

COMMISSIONERS

1st Division

Larry Doss

2nd Division

Greg Dale

3rd Division

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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



STAFF REPORT - HARBOR DISTRICT MEETING

July 26, 2018

TO: Honorable Board President and Harbor District Board Members

FROM: Larry Oetker, Executive Director

DATE: July 26, 2018

TITLE: Consideration of Resolution 2018-04 Adopting Fiscal Year 2018-2019 Budget and Goals

STAFF RECCOMENDATION: It is recommended that the Board:

1. Adopt Resolution NO. 2018-04 approving the FY 2018-19 District budget and goals: and
2. Authorize Staff to assemble an administrative budget and make the budget available on the Districts Website and at the front counter.

BACKGROUND: This budget represents the Humboldt Bay Harbor, Recreation and Conservation District's (District) financial plan for the upcoming fiscal year. The Board held a series of regular and special meetings where they reviewed the District's major properties and budget categories previous and projected income, expenditures, and goals. The Board adopted a preliminary budget on June 14, 2018 and noticed their intent to adopt this final budget pursuant to California Harbors and Navigation Section 6093.1.

DISCUSSION: The final budget is essentially the same as the draft budget with a few relatively minor adjustments between categories and refinements to the income and expenditure projections. The budget is balanced with approximately \$4,912,000 in total revenues and \$4,859,398 in expenditures resulting in a projected net income of approximately \$52,000. The District Treasurer estimated on June 7, 2018 that the District's cash on hand as of July 1, 2018 would be approximately \$1,500,000. Of the cash on hand, over \$1,000,000 is associated with the dredging revenues

The most significant financial items to highlight in the FY 2018-19 budget are:

1. Additional expenditures associated with the proposed I -Bank Loan for dredging. (NOTE: the cost to dredge are not included in this budget. This line item is to set aside funds for the proposed loan. The appropriations for the dredging of Woodley Island Marina and Fields Landing Boat Yard will be considered outside this budget document).
2. Increased Revenues from leases associated with Redwood Marine Terminals I and II.
3. Increased Revenues from tideland leases associated with the subtidal maricultural prepermitting.
4. Establishment of a new reserve fund. (Note: establishing separate segregated funds for dredging are being considered separately on the agenda.)
5. Stabilization of electric utility bills due to the 740,000 KWH photovoltaic system on the RMT II buildings.
6. Shelter Cove boat yard shifting to seasonal staffing.

ATTACHMENTS:

- A. Resolution 2018-04

**HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT**

RESOLUTION NO. 2018-04

**A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2018-2019 HUMBOLDT BAY
HARBOR, RECREATION AND CONSERVATION DISTRICT BUDGET AND GOALS**

WHEREAS, the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District has prepared a draft and final annual budget pursuant to California Harbors and Navigation Code Section 6093;

WHEREAS, the Board of Commissioners approved the fiscal year 2018-19 draft budget on June 14, 2018 and scheduled and noticed a hearing for the adoption of the final budget on July 26, 2018 at 7:00 pm at the Woodley Island Meeting Room, 601 Startare Drive, Eureka, CA;

WHEREAS, notice of said hearing was posted on the Harbor District's website and published in the Eureka Times Standard pursuant to California Harbors and Navigation Section 6093.1; and

WHEREAS, copies of the budget were made available on the Harbor District's website and at the District Office.

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

1. Adopts the Final Fiscal Year 2018-19 Budget and Goals as set forth in Exhibit A, attached hereto and by reference incorporated herein.
2. Authorizes the Executive Director to transmit the budget to the Humboldt County Board of Supervisors pursuant to California Harbors and Navigation Section 6093.3

PASSED AND ADOPTED by the Humboldt Bay Harbor, Recreation and Conservation District Board of Commissioners at a duly called meeting held on the 26th day of July 2018, by the following polled vote:

AYES: Doss, Dale, Kullman, Higgins, Marks

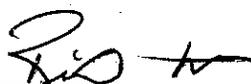
NOES:

