Minutes
Regular Meeting of the Board of Commissioners
Humboldt Bay Harbor, Recreation and Conservation District
March 23, 2017

The Humboldt Bay Harbor, Recreation, and Conservation District met in regular session on the above date, 6:00 P.M. Closed Session, 7:00 P.M. Open Session, at the Woodley Island Marina Meeting Room, 601 Startare Drive, Eureka, CA 95501.

1) Closed Session - 6:00 P.M.

The Commission met in closed session to discuss the following items:

   A. Public Employee Performance Evaluation
      Title: Executive Director (Employment Contract)

   B. Conference with Real Property Negotiators
      Agency Negotiator: Board President, Executive Director and District Counsel
      Under Negotiation:
      Option Agreement with Timber Heritage Association.

   C. Conference with Real Property Negotiators
      Agency Negotiator: Board President, Executive Director and District Counsel
      Under Negotiation:
      PG&E Fisherman's Channel Agreement Amendment 1

   D. Conference with Real Property Negotiators
      Agency Negotiator: Board President, Executive Director and District Counsel
      Pre-permitting subtidal lease agreement rates.

2) Adjourn Executive Closed Session

3) Open Session – 7:00 P.M.

   Roll Call:

   Present: Higgins
   Marks
   Doss
   Dale
   Kulmann

   Absent: None.

   Quorum: Yes

4) Pledge of Allegiance

5) Report on Executive Closed Session

   A. No action to report.

   B. No action to report. Item on this agenda's Open Session, 11b.

   C. No action to report. Item on this agenda's Open Session, Item 11c.

   D. No action to report.

6) Public Comment

The following individuals addressed the Council regarding subject matters not on this meeting's agenda: Kent Sawatzky, Susan Penn.

7) Consent Calendar:

   A. Consideration of approval of minutes from the Regular meeting of November 17, 2016

   B. Consideration of approval of minutes from the Regular meeting of December 15, 2016

   C. Consideration of approval of minutes from the Special meeting of January 19, 2017
D. Consideration of approval of minutes from the Regular meeting of January 26, 2017
E. Consideration of approval of minutes from the Special meeting of February 2, 2017
F. Consideration of approval of minutes from the Special meeting of February 16, 2017
G. Consideration of approval of minutes from the Special meeting of February 28, 2017
H. Consideration of approval of minutes from the Special meeting of March 1, 2017

I. Commissioner Kullmann asked for Item(E) to be pulled for further discussion.

II. COMMISSIONER DALE MOVED FOR THE APPROVAL OF THE REMAINDER OF THE CONSENT CALENDAR. COMMISSIONER HIGGINS SECONDED.

III. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

IV. Commissioner Kullmann made a correction to the February 2, 2016 Minutes (Item 7(e) above), adding a note onto Item 4(B) of said minutes, which states that David Narum verbally voiced his support for the selection of Stephen Kullmann when withdrawing his application for consideration.

V. COMMISSIONER HIGGINS MOVED FOR THE APPROVAL OF ITEM E OF THE CONSENT CALENDAR AMENDED TO INCLUDE THE CORRECTION. COMMISSIONER DALE SECONDED.

VI. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

8) COMMUNICATIONS AND REPORTS:

A. Executive Director Report
   o Annual Shelter Cove Commission Meeting- start looking at dates
   o Vessel 1091 condition report- not going back in the water, 1 yr. extension to move from Redwood Marine Terminal I (RMT I).
   o Dredge Disposal Options- Lindy Scovell and MM Driving consulted. Looking at options on Ocean Outfall pipe.
   o Reinke Marine, of Stockton, is interested in utilizing Fields Landing Boatyard.
   o Yeung Oyster permit proposal now is a part of the District’s Mariculture Pre-Permitting. This project now has a new NOP and EIR process, which will address MND concerns and offset permitting costs.
   o Inyo Networks, signed and paid Exclusive Right to Negotiate (ERTN) for fiber optic cable landings at Redwood Marine Terminal II (RMT II).

