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

DATE: **March 10, 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 Section 54956.8 (Conference with Real Property Negotiators):

1) Conference with Real Property Negotiators
Agency Negotiator: Board President, Executive Director and District Counsel
Under Negotiation:
Lease with Mario's Marina at Shelter Cove

2) Conference with Real Property Negotiators
Agency Negotiator: Board President, Executive Director and District Counsel
Under Negotiation:
King Salmon private canal lease

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 approval of minutes from the Special Board Meeting of February 29, 2016.

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

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

b. Consideration of granting Permit 15-05 to Coast Seafoods Company for the Redwood Terminal 2 Coast Seafoods Company Water Intake and Discharge Project.

11. New Business

a. Consideration of adoption of Resolution 2016-07, A Resolution Honoring the Memory of Former Commissioner Charles Ollivier.

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 Klassen and Sherry Klassen 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.*

12. Administrative and Emergency Permits

13. Adjournment

7a

MINUTES (Subject to Approval)
SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

February 29, 2016

PRESENT:

Commissioner Doss
Commissioner Dale
Commissioner Higgins

ABSENT:

Commissioner Wilson
Commissioner Marks

President Higgins called the Special Meeting of the Board of Commissioners to order at 10:14 a.m.

President Higgins led those present in the Pledge of Allegiance.

PUBLIC COMMENT: None

CONSENT CALENDAR

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

NEW BUSINESS

A. CONSIDERATION OF RESOLUTION 2016-06, A RESOLUTION DECLARING VARIOUS ITEMS AS SURPLUS PROPERTY AND FOR THE DISPOSAL OF SURPLUS PERSONAL PROPERTY BELONGING TO THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT.

Director of Harbor Operations reported the two engines that were included with the purchase of the dredge are not California Air Emissions compliant; they cannot even be started in California. One is worth approximately $20,000 and there is an interested buyer from Brookings, Oregon. The other has a salvage value of approximately $5,000. Staff recommended the Board approve the surplus action of the engines in order to advertise and sell the property.

COMMISSIONER DALE MOVED FOR THE APPROVAL OF RESOLUTION 2016-06, A RESOLUTION DECLARING VARIOUS ITEMS AS SURPLUS PROPERTY AND FOR THE DISPOSAL OF SURPLUS PERSONAL PROPERTY BELONGING TO THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT. COMMISSIONER DOSS SECONDED.

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

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF AUTHORIZING PRESIDENT OF THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT TO SIGN ALL NEW MARKET TAX CREDIT DOCUMENTS.

COMMISSIONER DALE MOVED FOR THE APPROVAL OF AUTHORIZING PRESIDENT OF THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT TO

SIGN ALL NEW MARKET TAX CREDIT DOCUMENTS. COMMISSIONER DOSS SECONDED. MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF RELIANCE LETTER OPTION FROM LACO ASSOCIATES.

Executive Director reported at this time no action is required by the Board of Commissioners.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 10:29 a.m.

APPROVED BY:

Greg Dale
Secretary

RECORDED BY:

Patricia Tyson
Director of Administrative Services

10a+b

AGENDA REPORT

For agenda of: March 10, 2016

Agenda Items: Agenda Items 10 (a) and (b)

Unfinished Business

10 (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
And,
10 (b). Consideration of granting Permit 15-05 to Coast Seafoods Company for the Redwood Terminal 2 Coast Seafoods Company Water Intake and Discharge Project.

Summary: The project involves installation and operation of a water intake and discharge in Humboldt Bay at Redwood Terminal 2. The water would be provided to a future shellfish hatchery that would be operated by Coast Seafoods Company.

No comments were received during the Harbor District's 30 day public review period. The Humboldt Bay Harbor District is the CEQA Lead Agency and staff has determined that the project qualifies for a CEQA Categorical Exemption under CEQA Guidelines §15303. Harbor District staff has prepared a CEQA Notice of Exemption. The project also requires approval from the US Army Corps of Engineers, California Coastal Commission and North Coast Regional Water Quality Control Board.

Board Packet Material:

- Resolution 2016-08
- Permit 15-05
- Permit 15-05 Notice of Exemption
- Permit Application 15-05

Staff Recommendation: Staff recommends that the Board adopt Resolution 2016-08 and grant Permit 15-05.

10a

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

RESOLUTION NO. 2016-08

A RESOLUTION ESTABLISHING FINDINGS RELATIVE TO THE PERMIT APPLICATION BY COAST SEAFOODS COMPANY FOR THE REDWOOD TERMINAL 2 WATER INTAKE AND DISCHARGE PROJECT, SAMOA, CALIFORNIA

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 Redwood Terminal 2 Water Intake and Discharge Project proposed by Coast Seafoods Company 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 Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District has found the following to be true and adopts the following findings with respect to the proposed use contemplated by Coast Seafoods Company in Application 15-05 and supplements and amendments thereto:

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

2. The proposed use is categorically exempt from CEQA under CEQA Guidelines §15303; and

3. The proposed use is consistent with the Humboldt Bay Management Plan; with special relevance to policy HFA-5: *Identify additional aquaculture opportunities in Humboldt Bay*; and

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

5. 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,

6. 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 areas, historic sites and buildings, or archeological sites in the area.

PASSED AND ADOPTED by the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District at a duly called meeting held on the 10th day of March 2016, by the following polled vote:

AYES:

NOES:

ABSENT:

Pat Higgins, President
Board of Commissioners

ATTEST:

Mike Wilson, Vice President
Board of Commissioners

CERTIFICATE OF SECRETARY BY VICE PRESIDENT

The undersigned, duly qualified and acting Vice President 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. 2016-08 entitled,

A RESOLUTION ESTABLISHING FINDINGS RELATIVE TO THE PERMIT APPLICATION BY COAST SEAFOODS COMPANY FOR THE REDWOOD TERMINAL 2 WATER INTAKE AND DISCHARGE PROJECT SAMOA, CALIFORNIA

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 10th day of March 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 10th day of March 2016.

MIKE WILSON, Vice President
Board of Commissioners

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

106

PERMIT

Permit No. 15-05

601 Startare Drive
Woodley Island Marina
P O Box 1030
Eureka, CA 95502-1030

Permittee:

Coast Seafoods Company
25 Waterfront Drive
Eureka, CA 95501

Project: **REDWOOD TERMINAL 2 COAST SEAFOODS COMPANY WATER INTAKE AND DISCHARGE PROJECT**

The Board of Commissioners of the **Humboldt Bay Harbor, Recreation and Conservation District** hereinafter referred to as "**District**", having considered the Application herein, number 15-05, received by the **District** on November 30th 2015, and the **Humboldt Bay Harbor, Recreation and Conservation District** as permittee hereinafter referred to as "**Permittee**", and the **District** as the lead agency, pursuant to the California Environmental Quality Act of 1970, as amended, having made a determination of a Categorical Exemption dated March 7th 2016 and the Board of Commissioners of the **District** having on March 10th 2016 passed Resolution No. 2016-08 establishing findings relative to the Application by **Permittee** for the development of the **Redwood Terminal 2 Coast Seafoods Company Water Intake and Discharge Project** provided for in this Permit, the Permittee is hereby authorized to implement the **Redwood Terminal 2 Coast Seafoods Company Water Intake and Discharge Project** as more particularly described in the Application filed with the **District** referred to above.

You are hereby authorized to implement the **Redwood Terminal 2 Coast Seafoods Company Water Intake and Discharge Project** as described in the Permit Application consisting of:

> Install and utilize a water intake and discharge at Redwood Terminal 2 to provide water from Humboldt Bay to Coast Seafoods Company's future upland shellfish hatchery and return the water to Humboldt Bay. The hereby permitted project is described more fully in Application 15-05 filed by **Permittee**.

That the location of the proposed work of improvement shall be located at Parcel No. APN 401-11-211 and 401-11-221, in Humboldt County, CA, in the uplands, tide and submerged lands of Humboldt Bay owned by **District**.

SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. If **Permittee** cannot complete the work within the time granted by this Permit, **Permittee** shall request an extension before the Permit expires. If there are material changes to the plan and scope of the work, it will be necessary for **Permittee** to submit a detailed explanation and request a revision of the Application and plans.

2. To protect sensitive aquatic species (e.g., salmonids and longfin smelt (*Spirinchus thaleichthys*)) from being entrained or impinged, the screen for the water intake shall be designed with the following specifications and shall be inspected and approved by District staff prior to installation:

- Round or square (measured diagonally) openings in a required intake screen shall not exceed 2.38 millimeters (mm) (3/32 in).
- Slotted openings in the screen shall not exceed 1.75 mm (0.0689 in).
- Approach velocity shall not exceed 0.2 ft per second for self-cleaning screens or 0.05 ft per second for non-self-cleaning screens. Self cleaning screens must achieve full clearance of the entire screen at least once every five minutes.
- Overall screen porosity shall be a minimum of 27%.

3. The water discharge shall be located and designed so that discharged water will not cause disturbance to the bay bottom. The final design and location of the discharge shall be inspected and approved by District staff prior to installation.

4. That all work authorized by this Permit shall further be subject to the approval of the following public agencies:

    A. United States Army Corps of Engineers San Francisco District
    B. State of California Coastal Commission
    C. North Coast Regional Water Quality Control Board

    and **Permittee** shall fully comply with all regulations and conditions affecting such work as imposed by the above agencies.

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

6. That this Permit, if not previously revoked or specifically extended, shall cease and be null and void and terminate on the 9th day of March 2017. This permit may be extended in annual increments for up to a total of nine (9) years at the discretion of the District.

7. That the Board of Commissioners of the **District** may revoke this Permit at any time upon a finding by the **District** of a violation by the **Permittee** of

any condition of this Permit, or a finding of substantial new information regarding the effect of the Permitted activities. District shall notify Permittee prior to revocation and shall provide an opportunity, where possible, to resolve the situation prior to revoking this permit.

8. That the **Permittee** 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.

9. That this Permit is valid as of the 10th day of March 2016, and is made subject to the **Permittee** approving and agreeing to the conditions above set forth and executing said approval as hereinafter provided.

EXECUTED on this 10th day of March 2016 by authority of the Board of Commissioners of the **Humboldt Bay Harbor, Recreation and Conservation District**.

