewal and Expansion Project. While this is a very limited sample, Coast believes that it may learn enough in one summer growing season to evaluate oyster growth when longlines are double hung and spaced at wider intervals.

\(^2\) Coast is also requesting permit modifications from the California Coastal Commission, U.S. Army Corps of Engineers, and North Coast Regional Water Quality Control Board.
The area proposed for this conversion (Conversion Area) is in the North West portion of Humboldt Bay near the Mad River Slough (Plot MR 10), as depicted in Exhibit C. The Conversion Area is on Humboldt County Parcel 400-201-002, which Coast leases from the Karamu Corporation. The Conversion Area is currently planted with 503 longlines spaced with a uniform 2.5-ft between longlines. If authorized, Coast would remove approximately half of the existing longlines in the plot and change the remaining approximately 251 longlines from a single to double-hung configuration. The total number of oysters planted in the Conversion Area would not change significantly with the move to 5-ft spaced lines.

The best available science on the interaction between oyster longlines and eelgrass in Humboldt Bay, Rumrill and Poulton (2004), shows that there is a correlation between spacing and eelgrass growth, with more eelgrass growth in wider-spaced longlines. Therefore, conversion from 2.5-ft spaced single hung longlines to 5-ft or wider-spaced double-hung longlines is expected to reduce the eelgrass impacts associated with Coast’s existing culture in Humboldt Bay while maintaining the farm’s economic productivity. However, because Coast has not previously used a double-hung configuration in Humboldt Bay, there are operational uncertainties regarding the grow rate and success of oysters when they are double-hung.

**PVC Pipes**

There will be no substantial change in the total number of PCV pipes planted in the substrate as a result of the conversion to 5-ft spaced, double-hung longlines. There are currently approximately 20,623 PVC pipes supporting 503 single-hung longlines in the Conversion Area. Post-conversion, there will be approximately 20,582-20,664 PVC pipes supporting between 251-252 double-hung longlines. To support a double-hung longline, a set of two PVC pipes is planted as close together in the substrate as possible (i.e. right next to each other), with one pipe supporting the top longline and the other, shorter pipe, supporting the bottom longline. Each set of two PVC pipes are separated by 2.5-ft. This arrangement is as illustrated in Exhibit B.

**Number of Oysters**

Coast’s current approvals allow Coast to plant either Kumamoto or Pacific oysters. The number of oysters planted per longline changes depending on the species planted (Kumamoto or Pacific). The Conversion Area is currently planted with approximately 241,440 Kumamoto oysters. Post-Conversion, Coast anticipates that it will continue to plant Kumamoto oysters in the Conversion Area and that it will plant 251 to 252 double-hung longlines, which will support approximately 240,960 or 241,920 Kumamoto oysters, respectively.

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3 An analysis of longline aquaculture on MR 10 was included in the 2007 MND.
EVALUATION OF POTENTIAL ENVIRONMENTAL EFFECTS

The proposed conversion to double-hung longlines in the Conversion Area is expected to result in less than significant impacts to all resources of concern. The 2007 MND analyzed potential impacts to the following resources:

- aesthetics
- agricultural resources
- air quality
- biological resources
- cultural resources
- geology and soils
- hazards and hazardous materials
- hydrology and water quality
- land use planning
- mineral resources
- noise
- population and housing
- public services
- recreation
- transportation/traffic
- utilities and service systems

Of these, the 2007 MND identified potentially significant impacts to biological resources, air quality, toxics/hazards and water quality and adopted mitigation and conservation measures to ensure that these impacts were less than significant.

It is expected that there will be no change in the significance of any of the potential impacts as a result of the conversion to 5-ft spaced, double-hung longlines in the Conversion Area. Coast is not proposing any change to the suite of mitigation and conservation measures incorporated into the 2007 MND or Permit 04-03. Therefore, all potential impacts are expected to remain less than significant.

The following discussion begins with key topics and related environmental effects to biological resources followed by a brief summary of the other resources listed above.