B. Staff Reports
   I. Director of Facility Maintenance, Alan Bobillot:
      o Moving Coast Guard from F dock to A dock-new bilge system needed.
      o Completed improvements at Red Tank, now ready for subtidal tenants.
      o Almost completed clutch repair of the Shelter Cove Red tractor.
      o Shelter Cove asbestos contractor completed, work-demo permit soon

   II. Director of Harbor Operations:
      o Shelter Cove annual maintenance next week, season starts soon.
      o Started construction of a RMT II fence that separates new owners

C. District Counsel, District Planner, District Treasurer and District Engineer Reports
I. District Counsel

II. District Planner:
  o LCL 1091- CDP filed with Coastal Commission-1 yr. to relocate
  o RMTII- Completed potential tenant request information
  o Pre-Permitting filed EIR Notice of Preparation – agency meeting 4/18/17.
  o Shelter Cove- County CDP filing application for new facility.
  o Eelgrass Management Plan- draft plan in preparation- Merkel & Assoc.
  o FY 2017-18 Budgeting- new format and timeline.
  o Website management- completed updates. Organized Commission minutes and meeting notices.
  o Chevron Terminal- Air Sparge wells repairs permit received.
  o Woodley Island- Restaurant/Parking/storage CDP amendment in progress.

III. District Treasurer
  o LCL 1091- CDP filed with Coastal Commission-1 yr. to relocate Cash as of 2/28/2017 - $1,191,970
    o Ratios as of 6/30/2016- 221, BBVA requires 1.25
    o Revenues as of 6/30/2016- increased by $208,725
    o Expenses as of 6/30/2016- increased by $215,635

IV. District Engineer
  o Mariculture project- Pre-Permitting Subtidal, 401 Certification & ACOE/NMFS consultation
  o Dredge- sampling small boat basin, botanical and eelgrass survey
  o RMTII- NPDES permit for ocean outfall
  o RMTII- RWQCB wants peninsula sewer collection, treatment and ocean discharge grant application for both feasibility and construction for 2017 funding.
  o Shelter Cove building foundation plans- waiting on survey

V. Commissioner and Committee Reports

VI. Other- Presentation on Fishing Community Sustainability Plan- Laura Casali and Dr. Laurie Richmond.

9) NON-AGENDA NONE.

10) UNFINISHED BUSINESS
   A. CONSIDERATION OF APPROVAL OF THE 2017 DREDGING DISPOSAL OPTIONS PERMIT SCHEDULE.
      Pulled from agenda prior to meeting.

11) NEW BUSINESS:
   A. CONSIDERATION OF APPROVAL OF AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2016- PRESENTATION HUNTER, HUNTER & HUNT.

   I. Hunter, Hunter & Hunt presented information regarding the item.
      a. For the fiscal year ended June 30, 2016, they discussed three points of information-
         i. Review key financial measures
         ii. The audited financial statements of Humboldt Bay Harbor, Recreation and Conservation District for the year ended June 30, 2016
         iii. Required communications letter
         iv. Noted for the record: no significant difficulties dealing with management, no material misstatements, no disagreements with management, and process required a signed communications letter.
         v. Addressed recent newspaper article about rentals at RMT II. The firm inquired, and determined that the audit reports and financial statements as of June 30, 2016 are not materially misstated, and no further action is required on the auditing firm’s part.
II. COMMISSIONER HIGGINS MOVED TO APPROVE THE AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2016. COMMISSIONER KULLMANN SECONDED THE MOTION.

III. The Commission briefly discussed the item. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

B. CONSIDERATION OF APPROVAL TO TIMBER HERITAGE ASSOCIATION OPTION AGREEMENT- 1 YEAR EXTENSION.

I. District Staff presented information regarding the item.

II. COMMISSIONER DOSS MOVED TO EXTEND THE AGREEMENT OF THE OPTION IN THE LEASE FOR THE NEXT YEAR. District staff clarified that the option agreement does not involve a lease. COMMISSIONER DOSS AMENDED HIS ORIGINAL MOTION, REMOVING THE LEASE LANGUAGE. Commissioner Higgins accepted the change. AMENDED MOTION: MOVE TO APPROVE THE TIMBER HERITAGE ASSOCIATION OPTION AGREEMENT- 1 YEAR EXTENSION.

III. The Commission briefly discussed the item.

IV. Chair Marks then opened up public comment on the item. Commenters included: Pete Oringer, Larry Henderson. Seeing no more members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

C. CONSIDERATION OF APPROVAL TO AMENDMENT 1 OF PG&E FISHERMAN'S CHANNEL AGREEMENT.

I. This item was tabled for a future date uncertain.

D. CONSIDERATION OF APPROVAL OF A $200,000 GRANT FROM THE NATURAL RESOURCE AGENCY FOR PARTIAL IMPLEMENTATION OF THE SEDIMENT MANAGEMENT PLAN.