_____

Pat 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.

Coast Seafoods Company

Signature _____

Name _____

Title _____

Date _____

COMMISSIONERS
1st Division
Larry Doss
2nd Division
Greg Dale
3rd Division
Mike Wilson
4th Division
Richard Marks
5th Division
Patrick Higgins

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

California Environmental Quality Act Notice of Exemption

Project Title: Redwood Terminal 2 Coast Seafoods Company Water Intake and Discharge

Project Proponent:
Coast Seafoods Company
25 Waterfront Drive
Eureka, CA 95501

Project Summary: The project proponent will install a water intake and discharge in Humboldt Bay (Samoa, California) leading to the interior of an existing warehouse where a shellfish hatchery will be established.

Pertinent California Environmental Quality Act (CEQA) Exemption: CEQA Guidelines §15303 "New Construction or Conversion of Small Structures" exempts the construction of small structures.

Rationale for Exemption: This project will construct small structures (i.e., a water intake and discharge) on the exterior of an existing structure (a dock). The activity would not have a significant effect on the environment due to any unusual circumstances and the cumulative impact of successive projects of the same type in the same place is not significant.

Contact: Adam Wagschal
Deputy Director
Humboldt Bay Harbor, Recreation and Conservation District

Date: March 7, 2016

Signature_____
Adam Wagschal, Deputy Director

PLAUCHÉ & CARR
LLP

Samuel W. Plauché

811 First Avenue, Suite 630, Seattle, WA 98104
TEL: (206) 588-4188 FAX: (206) 588-4255
www.plauchecarr.com

Amanda M. Carr

November 25, 2015

Via Priority Mail Express
Adam Wagschal
Humboldt Bay Harbor, Recreation and Conservation District
P.O. Box 1030
Eureka, CA 95502

RE: Coast Seafoods Company Permit Application
Installation of Saltwater Intake and Discharge Pipes at Berth 2 Facility

Dear Adam:

Enclosed please find a Permit Application on behalf of Coast Seafoods Company ("Coast"). Coast proposes to install saltwater intake and discharge pipes along an existing pier facility at the Humboldt Bay Harbor, Recreation and Conservation District's Berth 2 Facility to support Coast's Berth 2 Facility Mariculture Project.

I would be happy to answer any questions you may have regarding the enclosed application. Thank you for your time and consideration.

Very truly yours,

Robert M. Smith

RMS:cml
Enclosures

HUMBOLDT BAY
HARBOR, RECREATION AND CONSERVATION
DISTRICT

P.O. BOX 1030
Eureka, California 95502
(707) 443-0801
(707) 443-0800 fax

Date Filed_____

General Information	For Commission Use
1) Name & Address of Developer, Project Sponsor and Legal Owner *Coast Seafoods Company* *25 Waterfront Drive* *Eureka, CA 95501*	A. Application No._____ Application Type: Franchise ☐ Permit ☐ Lease ☐
2) Address of Project and Assessor's block, lot and Parcel Number *1 TCF Drive,* *Samoa, California* *The area known as Berth 2 and controlled by the Humboldt Bay Harbor, Recreation and Conservation District, including portions of Block 112, parcel numbers 21 and 11, APN # 401-112-011 and 401-112-021.*	B. Date Received by Harbor District
	C. Date Accepted for filing by BOC
	D. Date of Public Notice
	E. Date of Acceptance EIR or Negative Declaration
3) Name, Address and Telephone No. of Person to be contacted concerning this Project *Robert M. Smith* *Plauché & Carr LLP* *811 First Avenue, Suite 630* *Seattle, WA 98104* *(206) 436-0615* *robert@plauchecarr.com*	F. Date of Public Notice
	G. Date of Public Hearings
4) Attach list of names and addresses of all adjoining property owners: *See Exhibit A* .	H. Date of Approval Disapproval _____ Conditional _____ Approval _____

5) List and Describe any other related Permits & Other Public Approvals required for this Project, including those required by City, Regional, State & Federal Agencies. *See Exhibit B*	I. Expiration Date
6) Existing Zoning District: MC/A	Comments
7) Proposed Use of Site (Title of Project for which this form is filed): *Installation of saltwater intake and discharge pipes along an existing pier facility at the Humboldt Bay Harbor, Recreation and Conservation District's Berth 2 Facility to support Coast Seafoods Company's Berth 2 Facility Mariculture Project (the "Project"). See Exhibit C.*	

Describe in detail the proposed project:

Answer all questions completely on a separate sheet of paper. If the question does not apply to your project, so indicate by marking N.A. If you have questions, please contact the Harbor District Office.

Project Details

8. Site Size

The site will consist of portions of Parcels 401-112-011 and 401-112-021 and associated uplands, as shown in Exhibit D. Parcels 401-112-021 and 401-112-011 are approximately 65.5 and 15.7 acres, respectively. The Project's use of tideland Parcel 401-112-011 will be limited to an easement for use of the Humboldt Bay Harbor, Recreation and Conservation District's ("Harbor District") existing dock facility for the purpose of operating intake and discharge pipes, as shown in Exhibit D; the existing dock and associated easement extends into parcel 401-112-021. The project will also utilize upland warehouse and parking facilities on Parcel 401-112-021.

9. Square Footage

N.A.

10. Number of floors of construction

The only construction will be to install saltwater intake and discharge pipes along the existing dock and pier structures.

11. Amount of off-street parking provided

N.A.

12. Attach plans

See Exhibit D.

13. Proposed scheduling

Scheduling is dependent on permitting requirements and the time necessary to obtain permits. However, the saltwater intake and discharge pipes will be installed as soon as practicable following approval of all necessary permits.

14. Associated projects

The intake and discharge piping is associated with Coast Seafoods Company ("Coast")'s proposed shellfish hatchery, to be located in an existing warehouse owned by the Harbor District on the upland portion of Parcel 401-112-021. Seed grown in the hatchery will be placed in floating upweller systems for further grow-out, which would be located on subtidal parcels leased from the Harbor District as part of its Mariculture Pre-Permitting Project.

15. Anticipated incremental development

N.A.

16. If residential, include the number of units, schedule of unit sizes, range of sale prices or rents, and type of household size expected.

N.A.

17. If commercial, indicate the type, whether neighborhood, city or regionally oriented, square footage of sales area, and loading facilities

N.A.

18. If industrial, indicate type, estimated employment per shift, and loading facilities.

N.A.

19. If institutional, indicate the major function, estimated employment per shift, estimated occupancy, loading facilities, and community benefits to be derived from the project.

N.A.

20. If the project involves a variance, conditional use or recognizing application, state this and indicate clearly why the application is required.

N.A.

Are the following items applicable to the project or its effects? Answer yes or no. Discuss all items answered yes.

21. Change in existing features of any bays, tidelands, beaches, lakes or hills, or substantial alteration of ground contours.

No.

22. Change in scenic views or vistas from existing residential areas or public lands or roads.

No.

23. Change in pattern, scale or character of general area of project.

No. The existing general area of the Project is industrial in nature and the proposed use would not alter the pattern, scale or character. Project activities will be consistent with the current setting and use of the upland parcel for shellfish aquaculture operations.

24. Significant amounts of solid waste or litter.

No.

25. Change in dust, ash, smoke, fumes or odors in vicinity.

No.

26. Change in ocean, bay, lake, stream or ground water quality or quantity, or alteration of existing drainage patterns.

No. Prior to being discharged back into the bay, water from the seed setting facility will be brought back to ambient bay water temperatures. Because bivalve larvae are filter feeders, water returned to the bay will typically be lower in organic matter and other detritus than the water taken into the facility. There are no anticipated negative impacts on surface or groundwater quality associated with the Project or alteration of existing drainage patterns.

27. Substantial change in existing noise or vibration levels in the vicinity.

A. During Construction

No.

B. During Project Utilization

No.

28. Site on filled land or on slope of 10% or more.

N.A.

29. Use of disposal or potentially hazardous materials, such as toxic substances, flammable or explosives.

No, the proposed saltwater intake and discharge pipes will not require the use of any toxic, flammable, explosive or otherwise hazardous materials.

30. Substantial change in demand for municipal services (police, fire, water, sewage, etc.).

No.

31. Substantially increase fossil fuel consumption (electricity, oil, natural gas, etc.).

No.

32. Relationship to larger project or series of projects.

The intake and discharge pipes are associated with Coast's hatchery facility, which will be used to grow shellfish seed to be cultivated on Coast's leased and owned tidelands in Humboldt Bay. Coast currently has an application under consideration with the Harbor District to permit an additional 622 acres of farmed area. Seed grown in the hatchery will be placed in floating upweller systems for further grow-out, which would be located on subtidal parcels leased from the Harbor District as part of its Mariculture Pre-Permitting Project.

ENVIRONMENTAL SETTING:

33. Describe the project site as it exists before the project including information on topography, soil stability, plants and animals, and any cultural, historical, or scenic aspects. Describe any existing structures on the site and the use of the structures. Attach photographs of the site. Snapshots or polaroid photos will be accepted.

The Project is located 1 TCF Drive, Samoa, California. The property is owned by the Harbor District and is located north of the Eureka Municipal Airport near Samoa, on the west side of the entrance channel of Arcata Bay. The site was formerly an upland pulp mill facility.

There is an existing pier on the site that extends approximately 636 feet from shore with a typical width of 25 feet (see Exhibit D). The dock has a T-Shape with the waterward edge consisting of several dolphins connected by a wooden walkway. The dock also has a finger pier extending northward by about 300 feet and located approximately 370 feet from shore. Industrial piping is currently attached to the

structure and pier, including piping for saltwater intake and discharge associated with Taylor Mariculture, LLC's ("Taylor") existing mariculture operation on-site.

The shoreline adjacent to the pier consists of riprap armoring with limited to no native riparian vegetation present. There are two thin bands of eelgrass between the existing finger pier and the shoreline. See Exhibit C.