Biological Resources
The 2007 MND discussed potential impacts to Federally-listed species, sensitive natural communities including eelgrass, and migration corridors. With mitigation, these potential impacts were found to be less-than-significant. The nature and degree of potential impacts to biological resources as a result of the conversion to 5-ft, double-hung longlines is not expected to change. Moreover, Coast will continue to implement all mitigation measures identified in the 2007 MND to ensure that potential impacts to biological resources remain less-than-significant.

Because the space between longlines will be wider following the conversion from 2.5-ft to 5-ft spaced longlines, the potential impacts to eelgrass are expected to be less significant than those analyzed in the 2007 MND. Coast's current permit authorizes Coast to plant longlines up to 12 inches in height. The double-hung longlines proposed by Coast will be up to 4-inches taller at 16-inches above the substrate. The 16-inch double-hung longlines are expected to cast a larger shadow than is cast by single-hung 12-inch longlines. However, the space between lines will be doubled, allowing much greater light penetration throughout the Conversion Area.

Current research shows that light is not a limiting factor in Humboldt Bay. According to research conducted by Thom et al. (2008), the daily thresholds for eelgrass survival is 7 mol photosynthetically active radiation (PAR) on average during spring and summer. Long-term survival (i.e., through the winter) requires a minimum average of 3 mol PAR. In Humboldt Bay, Rumrill and Poulton (2004) measured incidental light profiles along a transect that ran beneath single-hung oyster longlines spaced
2.5-ft apart with a 5-ft space every six lines. The light meter was passed under oyster longlines multiple times with drops in light levels observed within oyster beds that were not observed in adjacent eelgrass beds. These drops in light levels were due to shading from oyster culture and represented up to a 62% decrease in available light (from approximately 60 mol/day to 23 mol/day). This reduction in incidental light from the shellfish aquaculture gear is more than three times higher than the daily threshold for eelgrass survival reported by Thom et al. (2008). Even if the assumption is that the shading footprint can exclude eelgrass, this would likely occur only at the lower limit of eelgrass growth where light is a control factor. Gilkerson (2008) observed maximum depths of eelgrass as ranging between -1.5-ft and -4.5-ft MLLW in North Bay, and oyster culture overlaps this maximum depth range between -1.5-ft and -2.0-ft MLLW. In summary, data from Rumrill and Poulton (2004) indicates that, even with shellfish longlines installed, there is ample light available for eelgrass survival.

Therefore, the conversion from single-hung to taller, double-hung lines is not expected to exceed daily thresholds for eelgrass survival and will not result in a significant impact to eelgrass. Given that the conversion will promote eelgrass regrowth in areas currently occupied by longlines, and that the increased longline height is not anticipated to result in adverse shading impacts, the biological impacts from conversion are anticipated to be less than those analyzed in the 2007 MND.

Aesthetics
The conversion is expected to result in less-than-significant impacts to aesthetics. The Conversion Area is in the middle of Coast’s existing culture area in North Bay, and mariculture structures such as longlines are part of the historical viewscape in the Bay. Because the Conversion Area is one of Coast’s existing beds furthest from any viewpoint or public highway, it is unlikely that the average observer will detect any significant visual change as a result of the conversion. Moreover, as with the current culture area, the bed will be submerged and not visible for a substantial portion of daylight hours. When it is exposed, there will be more open space between longlines as a result of wider longline spacing, creating better views of the water and substrate. Therefore, visual impacts associated with the conversion will be less than significant and may be less significant than those analyzed in the 2007 MND.

Agricultural Resources
There will be no impact to agricultural resources beyond that analyzed in the 2007 MND. Impacts to agricultural resources will be less than significant.

Air Quality
There will be no change to the number of boat trips or other maintenance or operation activities in the Conversion Area as a result of the conversion. Therefore, the potential impacts to air quality are the same as those analyzed in the 2007 MND and are expected to remain less-than-significant with mitigation.

Cultural Resources
There are no known cultural or archaeological resources in the Conversion Area. The Conversion Area is an area that has been historically farmed by Coast for many years and there will be no new ground disturbance. Therefore, the potential impacts to cultural resources are the same as those analyzed in the 2007 MND and are expected to remain less-than-significant.

