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

April 13, 2017

The Humboldt Bay Harbor, Recreation, and Conservation District met in special 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:

1. Public Employee Performance Evaluation
   Title: Executive Director (Annual Evaluation and Contract renewal)

2. Conference with Legal Counsel
   Existing Litigation from National Audubon Society and California Waterfowl Association v. Humboldt Bay Harbor, Recreation and Conservation District, pending in Humboldt County Superior Court.

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

4. 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
             KULMANN

ABSENT:      DOSS
             DALE

QUORUM: Yes

4) PLEDGE OF ALLEGIANCE

5) REPORT ON EXECUTIVE CLOSED SESSION
   1) No action taken to report out on.
   2) No action to report out on. Point of information: under the terms of the Coast Seafoods permit, the company is responsible for paying for the defense and indemnity of the lawsuit, therefore no financial impact on District.
   3) No action to report out on, but the topic is on this meeting's agenda, to be discussed under item 11b.
   4) Nothing to report out on this item. Anticipated to be discussed in an upcoming public session.

6) PUBLIC COMMENT: NONE.

7) CONSENT CALENDAR: NONE.

8) COMMUNICATIONS AND REPORTS:
   a. Executive Director Report: NONE.
b. Staff Reports
   i. Director of Facility Maintenance: NONE.
   ii. Director of Harbor Operations: NONE.

c. District Counsel, District Planner, District Treasurer and District Engineer Reports
   i. District Counsel:
      o Regarding the conflict of interest complaint filed against the District with the Fair Political Practices Commission (FPPC)
      o Last week the FPPC issued a letter to the HBHRCD Commission, identifying that the FPPC was closing its file, and that no action would be taken against the District or its commissioners.
   ii. District Planner:
      o Humboldt Bay Intertidal Mariculture Pre-Permitting Project and Yeung Oyster Farm
      o A Notice of Preparation has been circulated, notifying interested parties that the District is preparing a draft environmental impact report.
      o A scoping meeting for this project, open to the public, will be held Tuesday April 18th, 2017, 4:00 pm to 6:00 pm at the Harbor District Meeting Room.
   iii. District Treasurer: NONE.
   iv. District Engineer: NONE.

d. Commissioner and Committee Reports
   i. Commissioner Kullmann
      o Bluelake Rancheria Micro-Grid Kick-off celebration on April 27th, 1:00 to 3:00 p.m.
      o Directed staff to look into Volkswagen's settlement mitigation measures and funding and how the District may become a beneficiary. There appears to be a lot of funding for port operations that reduce diesel use.
   ii. Commissioner Higgins
      o Upcoming visit from aquaculture group. Closed aquaculture system, possibly to grow black cod, at RMTII. They will tour the facility the first week of May.
      o Salmon season is open in Shelter Cove, will close after April 18th. The Cove will be open again in May most likely.
   iii. Commissioner Marks
      o Receiving calls regarding opportunities on the Peninsula.
      o North Coast Rail Authority: restoration and repair projects in Willits.

9) NON-AGENDA: NONE

10) UNFINISHED BUSINESS: NONE

11) NEW BUSINESS:
   A. PRELIMINARY BUDGET PRESENTATION FY 2017/18
      i. Executive Director Crider presented the item.
         a. Presented new budget format, overview, financial highlights, and budget schedule.
            i. Schedule:
               o April 13- Preliminary budget prepared and presented
               o April 27- Preliminary budget adoption / FY 2016/17 review
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- April 28- 30-day public notice period begins
- May 25- Public input
- June 1- Final budget public hearing and first reading
- June 22- Ordinance second reading and final budget adoption

ii. Financial Highlights of Upcoming Fiscal Year:
- Redwood Marine Terminals I and II improvements
- Dredging infrastructure- vessels, motors, and pipes
- Shelter Cove- new OPC Grant funded facility
- Eureka and District Dredging and Disposal (maintenance dredging)
- Mariculture Leases
- Humboldt Bay Harbor District Economic Impact Analysis
- Humboldt Bay Plan Update

iii. Reviewed each site/activity the District has, and the anticipated costs and projects associated with each.

II. The Commission 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 closed the item with no action taken, noting it will again be on the next meeting’s agenda.