34. **Describe the surrounding properties, including information on plants and animals and any cultural, historical, or scenic aspects. Indicate the type of land use (residential, commercial, etc.) intensity of land use (one-family, apartment houses, shops, department stores, etc.) and the scale of development (height, frontage, set-back, rear yard, etc.) Attach photographs of the vicinity. Snapshots or polaroid photos will be accepted.**

The warehouse owned by the Harbor District on Parcel 401-112-021 is currently used by Taylor for shellfish aquaculture activities similar to those being proposed by Coast. The other properties surrounding the Project site are vacant industrial properties. There is a vacant paper mill to the Project's immediate west. The properties to the northwest and southwest are vacant industrial parcels. Humboldt Bay lies to the North, East and South of the Project. Plants in the upland consist primarily of invasive species and non-native grasses. There are no known historic and cultural resources. Photos of the site are attached as Exhibit E.

----------**Questions 35; 36 and 39 MUST BE ANSWERED!**----------

35. **How will the proposed use or activity promote the public health, safety, comfort, and convenience?**

The Harbor District's Humboldt Bay General Plan supports and promotes the development of mariculture facilities such as the Project.[1] The State of California similarly encourages mariculture as a coastal-dependent use that should be promoted to augment food supply.[2] The Project is consistent with these state and local policies; it will promote public health, safety, comfort and convenience by growing the local mariculture industry, which is an important and growing part of the local economy. The Project is expected to provide additional living-wage local jobs and is necessary for Coast's lease in the Harbor District's warehouse facility, which will contribute a stable source of revenue to the Harbor District through lease payments. In addition, the Project will benefit Coast and the local mariculture industry. The hatchery will address Coast's need for a reliable source of healthy juvenile shellfish seed, depending upon future market demand. Coast requires an inventory of juvenile seed at specific times throughout the calendar year to ensure a steady supply of future marketable-size shellfish for distribution and sale. Currently, Coast does not operate a shellfish hatchery in the Humboldt Bay region. The closest Coast-operated hatchery is located in Washington State. The proposed shellfish hatchery will provide Coast with a local

[1] HFA-3 provides for the protection and designation of shoreside aquaculture facilities and activities. HFA-5 requires the Harbor District to identify additional aquaculture opportunities in Humboldt Bay.
[2] *See* Section 30411(c) of the California Coastal Act.

reliable source of seed that will be used for its operations and as a possible seed source for other shellfish growers.

36. How is the requested grant, permit, franchise, lease, right, or privilege required by the public convenience and necessity?

The Project is required by both the public convenience and necessity, consistent with the Harbor District's enabling legislation. First, the Project is reasonably required to promote the growth of the mariculture industry in Humboldt Bay. Specifically, the Project is necessary for Coast to utilize its lease of a portion of the Harbor District's warehouse facility, given that Coast's proposed hatchery operation requires a continuous supply of clean seawater to grow shellfish seed, which will be utilized through a flow-through system prior to being discharged back into Humboldt Bay.

The proposed saltwater intake and discharges pipes will be constructed on an existing pier facility that already accommodates industrial piping, including for the Taylor mariculture project on-site. Installing additional intake and discharge pipes constitutes a minor alteration to the existing dock and pier facilities and is an efficient use of existing structures and facilities. The only natural resource proposed for utilization is water from Humboldt Bay, which will be piped into the upland facility via the proposed saltwater intake and discharge pipes. In Phase II of the Project, Coast plans to build an upland algae growing facility to supply food to the shellfish; nutrients may be added to the water used in the algae growing facility. Trace amounts of added nutrients that are not consumed by the algae and small amounts of algae that is not consumed by the shellfish may be present in discharge water. However, because bivalve larvae are filter feeders, the water being discharged often contains lower amounts of organic material and other detritus than when the water is taken into the facility.

37. Financial statement:

A. Estimated cost of the project.

The estimated cost of Phase I of the project, including installation of the saltwater intake and discharge pipes, is $150,000.

B. How will the project be financed.

The project will be financed directly by Coast's parent company, Pacific Seafood Group.

38. Describe fully directions necessary to arrive at project site.

The site is accessed through the town of Samoa off of the Samoa Highway. Take exit 255 from Eureka, across the Highway 255 Samoa Bridge. From the Samoa Bridge, proceed south on the Samoa Highway approximately 1.5 miles and turn left (east) onto Samoa Pulp Lane. Turn right onto TCF Drive and proceed approximately 0.3 miles to the Freshwater Tissue security gate. From the security gate, turn left and proceed approximately 0.2 miles to the parking area at the foot of the existing pier.

39. Will the Applicant agree that as a condition of the permit being issued

subject matter of this application and permit, including, but not limited to, attorney's fees, costs of suit, and costs of administrative records obtained by or awarded to third parties pursuant to the California Code of Civil Procedure Section 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 and costs of administrative records in connection with the subject matter of this application and permit?

Yes.

NOTE

The District hereby advises the Applicant that, under California Public Resources Code Section 21089, the District when a lead agency under the Environmental Quality Act of 1970, as amended, pertaining to an Environmental Impact Report (EIR) or a Negative Declaration may charge and collect from the Applicant a reasonable fee in order to recover the estimated costs incurred by the District in preparing an Environmental Impact Report (EIR) or Negative Declaration for the project and the procedures necessary to comply with the provisions of the public resources code on the Applicant's project. In the event your project contains an analysis of issues pertaining to the Environmental Quality Act of 1970, as amended, for which District staff is not competent to independently review, or District requires the same in preparation of an Environmental Impact Report (EIR) or Negative Declaration for the project, the District may retain a reviewing consultant to evaluate the content of the Administrative-Draft EIR and Final EIR or Negative Declaration with respect to these issues. The cost of such reviewing consultant services shall be borne by the Applicant.

CERTIFICATION: I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Dated: 11/12/15

For Land Solutions

Coast Seafoods Company Harbor, Recreation and Conservation District Application

LIST OF EXHIBITS

	Name of Application Attachments
A	List of Adjoining Property Owners
B	Related Permits and Other Public Approvals
C	Project Description
D	Site Plan
E	Site Photographs

Exhibit A

Exhibit A: List of Adjoining Property Owners

Parcel Number	Owner	Address
40112205	Freshwater Tissue Company, Samoa Pulp Mill	Box 248 Samoa, CA 95564
40112204	Freshwater Tissue Company, Samoa Pulp Mill	Box 248 Samoa, CA 95564
40111217	Freshwater Tissue Company, Samoa Pulp Mill	Box 248 Samoa, CA 95564
40111212	Humboldt Bay Harbor, Recreation and Conservation District	PO Box 1030 Arcata, CA 95502

Exhibit B

Exhibit B: Related Permits and Other Public Approvals

Permit or Approval	Responsible Agency
Coastal Development Permit	California Coastal Commission
Rivers and Harbors Act Section 10 Permit	United States Army Corps of Engineers
Waiver of Waste Discharge	North Coast Regional Water Quality Control Board

Exhibit C

Coast Seafoods Company: Berth 2 Facility Mariculture Project
Description of Proposed Intake and Discharge

Coast Seafoods Company (Coast) proposes to construct and operate a saltwater shellfish hatchery ("Project") on upland portions of the former Freshwater Tissue pulp mill site known as Berth 2; Coast is leasing the site from the Humboldt Bay Harbor, Recreation and Conservation District (Harbor District or District). In order to supply the hatchery facility with seawater, Coast is also proposing to install saltwater intake and discharge piping along an existing on-site dock and pier structure, as described below. Taylor Mariculture LLC (Taylor) already operates an upland shellfish hatchery on the same site.

1. Existing Uses On-Site

The Project is located in Humboldt County, California. The upland portion of the Project would be primarily located in an existing, 131,650 square foot warehouse owned by the District. Taylor's mariculture operation is located in approximately 6,500 square feet of the same warehouse; Taylor's operation will be immediately south of Coast's proposed hatchery facilities. The project site and surrounding uses are characterized by industrial uses associated with the former pulp mill.

The Project site also consists of the existing Redwood Terminal Berth 2 pier facility (RWT2) formerly associated with a pulp mill. The on-site pier is located northeast of the Eureka Municipal Airport near Samoa and is situated on the west side of the entrance channel of Arcata Bay. The typical width of the dock is 25 ft. The dock also has a finger pier extending northward about 300 feet located approximately 370 feet from shore. Taylor's operation includes nine floating upweller system rafts and three nursery rafts attached to the finger pier. Taylor also operates intake piping that brings water from Humboldt Bay for use in their upland hatchery operation and discharge piping that discharges water back to the Bay. A wastewater discharge pipe also runs from the warehouse to an existing leach field and septic system used by Taylor and the District southwest of the warehouse facility.

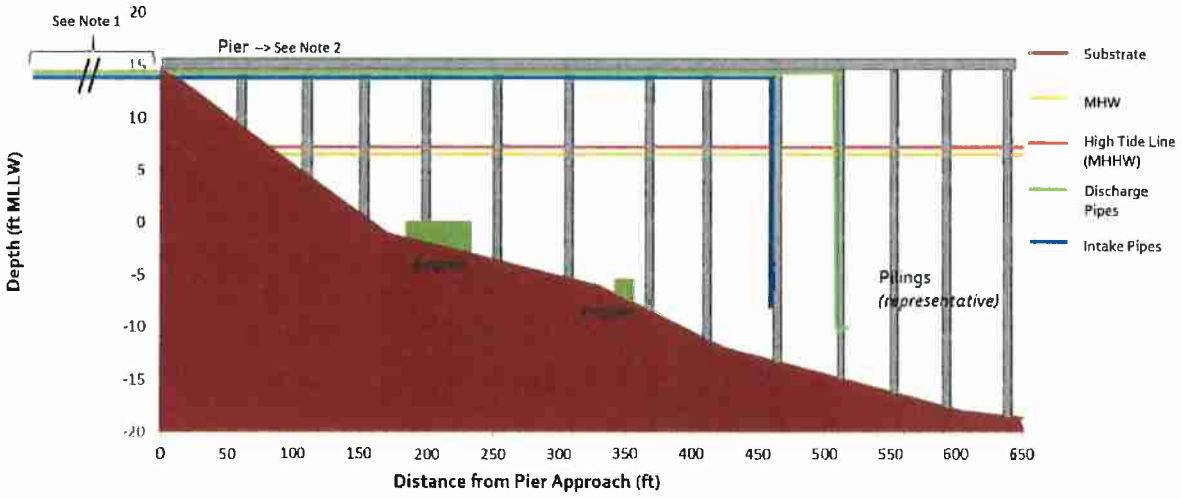
2. Description of Saltwater Intake and Discharge System

Salt water would be piped from the bay by four, 6-inch intake pipes. Two, 20 horsepower (hp), variable-speed electric pumps, capable of pumping up to 300 gpm each at any one time, would provide seawater to Coast's upland hatchery facility. Noise generated by the pumps is expected to be below background levels in the industrial area. The intakes will be enclosed by stainless steel screens that have been designed according to NMFS and California Department of Fish and Wildlife (CDFW) fish screening standards to be protective of fish life.[1] The pumps and intakes would

[1] NMFS criteria are 3/32-inch openings in the screening and 0.4-ft-per-second approach velocity. According to the California Department of Fish and Wildlife, the current screening standard is as follows: (a) round or square openings of no more than 3/32 inches or slotted/wedge wire openings of no more than 1.75 millimeters. a screen area of at least 5 square feet per cubic foot per second water volume intake, a minimum open area of 27%, and a maximum intake water approach velocity of 0.2 per second if a self-cleaning device is installed that clears the entire screen face at least once every five minutes: or (b) round or square openings of no more than 3/32 inches or slotted/wedge wire openings of no more than 1.75 millimeters, a screen area of at least 20 square feet per cubic foot

operate alternately, with the non-operating equipment serving as backup. The water will be drained to a central sump, passed through sand filters and run through a heat exchanger prior to being discharged via two 6 inch pipes back into the Bay.