ABSENT:

ATTEST:



PAT HIGGINS, Secretary
Board of Commissioners



RICHARD MARKS, President
Board of Commissioners

EXHIBIT A

**Humboldt Bay Harbor, Recreation, and Conservation District
INCOME FY 2018 - 19 BUDGET**

Account	Sub Account	General Fund	Tidelands	Woodley Island	RMT II	RMT I	Fields Landing	Shelter Cove	Grants	TOTAL
2018-19										
R1	Dredging									-
R1a	Dredging Surcharge			95,000						95,000
R1b	Dredging Set Aside									-
R1c	Dredging Other									-
R2	Float Replacement			65,000						65,000
R3	Harbor Surcharge	100,000								100,000
R4	Utility Surcharge			100,000	60,228	10,000				170,228
R5	Grants									-
R5a	Conservation								269,000	269,000
R5a	Recreation								204,568	204,568
R5c	Harbor								187,113	187,113
R5d	Facilities								272,000	272,000
R6	Tax Revenue									-
R6a	Property Tax	975,000								975,000
R6b	Other									-
R8	Other Income									-
R8a	Other Revenue	32,500								32,500
R8b	Late Fees/Interest	10,000		10,000						20,000
R9	Interest Income				170,000					170,000
R10	Rents									-
R10a	Slip Rents			650,000						650,000
R10b	Transient Rents			100,000						100,000
R10c	Upland Rent			154,000	650,000	157,000	56,900			1,017,900
R10d	Tideland Rent		273,000							273,000
R10e	Equipment			2,000						2,000
R10f	Storage			12,000			122,000	15,000		149,000
R10g	Work Yard									-
R11	Fees									-
R11a	Services Office	60,000		10,000						70,000
R11b	Late Fees/Interest									-
R11c	Miscellaneous									-
R11d	Fork Lift			1,200		1,500	1,000			3,700
R11e	Boat Launch							33,000		33,000
R11f	Travel Lift						2,500			2,500
R11g	Haul Out						26,500			26,500
R11h	Moorage					3,700				3,700
R11i	Poundage					10,000				10,000
R11j	Port									-
R12	Sales									-
R12a	Laundry			9,900						9,900
R12b	Retail			100			400			500
R13	Donations									-
R13a	Light House									-
R13b	Sea Scouts									-
TOTAL REVENUE		1,177,500	273,000	1,209,200	880,228	182,200	209,300	48,000	932,681	4,912,109
TOTAL EXPENSE		1,169,517	-	1,163,103	880,011	170,774	239,769	303,543	932,681	4,859,398
NET INCOME		7,983	273,000	46,097	217	11,426	(30,469)	(255,543)	-	52,711

EXHIBIT A

Humboldt Bay Harbor, Recreation, and Conservation District
EXPENSES FY 2018 - 19 BUDGET

