

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

23 June 2005

PRESENT:

Commissioner Pellegrini
Commissioner Curless
Commissioner Fritzsche
Commissioner Hunter
Commissioner Ollivier

The Closed Session was called to order at 6:00p.m. Closed Session adjourned at 6:48 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 potential litigation regarding the Louisiana-Pacific tideland lease, negotiations with Evergreen Pulp on a tideland lease and the CEO's personnel evaluation were discussed, but no action was taken.

PUBLIC COMMENT

Leroy Marsh reported that Dr. Ralph Davis has donated the LCI (Landing Craft Infantry) 1091 vessel located east of the Samoa Bridge to the Humboldt Bay Naval Sea/Air Museum. Mr. Marsh said that 50 former LCI crewmen are in town for a reunion and an official announcement would be made tomorrow at the group's breakfast gathering.

David Elsebusch encouraged the Board of Commissioners to seek a grant from the Headwaters Fund and use it for a worthwhile project. He said the original intent of the fund was to mitigate the loss of the timber industry on the economy.

CONSENT CALENDAR

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

CEO REPORT

- √ 6/9: CEO attended a tsunami table-top workshop at the County's Office of Emergency Services.
- √ 6/14: An actual tsunami warning was issued as a result of an earthquake centered off Trinidad. CEO stated this was a good opportunity to practice what was learned at the workshop on June 9th.
- √ 6/10: CEO attended a Port Security meeting.
- √ 6/14-16: The Gerald O. Hansen wildlife area was mowed by maintenance staff in order to control non-native plants.
- √ The area around the Redwood Dock where the CCC volunteers cleaned and removed plants was mowed.
- √ Maintenance staff continues to work on July 4th preparation of Woodley Island.
- √ 6/16: The Marina Concessions and Fields Landing Boat Yard advisory committees met.
- √ 6/10 and 6/20: CEO met with Sea Scout leaders regarding their program and the improvement of the Sea Scout facility at Fields Landing.
- √ 6/23: CEO was interviewed by Brian Papstein on KINS radio program "Talk Shop".
- √ CEO reported the road down the Shelter Cove boat launch needs repaving. The Resort Improvement District will provide an estimate to repave the road.
- √ The Resort Improvement District will celebrate it's 40th anniversary during the 4th of July weekend.

DISTRICT COUNSEL'S REPORT: None

STAFF REPORT

District Treasurer stated he did not have enough information to determine the impact of the Eureka Redevelopment Agency's proposed amendment on the Harbor District's revenue. He will request necessary information and met with the Harbor District Finance Advisory Committee members to discuss the information.

COMMISSIONER REPORTS

President Pellegrini requested two items be put on the Board's next agenda: 1) discussion about inviting legislators here to promote Humboldt Bay and 2) consideration of selecting a preferred alternative for the Shelter Cove Breakwater Rehabilitation.

Commissioner Curless reported that the lawsuit against Fortuna Councilmember Debi August was dropped with prejudice.

ADVISORY COMMITTEE REPORTS

Commissioner Curless reported he met with representatives of Evergreen Pulp. He said there would be a meeting on June 28th to address air quality concerns. Commissioner Curless also stated that Evergreen Pulp has the equipment to eliminate some of the problems to bring the emissions down to a tolerable level.

Commissioner Fritzsche reported that he, President Pellegrini, CEO, Conservation Specialist and Greg Dale of Coast Seafoods met to discuss Coast's future and permit activities. Coast Seafoods is waiting for permits from US Army Corps of Engineers and California Coastal Commission.

Commissioner Hunter reported that he and President Pellegrini met as the Human Resources Advisory Committee to discuss CEO's personnel evaluation.

Commissioner Hunter reported that he and Commissioner Ollivier met and toured the Redwood Dock and adjoining buildings.

Commissioner Ollivier reported that he and President Pellegrini met as the Marina Concessions Committee to discuss ways to bring in revenue to the Harbor District.

Port of Oakland Advisory Committee Update: None

OTHER: None

NON-AGENDA: None

UNFINISHED BUSINESS

A. CONSIDERATION OF SECOND READING AND ADOPTION OF FY 2005/2006 BUDGET.

COMMISSIONER CURLESS MOVED FOR THE SECOND READING AND ADOPTION OF FY 2005/2006 BUDGET. COMMISSIONER HUNTER SECONDED.

Commissioner Fritzsche asked what was the \$25,000 allocated to Redwood Dock operating expenses. CEO responded the operating expenses are maintenance activities, which would not be paid from fund reservations. District Treasurer stated the fund reservations could still be utilized for expenses, which are not capital expenditures.

Commissioner Fritzsche suggested a friendly amendment to the motion specifying the Redwood Dock operating expenses of \$25,000 should be taken from Fund Reservations.

COMMISSIONER CURLLESS ACCEPTED COMMISSIONER FRITZSCHE'S FRIENDLY AMENDMENT TO SPECIFY THE REDWOOD DOCK OPERATING EXPENSES OF \$25,000 WILL BE ALLOCATED FROM FUND RESERVATIONS AND COMMISSIONER HUNTER SECONDED.

Commissioner Hunter stated that even though specific expenses are listed in the budget, the Board of Commissioners would still approve them on an individual basis.

CEO stated that the positions of District Engineer and District Planner are listed in the budget, but the Board of Commissioners will approve the filling of the positions.

President Pellegrini said that it was important to note that since 1993 there has only been one year where the Harbor District experienced a loss even though the annual budgets for each year stated a loss – the year of the payment to the Corps of Engineers for the Harbor Deepening Project.

MOTION CARRIED WITHOUT DISSENT.