Intake and discharge ends of the pipes will be submerged at all times (Figure 1). Intake pipes will be placed approximately six feet above the seafloor and discharge pipes approximately five feet above the seafloor. There will be an elbow bend in the discharge pipe that directs outflow water parallel to the substrate rather than down towards the sea floor. Intake and discharge pipes will be separated by approximately 50 feet, with the total length of the intake pipes at 825 feet and the total length of the discharge pipes at 875 feet (distance measured from the upland warehouse to the point where each pipe drops down into the water). Intake and discharge pipes will be installed under the existing gravel roadway that runs between the warehouse and the dock and attached underneath the dock. The piping will be run down to the water along one of the dock's existing support pilings.



Notes:
1. Pipes contain a bend and continue under the road for approximately 365 ft to the building (Plan View, Figure 2).
2. Pier height was estimated based on site photographs.
3. MHW and MHHW of Samoa, CA, based on Tidal Information table on NOAA chart 18622. Bathymetry information from NOAA chart 18622.
4. Eelgrass location information provided by the Harbor District (Appendix B).

Figure 1. Cross-section depiction of existing pier and proposed intake and discharge pipes.

Coast proposes to construct the upland hatchery facility in two phases. The maximum average daily amount of water intake and discharge from/to Humboldt Bay during Phase I will be approximately 75,000 gallons per day. Phase II intake and discharges would be processed using the same pipes as Phase I uses. The maximum cumulative average daily amount of water discharged to Humboldt Bay

per second water volume intake, a minimum open area of 27%, and a maximum water approach velocity of 0.05 feet per second if a self-cleaning device is not installed.

from both Phase I and Phase II operations will be approximately 1,025,314 gallons per day. Table 1, below, summarizes the approximate water use of the upland systems.

Table1. Summary of System Water Use

System	Water Source	Water Use*	Discharge Location
Seed Setting Facility	Bay	75,000 gallons/day (up to 300 gpm)	Bay
Facility Wash Water	Municipal	314 gallons/day	Bay
Broodstock and Larvae	Bay	900,000 gallons/day (up to 600 gpm)	Bay
Greenhouse	Bay	50,000 gallons/day (up to 200 gpm)	Bay
Total Max. Intake to / Discharge from Bay	**1,025,314 gallons/day**		

*The maximum number of gallons per day used by each system is based on tank size, number of tanks, and frequency with which tanks are filled. The flow rate of the water (i.e., 200-600 gpm) controls how quickly each system fills but is not directly related to the system's overall water usage.

Because shellfish are filter feeders, the water that will be discharged back to Humboldt Bay will typically contain lower amounts of organic material and other detritus than the water taken into the upland facility. Water drawn from the Bay may be heated to between 74 and 76 degrees Fahrenheit prior to use. Discharge water will be collected in a central sump, passed through sand filters and run through a heat exchanger to be cooled before discharge. Discharge water may also contain trace amounts of algae from Coast's proposed microalgae greenhouse facility, which will be constructed in Phase II of the project. Species of microalgae cultivated will include *Thalassiosira pseudonana, Skeletonema menzellii, Isochrysis spp., Pavlova lutheri,* and *Tetraselmis spp.* Algae will be grown in a static system and used as feed for the shellfish larvae and broodstock. Nutrients will be added to the algae to assist with growth and will be consumed by the algae before the algae is fed to the shellfish larvae and broodstock. Finally, while small amounts of bleach (sodium hypochlorite) may occasionally be used to disinfect the broodstock and larvae facility, any wash water discharged back to the Bay will be neutralized using sodium thiosulfate per industry standards.

Exhibit D

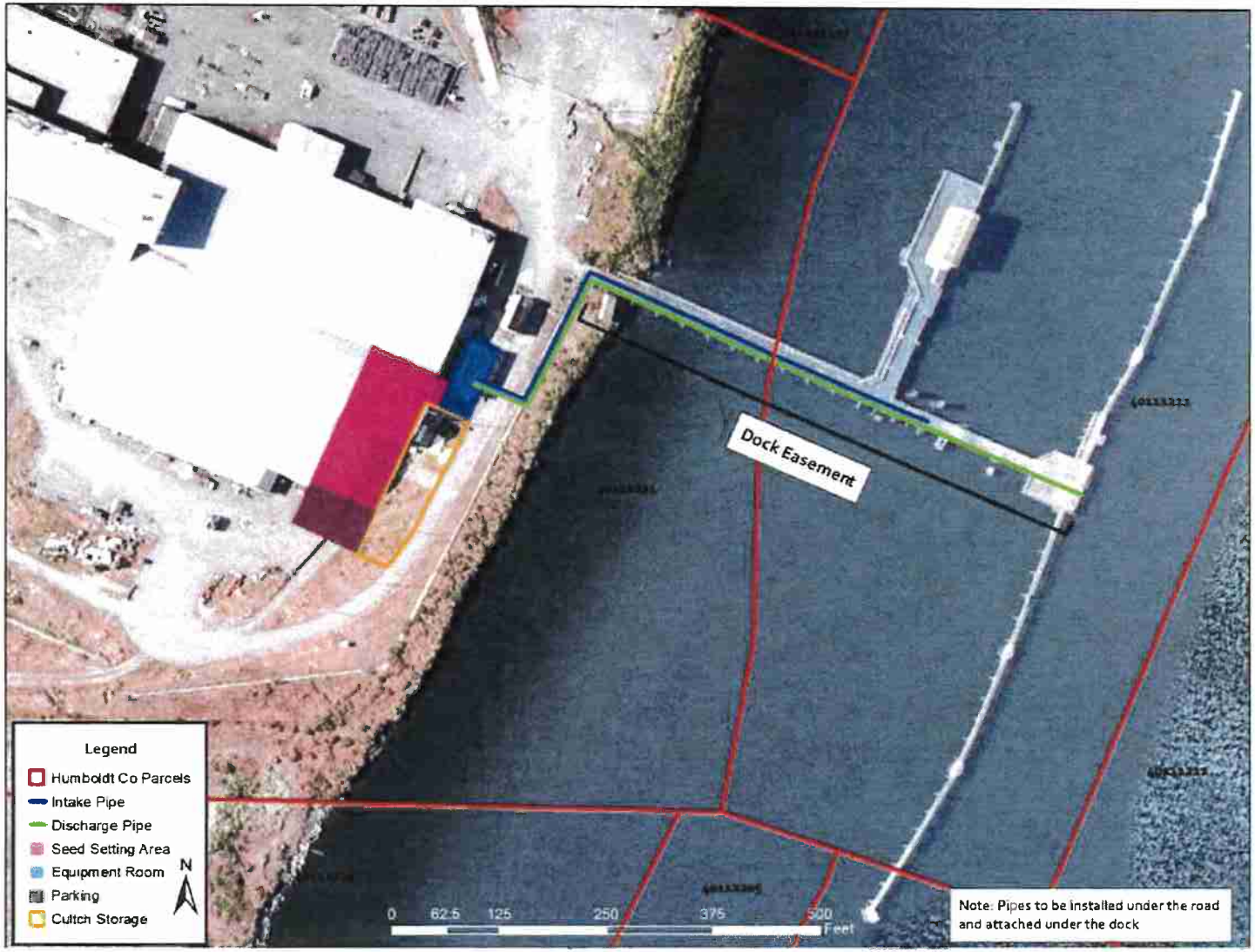


FIGURE 1

Coast Seafoods
Upland Hatchery

Upland Hatchery Facility
Humboldt Bay, CA
For Coast Seafoods

Prepared on:08/07/2015
Prepared by: Lauren Odle
Map/Data Source: ESRI, Humboldt County