Account	Sub Account	General Fund	Tidelands	Woodley Island	RMT II	RMT I	Fields Landing	Shelter Cove	Grants	TOTAL
										2018-19
Personnel										
E1	Salaries/Wages	220,933		190,778	74,334	78,508	74,781	114,015		753,349
E1a	Salaries/Wages PT	19,036		2,380	952	4,759	1,428	54,080		82,635
E2	Commissioners Fees	24,000								24,000
E3	Payroll Burden	190,644		118,181	47,479	48,824	53,435	90,715		549,278
E3a	Payroll Burden PT	2,334		292	117	583	175	6,745		10,246
Materials and Services										
E5	Advertising & Promotion	6,000		3,000						9,000
E6	Communications	7,000		6,000						13,000
E7	Conference & Meetings	25,000		3,000						28,000
E8	Dues,Subscript.,License	40,000		10,000						50,000
E9	Elections & Government Fees	20,000		5,000						25,000
E10	Insurance	30,000		30,000						60,000
E11	Supplies Office	25,000		16,000			150			41,150
E12	Supplies Maintenance	6,000		6,000	18,400			600		31,000
E13	Permits									-
E14	Utilities			160,000	140,000	1,300	34,000	12,000		347,300
E15	Fuel							6,500		6,500
E16	Accounting	40,000		10,000						50,000
E17	Legal	55,000		5,000						60,000
E18	Planning	100,000								100,000
E19	Engineering	60,000								60,000
E20	Other Professional/Outside Services	90,000								90,000
E20a	Information Technology									-
E20b	HSU Ports									-
E21	Small Tools - Protective Clothing									-
E22	Maintenance Facilities			25,772	15,500	14,300	7,300			62,872
E23	Maintenance Equipment				14,900		7,500	13,500		35,900
E24	Maintenance IT									-
E25	Dredging									-
E26	Capital Outlay									-
E26a	Building & Facilities			119,500	75,500	22,500	61,000			278,500
E26b	Equipment									-
E26c	Automotive									-
E26d	Vessels									-
E27	Rent/ Lease Payments				190,000					190,000
E28	Interest/Debt Payments									-
E29	Other Expenses									-
E30	Grant Expenses									-
E30a	Conservation Grant								269,000	269,000
E30b	Recreation Grant								204,568	204,568
E30c	Harbor Grant								187,113	187,113
E30d	Facilities Grant								272,000	272,000
TOTAL EXPENSE		960,947	-	710,903	577,182	170,774	239,769	298,155	932,681	3,890,411
Debt										
D1	Bonds 2014	208,570		99,000						307,570
D2	Tri County Electric Meter									-
D3	Coast Seafood				142,092					142,092
D4	I Bank Dredge Loan			163,200						163,200
D5	Tractor							5,388		5,388
D6	BVVA Loan NMTC				160,737					160,737
TOTAL EXPENSE		208,570	-	262,200	302,829	-	-	5,388	-	778,987
Dedicated Accounts Deposit										
	Dredge Surcharge			95,000						95,000
	Float Replacement			65,000						65,000
	General Fund Reserve			30,000						30,000
TOTAL EXPENSE		-	-	190,000	-	-	-	-	-	190,000
TOTAL REVENUE		1,177,500	273,000	1,209,200	880,228	182,200	209,300	48,000	932,681	4,912,109
NET INCOME		7,983	273,000	46,097	217	11,426	(30,469)	(255,543)	-	52,711

Woodley Island Marina GOALS

- Obtain all required permits to dredge the Marina and begin to implement the long term maintenance dredging program.
- Establish a dredging maintenance fund which would pay for permitting, mitigation, dredging and other expenses associated with dredging:
 - Woodley Island,
 - Fisherman's Channel, and
 - Fields Landing Travel Lift Dock

Woodley Island Marina GOALS

- Repair/replace the roof over the restaurant and ACOE building as a 1st priority followed by the Coast Guard and Harbor District office roof.
- Develop and implement a dock repair, replace, and maintenance program.
- Coordinate commercial fish storage and work areas with efforts to improve the RMT I facility.
- Evaluate potential cost saving from installing smart electrical meters.

Woodley Island Marina GOALS

- Work with the Redwood Energy Authority to evaluate energy efficiency measure for Woodley Island.
- Work with the City of Eureka to promote Woodley Island as a commercial fishing, recreational boating, and tourist destination.
- Continue to evaluate and implement safety and security measures throughout the island.
- Develop a parking lot and access road maintenance program to prolong the useful life of the infrastructure.

RMT I GOALS

- Develop a fisherman's outdoor storage and work area master site plan and reorganize lease areas per master plan.
- Complete the Brownfield cleanup and subdivision of the roundhouse property and transfer ownership to the Timber Heritage Association.
- Continue to work with the City of Eureka and Humboldt Maritime Association to relocate the 1091 vessel as required by the Coastal Commission.