B. CONSIDERATION OF APPROVAL TO AMENDMENT 1 OF PG&E FISHERMAN’S CHANNEL AGREEMENT

I. Executive Director Crider presented information regarding the item:
- “Amendment 1” is the agreement between the Harbor District and PG&E to fund ($450,000) the District’s design, planning, implementation, and execution of a Pilot Eelgrass Project, to support development of a Humboldt Bay Eel Grass Mitigation Plan, which benefits both the Fisherman’s Channel Dredging Project and future dredging projects to be performed by the District. In return, the District would agree to accept all responsibility for the performance and completion of the Fisherman’s Channel project and release PG&E from all of its obligations set forth in the PG&E Fisherman’s Channel Agreement.

II. The Commission briefly discussed the item. The Commission then invited Whelan Gilkerson, of Merkel & Associates, to further present the mitigation plan and Pilot Eelgrass Project. The Pilot Eelgrass Project would be located at Clam Island. Commissioners asked questions and commented on details of the Pilot Project.

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.

COMMISSIONER KULLMANN MOVED TO APPROVE AMENDMENT 1 OF PG&E FISHERMAN’S CHANNEL AGREEMENT. COMMISSIONER HIGGINS SECONDED THE MOTION. VOICE VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

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

C. CONSIDERATION OF APPROVAL FOR A 3 YEAR EXTENSION OF THE PORTS AGREEMENT WITH HSU.

I. COMMISSIONER HIGGINS MOVED TO APPROVE THE A 3-YEAR EXTENSION OF THE PORTS AGREEMENT WITH HSU. COMMISSIONER KULLMANN SECONDED THE MOTION.

II. District Staff presented information regarding the item:
- a. No changes to contract. Extension of existing contract.

III. The Commission then briefly discussed the item.

IV. Legal counsel, Paul Brisso, disclosed that HSU’s Special Programs Foundation is a client of his, but that in this matter he has not provided legal advice or counsel to either district staff or the Foundation.

V. 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.

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

D. CONSIDERATION OF RESOLUTION 2017-05. A RESOLUTION APPROVING THE APPLICATION FOR AND/OR EXECUTION OF GRANT FUNDS FROM THE CALIFORNIA NATURAL RESOURCES AGENCY FOR DEVELOPMENT OF A PROGRAM ENVIRONMENTAL IMPACT REPORT FOR HUMBOLDT BAY SEDIMENT MANAGEMENT.
   I. District Staff presented information regarding the item. The Commission then briefly discussed the item.
   II. COMMISSIONER HIGGINS MOVED TO APPROVE RESOLUTION 2017-05. COMMISSIONER KULLMANN SECONDED THE MOTION.
   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.

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

E. CONSIDERATION OF APPROVAL OF PERMIT TO CHARLES DOBY AND KIM CLASS DBA FIRST CLASS TO OPERATE A BED & BREAKFAST BUSINESS FROM THE SAILING VESSEL OBSESSION.
   I. COMMISSIONER HIGGINS MOVED TO APPROVE THE PERMIT. COMMISSIONER KULLMANN SECONDED THE MOTION.
   II. District Staff presented information regarding the item. The Commission then briefly discussed the item.
   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, KULLMANN
Noes: NONE
Absent: DOSS, DALE
Abstain: NONE

F. CONSIDERATION OF APPROVAL OF PERMIT TO REEF TWIBELL DBA HUMBOLDT SPORTFISHING TO OPERATE A CHARTER SERVICE.
   I. COMMISSIONER HIGGINS MOVED TO APPROVE THE PERMIT. COMMISSIONER KULLMANN SECONDED THE MOTION.
   II. The Commission briefly discussed the item.
   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, KULLMANN
Noes: NONE
Absent: DOSS, DALE
Abstain: NONE

G. CONSIDERATION OF APPROVAL OF PERMIT TO MARC SCHMIDT DBA COASTLINE CHARTERS TO OPERATE A CHARTER SERVICE.
   I. COMMISSIONER HIGGINS MOVED TO APPROVE THE PERMIT. COMMISSIONER KULLMANN SECONDED THE MOTION.
II. 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, KULLMANN
Noes: NONE
Absent: DOSS, DALE
Abstain: NONE

12) ADMINISTRATIVE AND EMERGENCY PERMITS: NONE

13) ADJOURNMENT
The Special Meeting of the Board of Commissioners adjourned at 8:25 pm.

APPROVED BY:
[Signature]
PETER HIGGINS
Secretary

RECORDED BY:
[Signature]
George Williamson
District Planner