CONFLUENCE
ENVIRONMENTAL COMPANY

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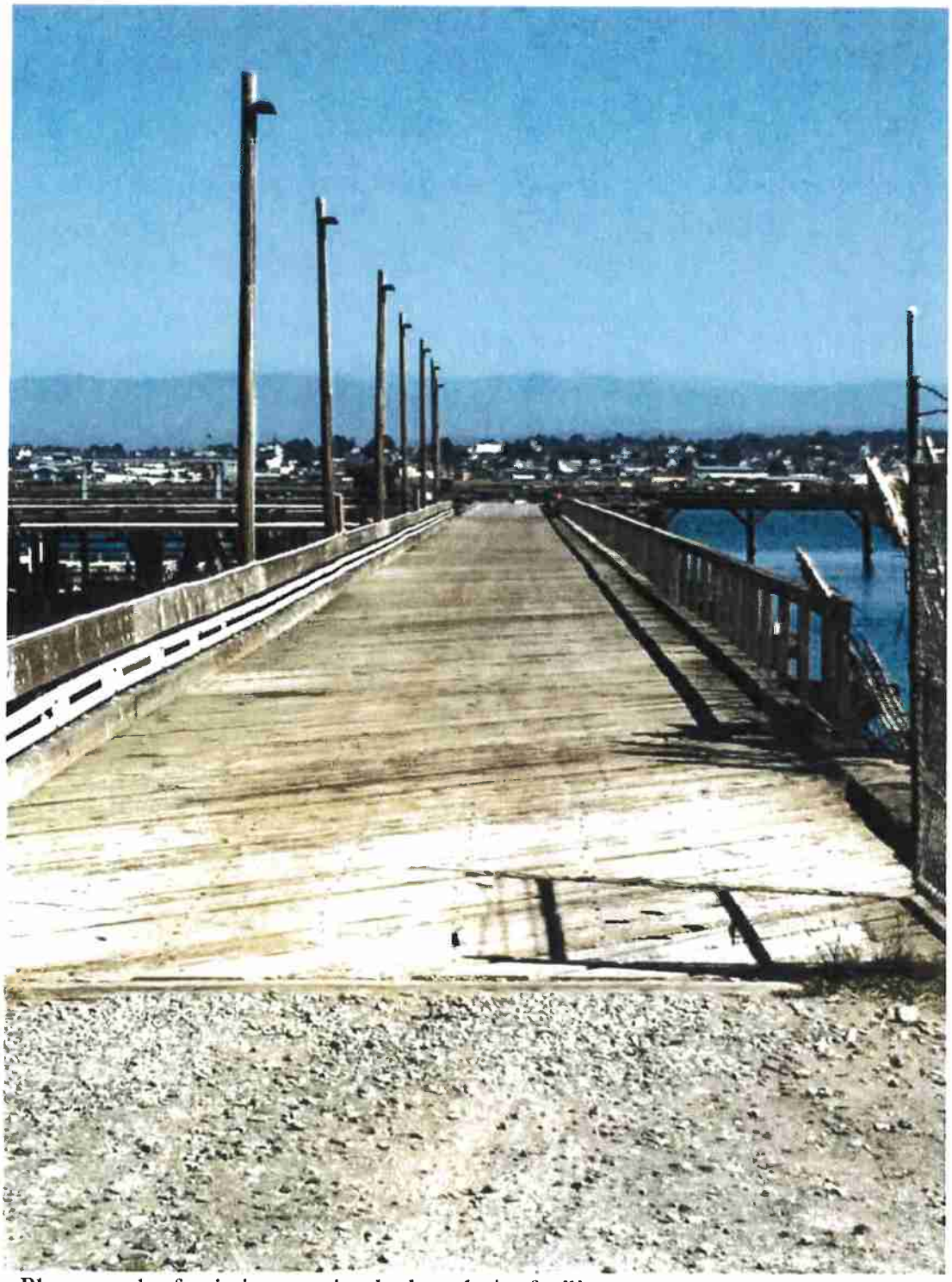
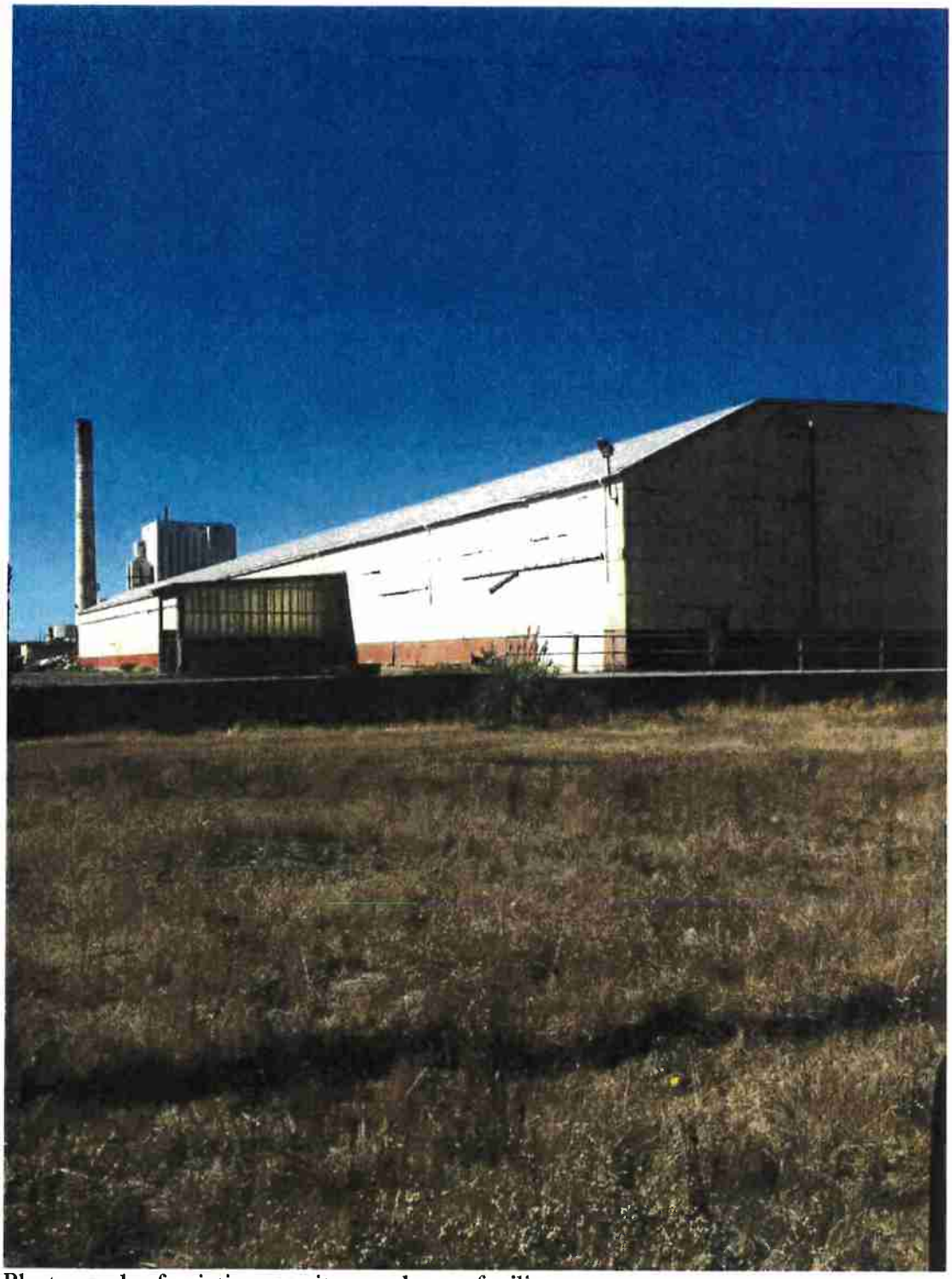
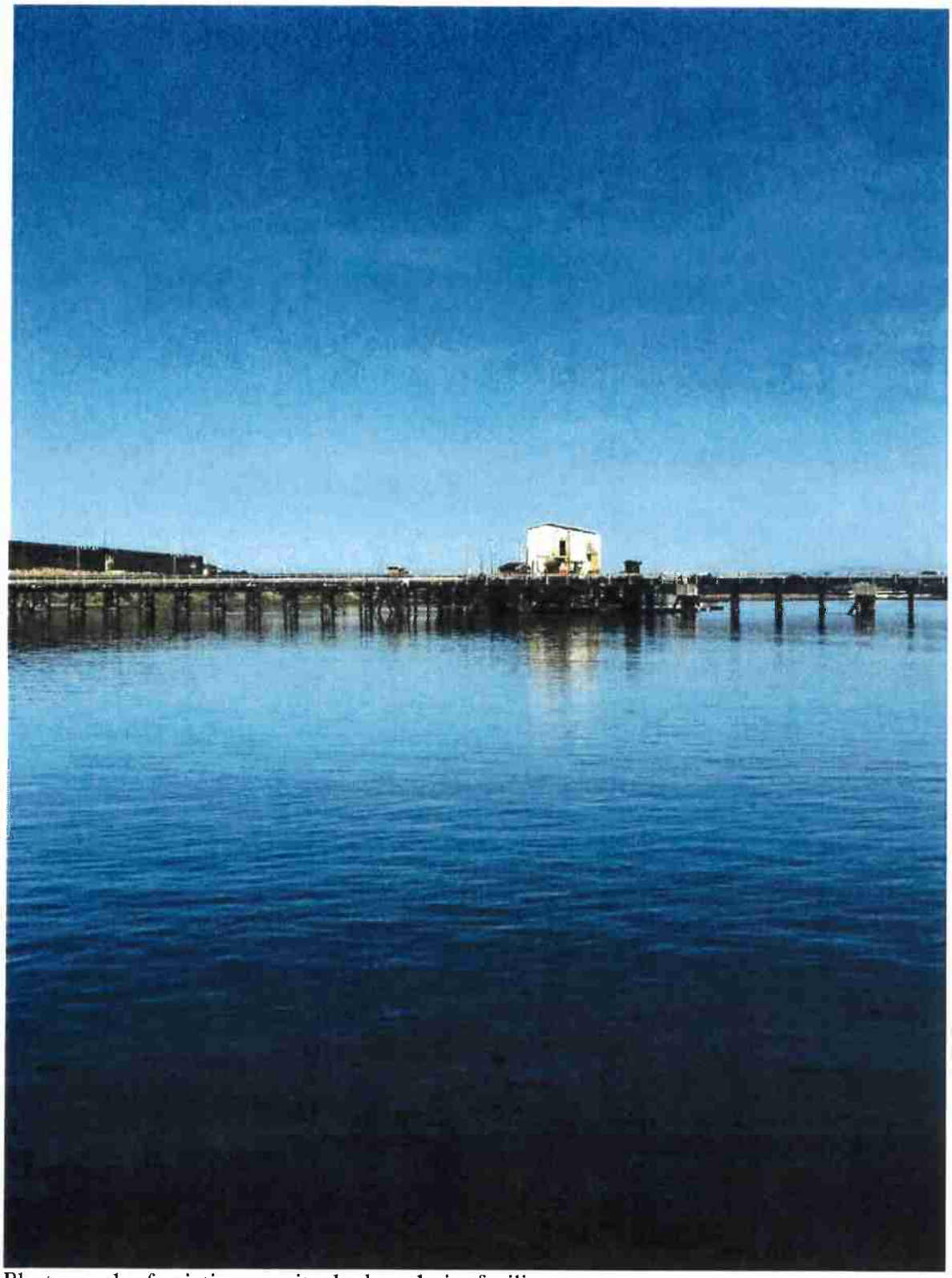
Exhibit E