Geology and Soils
The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to geology or soils different or greater than those impacts analyzed in the 2007 MND.
Hazards and Hazardous Materials
There will be no change in any of Coast’s operations related to the use of hazardous materials or the creation of hazardous conditions. Coast will continue to follow the Mitigation Measures identified in the 2007 MND and its existing approvals to ensure that hazardous materials are appropriately used and disposed of. Therefore, the proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to hazards or hazardous materials different or greater than those impacts analyzed in the 2007 MND. Through incorporation of existing mitigation identified in the 2007 MND, this impact is less-than-significant.

Hydrology and Water Quality
The 2007 MND identified potentially significant impacts associated with sedimentation and water quality, particularly as a result of spillage of hazardous materials. Coast is not proposing any operational changes in relation to its conversion to 5-ft spaced, double-hung longlines. Post-conversion, the Conversion Area will be planted with substantially the same number of PVC pipes and Kumamoto oysters as are currently planted on MR 10. Therefore, the potential impacts to hydrology and water quality are expected to be the same as those analyzed in the 2007 MND and, as already mitigated, will be less-than-significant.

Land Use Planning
The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to land use planning different or greater than those impacts analyzed in the 2007 MND.

Mineral Resources
The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to mineral resources different or greater than those impacts analyzed in the 2007 MND.

Noise
There will be no change to the number of boat trips or other maintenance or operation activities in the Conversion Area as a result of the conversion. Therefore, the proposed change to 5-ft spaced, double-hung longlines is not expected to result in any noise impacts different or greater than those impacts analyzed in the 2007 MND.

Population and Housing
The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any population and housing impacts different or greater than those impacts analyzed in the 2007 MND.

Public Services
The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to public services different or greater than those impacts analyzed in the 2007 MND.

Recreation
The proposed change to 5-ft spaced, double-hung longlines will not change the overall operational footprint in the Conversion Area or its less-than significant impact to recreation. The increased spacing between longlines may allow for more/easier access to the project area between longlines by small non-motorized watercraft when the tide is at heights that make navigating over the longlines infeasible. When the Conversion Area is inundated, recreational access will not be impaired. This potential impact is expected to be less than significant, and less significant than that analyzed in the 2007 MND.
Transportation/Traffic
Coast is not proposing any additional boat trips to service the Conversion Area and will not be hiring additional staff or using additional facilities as a result of the conversion. Therefore, the proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to transportation/traffic different or greater than those impacts analyzed in the 2007 MND.

Utilities and Service Systems
The proposed change to 5-ft spaced, double-hung longlines is not expected to result in any impacts to utilities or service systems different or greater than those impacts analyzed in the 2007 MND.

SUMMARY OF FINDINGS
Overall, the proposed permit modification would result in similar effects to those of the existing permit with similar operations as those which were originally proposed and would therefore generate comparable effects. The permit modification would not cause new significant effects nor increase the level of environmental effect to substantial or significant and thus no new mitigation measures would be required. No change has occurred and no new information has become available with respect to circumstances surrounding the proposed project that would cause new or substantially more severe significant environmental effects than were identified in the 2007 IS/ND. The analysis and conclusions in the 2007 IS/MND remain current and valid and the mitigation measures would remain applicable.

On the basis of the evaluation presented above, the proposed permit modification would not trigger any of the conditions requiring preparation of a subsequent or supplemental environmental impact report or negative declaration. Thus, this Addendum satisfies the requirements of CEQA Guidelines sections 15162 and 15164.
Exhibit B – Configuration of 5-ft spaced, double-hung longlines proposed in Conversion Area.
Exhibit C – Map of Coast’s existing intertidal shellfish aquaculture in Humboldt Bay, with Conversion Area.
HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT

RESOLUTION NO. 2016-10

A RESOLUTION ESTABLISHING FINDINGS RELATIVE TO THE APPLICATION BY COAST SEAFOODS FOR MODIFICATION OF MARICULTURE ACTIVITIES

WHEREAS, the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District is empowered by Appendix II of the Harbors and Navigation Code, and its own ordinances and resolutions, to grant permits, leases, rights, and privileges; and,

