

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

18 November 2004

PRESENT:

Commissioner Pellegrini
Commissioner Curless
Commissioner Hunter
Commissioner Ollivier

ABSENT:

Commissioner Fritzsche

The Closed Session was called to order at 6:00 p.m. Closed Session adjourned at 6:40 p.m.

The regular meeting of the Board of Commissioners was called to order by President Pellegrini at 7:00 p.m. Roll call was taken. President Pellegrini led those present in the Pledge of Allegiance.

District Counsel reported that during Closed Session the Louisiana-Pacific tideland leases, Fields Landing Boat Yard and Fur Breeders lease were discussed, but no action was taken.

PUBLIC COMMENT: None

CONSENT CALENDAR

COMMISSIONER CURLESS MOVED FOR THE APPROVAL OF THE CONSENT CALENDAR.
COMMISSIONER HUNTER SECONDED. MOTION CARRIED WITHOUT DISSENT.

CEO REPORT

- √ 11/2: CEO was invited to speak to the Grand Jury about the Harbor District and its operations.
- √ 11/3-4: CEO attended the Pacific Northwest Waterways Association meeting in Portland. At the meeting, discussion centered around what was going to happen to WRDA since it has been amended on a daily basis.
- √ 11/5: Cruise ship coordination committee met to discuss ideal parameters (i.e. tides, months, etc.) for cruise ship visits to Humboldt Bay. CEO reported the economic information on the last cruise ship's impact to Humboldt County is being gathered.
- √ 11/9: F/V Sitka was hauled at the Fields Landing Boat Yard. Coast Seafoods' scow and dredge were previously hauled and destroyed for scrap.
- √ 11/10: Harbor Safety Committee meeting was held. Discussion centered around the displaced Buoy 5 and how to return it to its rightful place and also around implementing more boating safety classes.
- √ 11/15-17: Don Leonard represented the Harbor District at the Cruise The West meeting in Victoria, BC. Plans for the trade show in March in Florida are ongoing and Don will incorporate the information gathered at the last cruise ship coordination committee meeting into the advertising details.
- √ The Corps of Engineers Public Notice on the SeaDog wave generation project off Table Bluff was received.
- √ 12/14: The Interagency Coordination and Mariculture Monitoring Committee Meetings will be held. The final results of the WRAC study will be presented by Steve Rumrill, Brett Dumbauld and others.

DISTRICT COUNSEL'S REPORT

District Counsel reported he reviewed the application by Kevin Pinto and the subsequent agreement on the Board's agenda tonight, and he reviewed the draft specifications of the

maintenance dredging in order to provide input to engineers. District Counsel also stated information had been received that satisfied the concerns of the Board regarding the loan to NCRA and the first \$30,000 payment could be sent which will satisfy the current outstanding judgment against NCRA.

STAFF REPORT

District Treasurer reported that he received information from the County Auditor/Controller regarding the property tax revenue shift mandated by the State for the next two years. The annual amount of the shift is based on the revenue for FY 2001/02 reported to the State Auditor. The Harbor District's portion will be \$227,058 and will be paid in December and April.

District Treasurer recommended the Finance Committee (Commissioners Hunter and Fritzsche) meet to discuss FY 2004/05 budget revisions.

COMMISSIONER REPORTS

Commissioner Hunter reported that he had attended several meetings regarding Stockton-Pacific's tideland lease.

Commissioner Hunter reported he attended the Humboldt Bay Stewards forum on the economic importance of Humboldt Bay held on November 15th. He said approximately 80 people attended and round table discussion focused on five areas of economic capital.

Commissioner Ollivier reported two ships entered the harbor this week. He stated the container barge shipping will be put on hold until after the first of the year when the ownership of Stockton-Pacific will be finalized.

Commissioner Ollivier also reported he attended the NCRA Board meeting. He stated that FEMA monies will be released to help open the southern end of the railroad. The estimated timeline to the opening is hopefully within 16 months. He said the opening of the railroad will be an integral part of the success of the project with the Port of Oakland.

President Pellegrini reported she read in a Eureka/Humboldt County history book that when the 1964 flood washed away 200 miles of the railroad, it took 117 days to replace it. Everyone agreed that it is not that easy anymore.

President Pellegrini reported that early season for Dungeness Crab opened November 15th in San Francisco and the fishermen had been successful in their catches. She said contrary to what some may say, price may be an issue here this year and may delay the opening of the season until December 10th.

ADVISORY COMMITTEE REPORTS: None

OTHER: None

NON-AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS

A. CONSIDERATION OF PERMIT AND AGREEMENT TO KEVIN PINTO TO OPERATE JENNA LEE SEAFOODS.

CEO reported that the agreement is the same as the one approved by the Board of Commissioners last year.

COMMISSIONER OLLIVIER MOVED THE APPROVAL OF PERMIT AND AGREEMENT TO KEVIN PINTO TO OPERATE JENNA LEE SEAFOODS. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF THE MILLS ACT.

CEO reported he sent a letter to the City of Eureka requesting them to postpone consideration of the Mills Act in order to give the Board of Commissioners time to comment. The Mills Act has been enacted in other areas of the state and it allows property owners of historical property a property tax reduction to offset renovations of these properties. The City of Eureka proposes to implement a pilot project for five properties and would mean an estimated reduction of approximately \$1,200 in property tax revenue to the Harbor District per year.

Commissioner Hunter reported he spoke with several people at the City and the County of Humboldt. He said City Councilmember Kerrigan suggested the City Council might consider residential properties only in the early stages of implementation, thus costing less money in property tax revenues to the affected agencies.

President Pellegrini suggested that City of Eureka consider this program after the completion of the two-year property tax revenue shift by the State. She said that historical properties in Eureka have been renovated for years without such a program.

COMMISSIONER CURLESS MOVED TO OPPOSE THE MILLS ACT. COMMISSIONER OLLIVIER SECONDED.

Commissioner Hunter suggested an amendment to the motion to oppose the Mills Act in the present form, comment to the City Council and explain the Board's position and request the City to slow-track for two years.

Commissioner Curless restated his original motion.

Penny Elsebusch stated she thought the approval of Proposition 1A was a traumatic win and that it should have been defeated by Proposition 65. She stated that no one knows what the State will take away in two years. She heard from McKinleyville Community Services District that 100% of the property tax revenue of special districts will be taken away by the State and that the State should be making cuts too. She further stated the City of Eureka needs to wait on the Mills Act and that Manila is going to be a blighted area.

MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 7:42 p.m.

APPROVED BY:

RECORDED BY:

Signature on File
Ronnie Pellegrini, President for
Ronald A. Fritzsche, Secretary

Signature on File
Patricia L. Tyson, Admin. Assistant