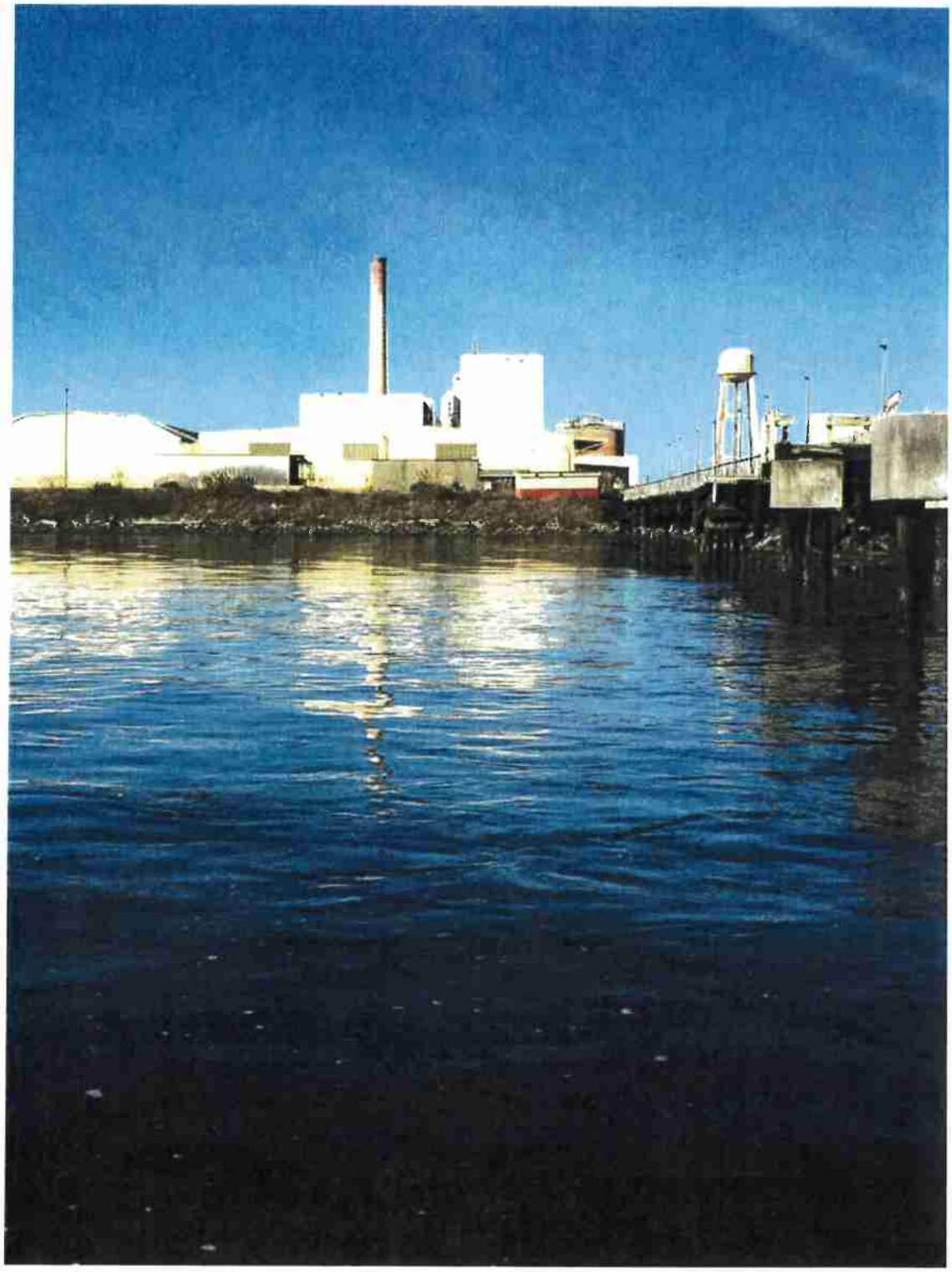
Photograph of existing on-site dock and pier facility.
Photograph taken from on-shore terminus of the existing pier, facing east.



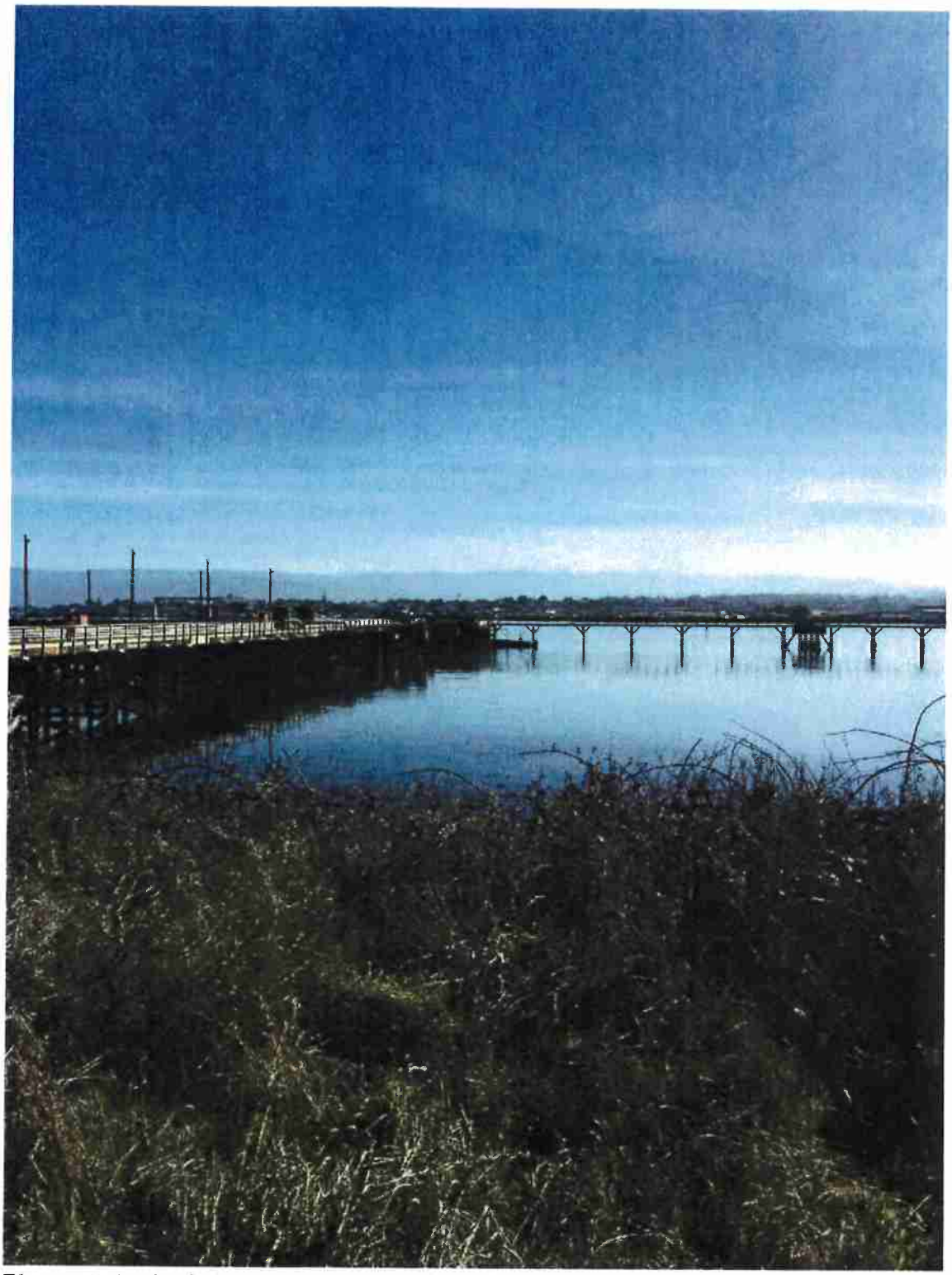
Photograph of existing on-site warehouse facility.
Photograph taken from the southeast corner of the existing warehouse.



Photograph of existing on-site dock and pier facility.
Photograph taken the southwestern side of the dock, facing north.



Photograph of existing on-site dock and warehouse.
Photograph depicts view from the end of the existing dock, facing west towards on-site warehouse.



Photograph of existing on-site dock and pier facility.
Photograph taken from on-shore terminus of the existing pier, facing east.

11b

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A *CHARTER SERVICE*

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Marc Schmidt
dba Coastline Charters
2173 Ridgewood Drive
Eureka, CA 95503

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **MARC SCHMIDT** dba ***COASTLINE CHARTERS*** hereinafter referred to as "**Marc Schmidt**."

WHEREAS, Marc Schmidt will be the Lessee of Slip Number 03, Float D, at the Woodley Island Marina for vessel a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina; and

WHEREAS, on or about January 27, 2016, **Marc Schmidt** made a written application to the District for a Permit from the District to operate the business ***Coastline Charters*** on a vessel to be moored at Slip Number 03, Float D at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Marc Schmidt**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Marc Schmidt**, to operate the business ***Coastline Charters*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Marc Schmidt** operates the business of charter services from the Woodley Island Marina.
2. The term of this Permit and Agreement shall be for one (1) year commencing May 01, 2016 and terminating on April 30, 2017. District or **Marc Schmidt** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **Marc Schmidt** with or without cause or reason by giving **Marc Schmidt** sixty (60) days written notice of termination and **Marc Schmidt** shall terminate their business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Marc Schmidt**, at 2173 Ridgewood Drive, Eureka, CA 95503. In the event **Marc Schmidt** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, and **Marc Schmidt's** Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Marc Schmidt's** Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.
3. In addition to the monthly rental payable by **Marc Schmidt** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, **Marc Schmidt** shall pay District the sum of two hundred fifty dollars

and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **Marc Schmidt** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Marc Schmidt** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Marc Schmidt** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in the Paragraph 4 is cancelled or terminated, **Marc Schmidt** shall forthwith cease and stop their **Coastline Charter** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **Marc Schmidt** shall, prior to commencing operation of ***Coastline Charters***, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **Marc Schmidt** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Marc**

Schmidt, and **Marc Schmidt** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Marc Schmidt** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Marc Schmidt's** operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Marc Schmidt** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **Marc Schmidt** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any waste, fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Marc Schmidt** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Marc Schmidt** may place a directional sign for incoming traffic onto Woodley Island Marina in an area

approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Marc Schmidt** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Marc Schmidt** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Marc Schmidt** is hereby notified by the District that this Permit and Agreement to Operate ***Coastline Charters*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Marc Schmidt** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Marc Schmidt** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Marc Schmidt** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with a Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **Marc Schmidt** hereby acknowledges

that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Marc Schmidt** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

Marc Schmidt, dba *Coastline Charters*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 **By**_____
MARC SCHMIDT, Owner
Coastline Charters

11c

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A BED AND BREAKFAST BUSINESS

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
R. Charles (Doby) and Kim Class
dba *First Class*
1578 10th Street
Arcata, CA 95521

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **R. Charles (Doby) and Kim Class**, dba ***FIRST CLASS*** hereinafter referred to as "**R. Charles (Doby) and Kim Class**."