WHEREAS, no permits, rights, leases, and privileges may be granted without first having considered certain potential impacts and without first having made findings relative to said impacts; and,

WHEREAS, the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District has been presented with certain evidence relating to the impact of mariculture activities by Coast Seafoods upon the air, land, environment, and ecology of the land under the jurisdiction of the Humboldt Bay Harbor, Recreation, and Conservation District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District as follows:

The Humboldt Bay Harbor, Recreation and Conservation District Board of Commissioners has found the following to be true and adopts the following findings with respect to the uses by Coast Seafoods approved in Permit 04-03 (by Commission Resolution 2007-12), with proposed modification to change longline spacing in shellfish aquaculture bed (MR 10), and supplements and amendments thereto:

1. The use proposed by Coast Seafoods is necessary to promote the safety, health, comfort, and convenience of the public;

2. The proposed use is required by the public convenience and necessity;

3. The proposed use is reasonably required to promote growth, and to meet area demands, and does not adversely effect the environment or ecology of the area to any substantial degree; and,

4. The proposed use will not produce an unreasonable burden on the natural resources and aesthetics of the area, on the public health and safety, and air and water quality in the vicinity of Humboldt Bay, or on the parks, recreation and scenic area, historic sites and buildings, or archeological sites in the area.

PASSED AND ADOPTED by the Humboldt Bay Harbor, Recreation and Conservation District Board of Commissioners at a duly called meeting held on the 26th day of May 2016, by the following polled vote:

AYES:

NOES:

ABSENT:

PATRICK HIGGINS, President
Board of Commissioners

ATTEST:

Mike Wilson, Vice President for Greg Dale, 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. 2016-10 entitled,

A RESOLUTION ESTABLISHING FINDINGS RELATIVE TO THE APPLICATION BY COAST SEAFOODS FOR MODIFIED MARICULTURE ACTIVITIES

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 26th day of May 2016; 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 26th day of May.

Mike Wilson, Vice President for Greg Dale, Secretary
Board of Commissioners
HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT

PERMIT MODIFICATION

Permit No. 04-03 (2016 MODIFICATION) 601 Startare Drive
Woodley Island Marina
P O Box 1030
Eureka, CA 95502-1030

Permittee:

COAST SEAFOODS COMPANY
25 Waterfront Drive, Eureka, California 95501

The Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District hereinafter referred to as “District”, approved permit, number 04-03, for Coast Seafoods Company, 25 Waterfront Drive, Eureka, California 95501, hereinafter referred to as “Permittee”, and the Humboldt Bay Harbor, Recreation and Conservation District as the lead agency, pursuant to the California Environmental Quality Act of 1970, as amended, having made a determination approving a Mitigated Negative Declaration (SCH 99062069) dated January 2007 and the Board of Commissioners of the District having on April 12, 2007, passed Resolution No. 2007-02 establishing findings relative to the Application by Permittee for continued Mariculture Operations in Humboldt Bay, California provided for in this Permit, the Permittee was authorized to perform the work of improvement, as described in the Application filed with the District and the Mitigated Negative Declaration referred to above.

A permit modification has been filed for shellfish aquaculture bed (MR 10) as described below and an Addendum to the Mitigated Negative Declaration (SCH 99062069) prepared for this modification.

You are hereby authorized to conduct that activity described in the Permit Application of Permittee, as modified, consisting of:

All Mariculture Operations in Humboldt Bay, California originally permitted, and a modification to convert one existing intertidal shellfish aquaculture bed (MR 10) from 2.5-foot spaced, single-hung longlines to 5-foot spaced, double-hung longlines.

That the proposed activity location shall be in Humboldt Bay, Humboldt County, California.

SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. If you materially change the plan and scope of the activity, it will be necessary for you to request a revision of your Application and plans.

2. That all activities authorized by this Permit shall further be subject to the conditions of approval of the following public agencies:
   A. United States Army Corps of Engineers San Francisco District
B. State of California Coastal Commission
C. State of California Regional Water Quality Control Board, North Coast Region

3. That there shall be no unreasonable interference with navigation by the work herein authorized.

4. That no attempt shall be made by the Permitee to interfere or forbid the full and free use by the public of all navigable waters at or adjacent to the work.