NEW BUSINESS

A. CONSIDERATION OF AMENDMENT NO. 1 TO AGREEMENT WITH OSCAR LARSON & ASSOCIATES FOR IMPLEMENTATION OF HARBOR AND RAILROAD REVITALIZATION ACTIVITIES.

CEO reported that since January 2005, Ken Davlin has been working on the Harbor District's behalf with the Port of Oakland under the \$30,000 agreement approved by the Board of Commissioners. CEO stated a number of accomplishments since January. The Port of Oakland Advisory Committee met with Mr. Davlin on June 16th; and based on that meeting, recommended Amendment No. 1 to the agreement with Oscar Larson and Associates.

Ken Davlin reported that due to the efforts of the last six months, the Port of Humboldt Bay name is recognized outside of Humboldt County. He also said that under this amended contract, he would support HCAOG in adopting a Goods Movement policy in order to be part of the State's Goods Movement Action Plan. Mr. Davlin stated he would be giving a presentation to RREDC on June 27th.

Commissioner Fritzsche asked about the timeline for the adoption of the HCAOG Goods Movement policy. Mr. Davlin responded that the goal of HCAOG is to develop a policy for the community to allocate funding from Federal and State sources for various projects and HCAOG is hiring a consultant to help with this plan. Mr. Davlin stated he feels it will take several months for this accomplishment.

Commissioner Hunter stated he thought RREDC was the wrong audience and that the Headwaters Fund is a more appropriate avenue. Commissioner Hunter said the Headwaters Fund would need to see the economic stimulus Mr. Davlin's work plan would develop.

Ken Davlin responded that even though RREDC is not the final decision-maker, there are many people on the RREDC Board who have definite opinions are influential in the community.

Commissioner Ollivier reminded all of the importance of improving the facilities around Humboldt Bay.

COMMISSIONER CURLLESS MOVED FOR THE APPROVAL OF AMENDMENT NO. 1 TO AGREEMENT WITH OSCAR LARSON & ASSOCIATES FOR IMPLEMENTATION OF HARBOR AND RAILROAD REVITALIZATION ACTIVITIES. COMMISSIONER OLLIVIER SECONDED.

David Elsebusch stated he was concerned that since the original \$30,000 was approved by the Board, no report and no breakdown of the costs incurred has been presented. He said that staff should be able to do the "schmoozing" that is costing the public \$130 per hour. In his view, the amendment was unacceptable.

Commissioner Fritzsche asked Mr. Davlin if he was going to submit "deliverables" within 90 days. Mr. Davlin responded that he would be working on the grant request and finalizing the work plan. He stated the Port of Oakland relationship was not going to produce a product to give out, but will constitute sharing and collaboration.

Commissioner Hunter asked about the \$10,000 allocated for the grant request. Mr. Davlin responded that the paperwork is very comprehensive and time-consuming because a large sum of money as being requested.

Commissioner Hunter stated that when the Board hires a consultant, they want the greatest value from the consultant's time. He suggested the CEO would be his choice to make presentations before local groups because the CEO is the Harbor District representative.

CEO stated that he has worked closely with Mr. Davlin, but that Mr. Davlin has done much more leg work and preparation. CEO also said the original \$30,000 agreement laid the ground work to get to the place where there is enough information about the desired project to ask the Headwaters Fund for grant monies.

Commissioner Fritzsche asked how much money was going to be requested in the form of a grant from the Headwaters Fund. Mr. Davlin responded between \$200,000 and \$250,000. He said the grant request must reflect the integrity of what the money would be used for.

Commissioner Hunter stated he felt the grant request should be for more than \$250,000.

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF CONTRACTING WITH PACIFIC AFFILIATES, INC. FOR PERMITTING AND CEQA SERVICES NECESSARY TO REACTIVATE THE SAMOA UPLAND DREDGE DISPOSAL SITE.

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF CONTRACTING WITH PACIFIC AFFILIATES, INC. FOR PERMITTING AND CEQA SERVICES NECESSARY TO REACTIVATE THE SAMOA UPLAND DREDGE DISPOSAL SITE. COMMISSIONER CURLLESS SECONDED.

CEO reported the upland disposal site was built by Louisiana-Pacific years ago and was recently acquired by the Harbor District as part of the harbor infrastructure. The permits for the use of the site have expired. The contract with Pacific Affiliates, Inc. is to reactivate the permits and do the work required in the CEQA process.

Commissioner Fritzsche stated the permits are required in order for the Harbor District to use the site for toxic sediment material disposal during the maintenance dredging of Woodley Island Marina.

Dave Schneider, Pacific Affiliates, Inc., stated most ports have a soil disposal site and it is necessary to show an available site for disposal during dredging.

MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF APPROVAL OF AGREEMENT WITH DAVID TAYLOR DBA TAYLOR ENTERPRISE FOR THE REPLACEMENT AND INSTALLATION OF FENCE AND GATES AT THE REDWOOD DOCK MARINE TERMINAL.

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF AGREEMENT WITH DAVID TAYLOR DBA TAYLOR ENTERPRISE FOR THE REPLACEMENT AND INSTALLATION OF FENCE AND GATES AT THE REDWOOD DOCK MARINE TERMINAL. COMMISSIONER FRITZSCHE SECONDED.

Commissioner Curlless noted the installation of fence and gates at the Redwood Dock Marine Terminal site could offer a chance for the Harbor District to obtain funds from homeland security. CEO confirmed

that fencing was an item included in the port security grant request and that he is hoping to hear if the grant is approved by mid-July.

MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

President Pellegrini announced that Closed Session was held prior to the regular meeting and all business was concluded; therefore, there will be no additional Closed Session.

The Regular Meeting of the Board of Commissioners adjourned at 8:24 p.m.

APPROVED BY:

Signature on File
Roy Curless, Secretary

RECORDED BY:

Signature on File
Patricia L. Tyson, Admin. Assistant