WHEREAS, R. Charles (Doby) and Kim Class will be the Lessees of Slip Number 01, Float G, at the Woodley Island Marina for the sailing vessel *OBSESSION*, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about February 12, 2016 **R. Charles (Doby) and Kim Class** made a written application to renew their Permit and Agreement to operate the Bed and Breakfast business ***First Class*** on the sailing vessel *OBSESSION* moored at Slip Number 01 Float G at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **R. Charles (Doby) and Kim Class**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **R. Charles (Doby) and Kim Class**, to operate the business ***First Class*** for the purpose of a Bed and Breakfast at the Woodley Island Marina. The Bed and Breakfast shall consist primarily of overnight accommodations and may include sailing excursions. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **R. Charles (Doby) and Kim Class** operates the business of a Bed and Breakfasts from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for one (1) year commencing April 14, 2016 and terminating on April 13, 2017. District or **R. Charles (Doby) and Kim Class** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **R. Charles (Doby) and Kim Class** with or without cause or reason by giving **R. Charles (Doby) and Kim Class** sixty (60) days written notice of termination and **R. Charles (Doby) and Kim Class** shall terminate their business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **R. Charles (Doby) and Kim Class**, at **1578 10th Street, Arcata, CA 95521**.

   In the event **R. Charles (Doby) and Kim Class** are in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **R. Charles (Doby) and Kim Class**'s Berthing Permit is terminated pursuant to

said Agreement, this Permit and Agreement to operate a *Bed and Breakfast* shall terminate forthwith on the date of termination of **R. Charles (Doby) and Kim Class**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.

3. In addition to the monthly rental payable by **R. Charles (Doby) Class and Kim Class** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **R. Charles (Doby) and Kim Class** shall pay District the sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: April 14, 2016, **R. Charles (Doby) and Kim Class** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **R. Charles (Doby) and Kim Class** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **R. Charles (Doby) and Kim Class** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to April 14 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in the Paragraph 4 is cancelled or terminated, **R. Charles (Doby) and Kim Class** shall forthwith cease and stop their ***FIRST CLASS*** business

at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **R. Charles (Doby) and Kim Class** shall, prior to commencing operation of ***FIRST CLASS***, obtain any and all necessary permits and licenses, if applicable, including but not limited to City of Eureka business license and United States Coast Guard vessel inspection. A United States Coast Guard inspection shall be conducted annually.

6. **R. Charles (Doby) and Kim Class** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **R. Charles (Doby) and Kim Class**, and **R. Charles (Doby) and Kim Class** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **R. Charles (Doby) and Kim Class** agrees to hold harmless, indemnify, and hold District non-responsible for any of **R. Charles (Doby) and Kim Class**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **R. Charles (Doby) and Kim Class** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **R. Charles (Doby) and Kim Class** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas,

or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any waste, fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave waste, dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **R. Charles (Doby) and Kim Class** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **R. Charles (Doby) and Kim Class** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.
10. This Permit and Agreement is not transferable or assignable by **R. Charles (Doby) and Kim Class** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **R. Charles (Doby) and Kim Class** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties

hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.

14. **R. Charles (Doby) and Kim Class** is hereby notified by the District that this Permit and Agreement to Operate ***FIRST CLASS*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **R. Charles (Doby) and Kim Class** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **R. Charles (Doby) and Kim Class** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **R. Charles (Doby) and Kim Class** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a Bed and Breakfast in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **R. Charles (Doby) and Kim Class** hereby acknowledge that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **R. Charles (Doby) and Kim Class** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

R. Charles (Doby) and Kim Class, dba, *First Class*, as Permittees in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____
R. Charles (Doby) Class, Owner
FIRST CLASS

Dated: _____, 2016 By_____
Kim Class, Owner
FIRST CLASS

1d

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Gary Blasi
dba *Full Throttle Sportfishing*
7526 Elk River Road
Eureka, CA 95503

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **GARY BLASI** an individual, dba ***FULL THROTTLE SPORTFISHING*** hereinafter referred to as "**Gary Blasi**."

WHEREAS, Gary Blasi will be the Lessee of Slip Number 06, Float D, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about February 02, 2016 **Gary Blasi** made verbal request to renew the Permit to operate the business ***Full Throttle Sportfishing*** on a vessel moored at Slip Number 06, Float D at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Gary Blasi**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Gary Blasi**, an individual, to operate the business ***Full Throttle Sportfishing*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Gary Blasi** operates the business of charter services from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for three (3) years commencing May 01, 2016 and terminating on April 30, 2019. District or **Gary Blasi** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **Gary Blasi** with or without cause or reason by giving **Gary Blasi** sixty (60) days written notice of termination and **Gary Blasi** shall terminate his business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Gary Blasi**, at 7526 Elk River Road, Eureka, CA 95503. In the event **Gary Blasi** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Gary Blasi**'s Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Gary Blasi**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.

3. In addition to the monthly rental payable by **Gary Blasi** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Gary Blasi** shall pay District the

sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **Gary Blasi** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Gary Blasi** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Gary Blasi** from liability for bodily injury, death, or property damage as a result of his operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Gary Blasi** shall forthwith cease and stop his ***Full Throttle Sportfishing*** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **Gary Blasi** shall, prior to commencing operation of ***Full Throttle Sportfishing***, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license, and California Department of Fish and Wildlife licenses.

6. **Gary Blasi** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Gary Blasi** and **Gary Blasi** shall indemnify and hold harmless District, its

Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Gary Blasi** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Gary Blasi**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Gary Blasi** at all times shall comply and shall obtain compliance of Lessee's family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **Gary Blasi** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Gary Blasi** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Gary Blasi** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape,

and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Gary Blasi** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Gary Blasi** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Gary Blasi** is hereby notified by the District that this Permit and Agreement to Operate ***Full Throttle Sportfishing*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Gary Blasi** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Gary Blasi** agrees and acknowledges that he has actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Gary Blasi** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessels for Woodley Island Marina. **Gary Blasi** hereby acknowledges that he has actual knowledge of the existence of a possessory interest tax and has read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Gary Blasi** agrees to and shall pay all possessory interest taxes levied by any

governmental agency by reason of this Permit and Agreement and his Berthing Permit and Rental Agreement for his vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

Gary Blasi, an individual, dba, *Full Throttle Sportfishing*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____
GARY BLASI, Owner
Full Throttle Sportfishing

11e

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Matt Dallam
dba *Northwind Charters*
P.O. Box 402
Blue Lake, CA 95525

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **MATT DALLAM**, dba ***NORTHWIND CHARTERS*** hereinafter referred to as "**Matt Dallam**."

WHEREAS, Matt Dallam will be the Lessees of Slip Number 02, Float D, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on February 02, 2016, **Matt Dallam** made verbal application to renew the Permit to operate the business ***Northwind Charters*** on a vessel moored at Slip Number 02, Float D at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Matt Dallam**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Matt Dallam**, **Northwind Charters**, to operate the business ***Northwind Charters*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Matt Dallam** operates the business of charter services from the Woodley Island Marina.
2. The term of this Permit and Agreement shall be for three (3) years commencing May 01, 2016 and terminating on April 30, 2019. District or **Matt Dallam** may terminate this Permit and Agreement by giving sixty 60 days written notice of termination to the other party. District may terminate this Permit and Agreement with **Matt Dallam** with or without cause or reason by giving **Matt Dallam** sixty 60 days written notice of termination and **Matt Dallam** shall terminate their business, as defined in Paragraph 1, 60 days from the date of personal service of said written notice of termination or sixty 60 days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Matt Dallam**, at P.O. Box 402, Blue Lake, CA 95525. In the event **Matt Dallam** are in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Matt Dallam**'s Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Matt Dallam**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty 60 day notice of termination provisions.
3. In addition to the monthly rental payable by **Matt Dallam** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Matt Dallam** shall pay District

the sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **Matt Dallam** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Matt Dallam** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Matt Dallam** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Matt Dallam** shall forthwith cease and stop their ***Northwind Charters*** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **Matt Dallam** shall, prior to commencing operation of ***Northwind Charters*** obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **Matt Dallam** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Matt Dallam,** and **Matt Dallam** shall indemnify and hold harmless District, its

Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Matt Dallam** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Matt Dallam**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Matt Dallam** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **Matt Dallam** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Matt Dallam** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Matt Dallam** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform

in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Matt Dallam** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Matt Dallam** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Matt Dallam** is hereby notified by the District that this Permit and Agreement to Operate ***Northwind Charters*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Matt Dallam** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Matt Dallam** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Matt Dallam** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **Matt Dallam** hereby acknowledges that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Matt Dallam** agrees to and shall pay all possessory interest

taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

Matt Dallam, dba, *Northwind Charters*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____
MATT DALLAM, Owner
Northwind Charters

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HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Cliff Friedley
dba *Foreel Sportfishing*
1666 Bella Vista Road
McKinleyville, CA 95519

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **CLIFF FRIEDLEY**, dba ***FOREEL SPORTFISHING*** hereinafter referred to as "**Cliff Friedley**."