5. That Permitee shall fully comply with and perform all of the Mitigation Measures set forth and described in the Mitigated Negative Declaration (MND) approved for this activity and the MND Addendum for the Permit Modification:

6. That the District, its Commissioners, or any officer or employee of the District shall in no case be liable for any damages or injury of the work herein authorized which may be caused by or result from future operations undertaken by the District for the conservation or improvement of navigation, or for other purposes, and no claim or right to compensation shall accrue from any such damage.

7. That neither the District, nor its Board of Commissioners, nor any officer of the District shall be liable to any extent for any such injury or damage to any person or property or for the death of any person arising out of or connected with the work authorized by this Permit.

8. That the District Board of Commissioners may revoke this Permit at any time upon a finding by the District of a violation by the Permitee of any Permit condition.

9. That the Permitee shall comply with any regulations, condition, or instructions affecting the work hereby authorized if and when issued by the Federal Water Pollution Control Administration and/or the State of California Water Resources Control Agency having jurisdiction to abate or prevent water pollution. Such regulations, conditions, or instruction in effect or prescribed by Federal or State Agencies are hereby made a condition of this Permit.

10. That neither the District, nor its Board of Commissioners, nor any officer of the District shall be liable to any extent for the injury or damage to any person or property or for the work authorized by this Permit, and the Permitee shall indemnify and hold harmless the District, its Commissioners and officers free and harmless from any liability for any such injury, death or damage.

11. That Permitee shall furnish to the District a written annual progress report and upon completion, a written completion report describing the completion of the project. Permitee shall at all times notify the District in writing of all locations, including new locations, in Humboldt Bay, that Permitee proposes to install the uses permitted herein, prior to said installation.

12. That as a condition of Permit issuance, Permitee agrees to indemnify and hold harmless District from any against any and all liability, loss, or damage District may suffer from claims and demands for attorneys’ fees, costs of suit, and costs of
administrative records made against District by any and all third parties as a result of third party environmental actions against District arising out of the subject matter of this Permit, including, but not limited to attorneys' fees, costs of suit, and costs of administrative records pursuant to the California Code of Civil Procedure §1021.5 or any other applicable local, state or federal laws, whether such attorneys' fees, costs of suit, and costs of administrative records are direct or indirect, or incurred in the compromise, attempted compromise, trial appeal or arbitration of claims for attorneys' fees, costs of suit, and costs of administrative records in connection with the subject matter of this Permit.

13. That this Permit was valid as of the 13th day of April 2007, and made subject to the Permittee approving and agreeing to the conditions above set forth and executing said approval, as modified by this action, as hereinafter provided.

EXECUTED on this 26th day of May 2016, by authority of the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District.

PATRICK HIGGINS, President
Board of Commissioners
Humboldt Bay Harbor, Recreation and Conservation District

Coast Seafoods Company, Permittee, in the above Permit, hereby accepts and agrees to all of the conditions hereinabove set forth. Permittee shall indemnify and hold harmless the District, its Board of Commissioners, officers and employees from any and all claims of any nature arising from the performance of and work of improvement contained in the Application for injury, death or damage to any person or property.

Coast Seafoods Company, Permittee, in the above Permit, agrees to indemnify and hold harmless District, its Board of Commissioners, officers and employees from and against any and all liability, loss or damage District may suffer from claims and demands from attorneys' fees; costs of suit and costs of administrative records made against District by any and all third parties as a result of third party environmental actions against District arising out of the subject matter of this Permit including, but not limited to, attorneys' fees, costs of suit and costs of administrative records pursuant to the California Code of Civil Procedure §1021.5 or any other applicable local, state or federal laws, whether such attorneys fees, costs of suit and costs of administrative records are direct or indirect, or incurred in the compromise, attempted compromise, trial, appeal or arbitration of claims for attorneys' fees, costs of suit and costs of administrative records in connection with the subject matter of this Permit.

Dated: __________________________

GREG DALE
California Operations Manager
COAST SEAFOODS COMPANY