RMT I GOALS

- Continue the dock decking replacement program.
- Repair/replace saltwater intake pumping system and pumphouse.
- Upgrade the power to dock to 480 3-phase.
- Complete maintenance improvements to road access to Red Tank and Non Name Docks.
- Analyze sea level rise adaptation strategies through 2100

RMT I GOALS

- Develop a maintenance / replacement strategy:
 - Storm water culvert that runs under the building
 - Roofing
 - Siding
 - Fire suppression system
 - Domestic Water supply
 - Wastewater treatment
 - Roadway

RMT II GOALS

- Obtain a Coastal Development Permit for Uses
 - Phase I. Make all current uses allowable.
 - Phase II. Develop a master development plan for future Business Innovation Park uses and infrastructure.
- Complete the Brownfield cleanup.
- Improve the site access, signage, and layout based on the master development plan to set the stage for a true Business Innovation Park.
- Continue to target marketing efforts on the aquaculture and other water related uses while allowing non water related uses on an interim basis.

RMT II GOALS

- Convert the existing ocean outfall lease to a tidelands lease similar to other Harbor District leases with the State Lands Commission that allow for broader use that serve the public interest.
- Continue to support the North Coast Water Quality Control Board's efforts to develop wastewater treatment facilities on the Samoa Peninsula by utilizing the RMT II property and ocean outfall.
- Improve exterior lighting for security and exterior working areas.
- Implement repair and maintenance of the fire suppression system to insure that it complies with insurance requirements.

Fields Landing GOALS

- Develop a plans, specifications, and cost estimates refurbish the travel lift dock.
- Develop permitting/mitigation plan to dredge between the federal channel to the travel lift dock fingers.
- Develop and implement a storm water management strategy to collect heavy metals, paint and other potential contaminants as close to the source as possible.
- Improve exterior lighting for security and exterior working areas.

Fields Landing GOALS

- Work with the City of Eureka and the other members of the Harbor Safety Committee to find funding to dispose of abandoned and/or dangerous boats.
- Construct improvements to the large roll up doors to secure them during high wind events.
- Replace older boat stands and other equipment required to operate the boat yard service.

Shelter Cove GOALS

- Complete the conversion of the fish cleaning station discharge from direct ocean to the Community Improvement Districts wastewater treatment system.
- Implement changes to the boat launching operations that:
 - Require minimum trailer safety features.
 - Establishes seasonal commercial launching service.
 - Utilize more local staff.

Shelter Cove GOALS

- Develop a breakwater and boat ramp maintenance program.
- Install barriers, exterior lighting, and other improvements for security and safety.
- Work with the property owner to obtain permanent fee title to the boat launching, fish cleaning, and public access to the beach.

Port Operations GOALS

- Dredging strategy coordination with USACE for Federal Channel dredging that address winter shoaling issues.
- Begin Planning for multi-purpose berth development
 - Work with RCEA to prepare port for off-shore wind energy development
- Work with commercial fishing industry to evaluate existing support facilities and determine their needs.

Port Operations GOALS

- Continue to work with Humboldt Bay Cruise Ship Collaborative to market and develop port as cruise ship destination.
- Work with Sediment Advisory Committee to complete Sediment Management Plan Program EIR
- Work with the County, City of Eureka, RREDC, and private dock owners on a port marketing strategy to attract businesses to Humboldt Bay.

Conservation GOALS

- Coordinate dredging activities with potential beneficial reuse projects.
- Review Eelgrass Management Plan and begin to implement management strategy.
- Work with the County, City of Eureka, and City of Arcata to implement stormwater runoff programs to keep the Bay clean.

Recreation GOALS

- Promote boater safety and training programs for recreational and commercial users.
- Evaluate additional recreational boating opportunities around Dock I and Woodley Island Marina.

COMMISSIONERS

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TRANSMITTAL

DATE July 31, 2018

TO: Amy S. Nilsen, County Administrative Officer
County of Humboldt
825 5th St,
Eureka, CA 95501

FROM: Mindy Hiley, Director of Administrative Services
Humboldt Bay Harbor, Recreation and Conservation District

TRANSMITTAL ITEMS

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT
RESOLUTION NO. 2018-04. A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2018-
2019 HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT BUDGET
AND GOALS