WHEREAS, Cliff Friedley will be the Lessee of Slip Number 20, Float E, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about February 11, 2016 **Cliff Friedley** made a written application to renew his Permit and Agreement to operate the business ***Foreel Sportfishing***; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Cliff Friedley**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Cliff Friedley**, to operate the business ***Foreel Sportfishing*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Cliff Friedley** operates the business of charter services from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for the period May 01, 2016 through April 30, 2019. District or **Cliff Friedley** may terminate this Permit and Agreement by giving sixty 60 days written notice of termination to the other party. District may terminate this Permit and Agreement with **Cliff Friedley** with or without cause or reason by giving **Cliff Friedley** sixty 60 days written notice of termination and **Cliff Friedley** shall terminate their business, as defined in Paragraph 1, 60 days from the date of personal service of said written notice of termination or sixty 60 days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Cliff Friedley**, at 1666 Bella Vista Road, McKinleyville, CA 95519. In the event **Cliff Friedley** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Cliff Friedley**'s Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Cliff Friedley**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty 60 day notice of termination provisions.

3. In addition to the monthly rental payable by **Cliff Friedley** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Cliff**

Friedley shall pay District the sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **Cliff Friedley** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Cliff Friedley** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Cliff Friedley** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Cliff Friedley** shall forthwith cease and stop their ***Foreel Sportfishing*** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **Cliff Friedley** shall, prior to commencing operation of ***Foreel Sportfishing***, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **Cliff Friedley** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with

Cliff Friedley, and **Cliff Friedley** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Cliff Friedley** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Cliff Friedley**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Cliff Friedley** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **Cliff Friedley** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Cliff Friedley** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Cliff Friedley** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be

approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Cliff Friedley** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Cliff Friedley** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Cliff Friedley** is hereby notified by the District that this Permit and Agreement to Operate ***Foreel Sportfishing*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Cliff Friedley** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Cliff Friedley** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Cliff Friedley** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **Cliff Friedley** hereby acknowledges that they have actual knowledge of the

existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Cliff Friedley** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

Cliff Friedley, dba, *Foreel Sportfishing*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____
CLIFF FRIEDLEY, Owner
dba Foreel Sportfishing

11g

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Tim Klassen and Sherry Klassen
dba *Reel Steel Sportfishing*
6934 Seaview
Eureka, CA 95503

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **TIM KLASSEN** and **SHERRY KLASSEN**, REEL STEEL CORPORATION, dba ***Reel Steel Sportfishing*** hereinafter referred to as "**TIM and SHERRY KLASSEN**."

WHEREAS, Tim and Sherry Klassen will be the Lessees of Slip Number 08, Float D, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about February 05, 2016, **Tim and Sherry Klassen** made a written application to renew the Permit to operate the business ***Reel Steel Sportfishing*** on a vessel moored at Slip Number 08, Float D at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Tim and Sherry Klassen**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Tim and Sherry Klassen**, Reel Steel Corporation, to operate the business ***Reel Steel Sportfishing*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Tim and Sherry Klassen** operates the business of charter services from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for three (3) years commencing May 01, 2016 and terminating on April 30, 2019. District or **Tim and Sherry Klassen** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **Tim and Sherry Klassen** with or without cause or reason by giving **Tim and Sherry Klassen** sixty (60) days written notice of termination and **Tim and Sherry Klassen** shall terminate their business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Tim and Sherry Klassen**, at 6934 Seaview, Eureka, CA 95503. In the event **Tim and Sherry Klassen** are in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Tim and Sherry Klassen**'s Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Tim and Sherry Klassen**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.

3. In addition to the monthly rental payable by **Tim and Sherry Klassen** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Tim and Sherry Klassen** shall pay District the sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **Tim and Sherry Klassen** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Tim and Sherry Klassen** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Tim and Sherry Klassen** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Tim and Sherry Klassen** shall forthwith cease and stop their ***Reel Steel Sportfishing*** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **Tim and Sherry Klassen** shall, prior to commencing operation of ***Reel Steel Sportfishing***, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **Tim and Sherry Klassen** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Tim and Sherry Klassen**, and **Tim and Sherry Klassen** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Tim and Sherry Klassen** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Tim and Sherry Klassen**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.
7. **Tim and Sherry Klassen** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.
8. **Tim and Sherry Klassen** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Tim and Sherry Klassen** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Tim and Sherry Klassen** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.
10. This Permit and Agreement is not transferable or assignable by **Tim and Sherry Klassen** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Tim and Sherry Klassen** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Tim and Sherry Klassen** are hereby notified by the District that this Permit and Agreement to Operate ***Reel Steel Sportfishing*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Tim and Sherry Klassen** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Tim and Sherry Klassen** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Tim and Sherry Klassen** may be required to pay a possessory interest tax as a result of

this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **Tim and Sherry Klassen** hereby acknowledge that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Tim and Sherry Klassen** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

Tim and Sherry Klassen, Reel Steel Corporation, dba, *Reel Steel Sportfishing*, as Permittees in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____
TIM KLASSEN, Owner
Reel Steel Sportfishing

Dated: _____, 2016 By_____
SHERRY KLASSEN, Owner
Reel Steel Sportfishing

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HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
John W. Kramer LLC
dba *Joli Time Sport Fishing*
1830 McKinleyville Avenue
McKinleyville, CA 95519

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **JOHN W. KRAMER LLC**, dba ***JOLI TIME SPORT FISHING*** hereinafter referred to as "**John W. Kramer LLC**."

WHEREAS, John W. Kramer LLC will be the Lessee of Slip Number 11, Float D, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about February 11, 2016, **John W. Kramer LLC** made verbal request to renew the Permit to operate the business ***Joli Time Sport Fishing*** on a vessel moored at Slip Number 11, Float D at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **John W. Kramer LLC**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **John W. Kramer LLC**, to operate the business ***Joli Time Sport Fishing*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **John W. Kramer LLC** operates the business of charter services from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for three (3) years commencing May 01, 2016 through April 30, 2019. District or **John W. Kramer LLC** may terminate this Permit and Agreement by giving sixty 60 days written notice of termination to the other party. District may terminate this Permit and Agreement with **John W. Kramer LLC** with or without cause or reason by giving **John W. Kramer LLC** sixty 60 days written notice of termination and **John W. Kramer LLC** shall terminate their business, as defined in Paragraph 1, 60 days from the date of personal service of said written notice of termination or sixty 60 days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **John W. Kramer LLC**, at 1830 McKinleyville Avenue, McKinleyville, CA 95519. In the event **John W. Kramer LLC** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **John W. Kramer LLC**'s Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **John W. Kramer LLC**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty 60 day notice of termination provisions.

3. In addition to the monthly rental payable by **John W. Kramer LLC** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island

Marina, a copy of which is attached hereto as Exhibit "A", **John W. Kramer LLC** shall pay District the sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **John W. Kramer LLC** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **John W. Kramer LLC** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **John W. Kramer LLC** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **John W. Kramer LLC** shall forthwith cease and stop their ***Joli Time Sport Fishing*** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **John W. Kramer LLC** shall, prior to commencing operation of ***Joli Time Sport Fishing***, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **John W. Kramer LLC** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any

Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **John W. Kramer LLC**, and **John W. Kramer LLC** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **John W. Kramer LLC** agrees to hold harmless, indemnify, and hold District non-responsible for any of **John W. Kramer LLC**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **John W. Kramer LLC** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **John W. Kramer LLC** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **John W. Kramer LLC** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **John W. Kramer LLC** may place

a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **John W. Kramer LLC** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **John W. Kramer LLC** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **John W. Kramer LLC** is hereby notified by the District that this Permit and Agreement to Operate ***Joli Time Sport Fishing*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **John W. Kramer LLC** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **John W. Kramer LLC** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **John W. Kramer LLC** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **John**

W. Kramer LLC hereby acknowledge that he has actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **John W. Kramer LLC** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

John W. Kramer LLC, dba, *Joli Time Sport Fishing*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____

JOHN W. KRAMER LLC
dba Joli Time Sport Fishing

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HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Tony Sepulveda
dba *Shellback Sport Fishing*
4893 Cummins Road
Eureka, CA 95503

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **TONY SEPULVEDA,** dba ***SHELLBACK SPORT FISHING*** hereinafter referred to as "**Tony Sepulveda**."

WHEREAS, Tony Sepulveda will be the Lessees of Slip Number 04, Float D, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about January 29, 2016, **Tony Sepulveda** made written request to renew the Permit to operate the business ***Shellback Sport Fishing*** on a vessel moored at Slip Number 04, Float D at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Tony Sepulveda**:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Tony Sepulveda**, to operate the business ***Shellback Sport Fishing*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Tony Sepulveda** operates the business of charter services from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for three (3) years commencing May 01, 2016 and terminating on April 30, 2019. District or **Tony Sepulveda** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **Tony Sepulveda** with or without cause or reason by giving **Tony Sepulveda** sixty (60) days written notice of termination and **Tony Sepulveda** shall terminate their business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Tony Sepulveda**, at 4893 Cummings Road, Eureka, CA 95503.

   In the event **Tony Sepulveda** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Tony Sepulveda**'s Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Tony Sepulveda**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.

3. In addition to the monthly rental payable by **Tony Sepulveda** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Tony Sepulveda** shall pay District the sum of two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2016, **Tony Sepulveda** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Tony Sepulveda** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Tony Sepulveda** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Tony Sepulveda** shall forthwith cease and stop their ***Shellback Sport Fishing*** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **Tony Sepulveda** shall, prior to commencing operation of ***Shellback Sport Fishing***, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **Tony Sepulveda** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Tony Sepulveda**, and **Tony Sepulveda** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Tony Sepulveda** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Tony Sepulveda**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Tony Sepulveda** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **Tony Sepulveda** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Tony Sepulveda** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Tony Sepulveda** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.
10. This Permit and Agreement is not transferable or assignable by **Tony Sepulveda** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Tony Sepulveda** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Tony Sepulveda** is hereby notified by the District that this Permit and Agreement to Operate ***Shellback Sport Fishing*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Tony Sepulveda** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Tony Sepulveda** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Tony Sepulveda** may be required to pay a possessory interest tax as a result of this Permit and

Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **Tony Sepulveda** hereby acknowledges that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Tony Sepulveda** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____, 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

Tony Sepulveda, dba, *Shellback Sport Fishing*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2016 By_____
TONY SEPULVEDA, Owner
Shellback Sport Fishing