I. COMMISSIONER HIGGINS MOVED TO APPROVE THE $200,000 GRANT FROM THE NATURAL RESOURCE AGENCY FOR PARTIAL IMPLEMENTATION OF THE SEDIMENT MANAGEMENT PLAN. COMMISSIONER DOSS SECONDED THE MOTION.

II. District Staff presented information regarding the item.

a. Started around 2010 with a -$200K grant from the Regional Sediment Management Workgroup- Army Corp and Boating & Waterways.
   i. Management Workgroup- Army Corp and Boating & Waterways.

b. Grant was awarded to the Harbor District and administered by Army Corp

c. Army Corp's contractor Moffatt & Nicol had delayed report for years.

d. The report is a critical component of dredge disposal options.

e. Report not final but clearly demonstrates huge sediment deficits.

f. Natural Resource Agency (NRA) has offered a $200K grant for partial implementation of the Plan

g. Working with USGS and County to use grant to leverage Fed. Funds.

h. Staff recommends approval of NRA grant of $200K for PEIR and other related studies to address Regional Sediment Management.
III. The Commission briefly discussed the item.
IV. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

E. CONSIDERATION OF AWARDING BID TO ADVANCED SECURITY FOR $10,505.69 FOR WOODLEY ISLAND FIRE ALARM UPGRADES.
   I. District Staff presented information regarding the item.
      a. System is 30+ years old-
      b. Replacing control panel, notifiers and transponders.
      c. Installation, certification and 1 year warranty.
      d. Bid was properly advertised, and received only one bid.
      e. Staff recommends awarding bid to Advanced Security for $10,505.69
   II. COMMISSIONER HIGGINS MOVED TO AWARD BID TO ADVANCED SECURITY FOR $10,505.69 FOR WOODLEY ISLAND FIRE ALARM UPGRADES. COMMISSIONER DALE SECONDED THE MOTION.
   III. The Commission briefly discussed the item.
   IV. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

F. CONSIDERATION OF ACCEPTANCE FOR FILING CHEVRON AIR SPARGE WELL REPAIR PERMIT 17-01.
   I. COMMISSIONER DOSS MOVED TO ACCEPT FOR FILING THE CHEVRON AIR SPARGE WELL REPAIR PERMIT 17-01 APPLICATION. COMMISSIONER KULLMANN SECONDED THE MOTION.
   II. District Staff presented information regarding the item.
      a. Part of Chevron’s environmental remediation efforts.
      b. The site operates an air sparge remediation system with wells.
      c. Air sparge wells were installed (1996).
      d. The system has been successful but needs repairs and maintenance.
      e. Staff recommends acceptance for filing permit 17-01.
   III. The Commission briefly discussed the item.
   IV. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE
G. CONSIDERATION OF APPROVAL OF THE 2017/18 BUDGET SCHEDULE AND APPOINTMENT OF BUDGET COMMITTEE.

I. District Staff presented information regarding the item:
   a. March 23, approve schedule and appoint committee - regular meeting
   b. April 13, preliminary budget, prepare and presented - special meeting
   c. April 27, preliminary budget adoption - 30 day notice - regular meeting
   d. May 25, budget receives public input - public notice ends - regular meeting
   e. June 1, final budget public hearing and first reading - special meeting
   f. June 22, second reading and final budget adoption - regular meeting
   g. Budget Committee meetings - (2) Dates: initially meet on 4/7, and follow up with a second meeting on either 4/10 or 4/11

II. The Commission briefly discussed the item. Commissioners Marks and Dale were assigned to the Committee.

III. COMMISSIONER HIGGINS MOVED TO APPROVE THE 2017/18 BUDGET SCHEDULE AND APPOINTMENT OF BUDGET COMMITTEE. COMMISSIONER DOSS SECONDED THE MOTION.

IV. Chair Marks then opened up public comment on the item. Seeing no members of the public wishing to speak, Chair Marks then moved the discussion back to the Commission.

VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: MARKS, HIGGINS, DOSS, KULLMANN, DALE
Noes: NONE
Absent: NONE
Abstain: NONE

12) ADMINISTRATIVE AND EMERGENCY PERMITS: NONE.

13) ADJOURNMENT

APPROVED BY
Patricia Higgins
Secretary

RECORDED BY:
George Williamson
District Planner