

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

**29 June 2006**

**PRESENT:**

Commissioner Pellegrini  
Commissioner Curless  
Commissioner Hunter  
Commissioner Ollivier

**ABSENT:**

Commissioner Wilson

The Closed Session was called to order at 6:02 p.m. Closed Session adjourned at 6:45p.m.

The regular meeting of the Board of Commissioners was called to order by President Pellegrini at 7:00p.m.

Commissioner Ollivier led those present in the Pledge of Allegiance.

District Counsel reported on the items discussed during Closed Session: real property negotiations on Samoa Shops Property and the extension of the easement with Sequoia Investments XI, LLC for the dredge disposal line and the status of negotiations with the employee labor union. No action was taken on these items during Closed Session.

**PUBLIC COMMENT**

Aldo Bongio asked if there was someone to speak who could speak about the current status of the railroad. President Pellegrini asked Commissioner Ollivier, a NCRA Board member, to answer Mr. Bongio's request. Commissioner Ollivier reported some exciting news on the railroad. Recently NCRA hired a new operator for the railroad and the operator will utilize the monies recently released by FEMA to install/repair lighting and safety mechanisms at many of the railroad crossings. He said the line from Shellville to Cloverdale/Windsor will cost approximately \$20 million and an additional \$70-90 million will be needed to bring the line to Eureka.

Kaye Strickland said Hannah Burkhart of Willits, a strong advocate for the railroad, passed away recently and will be greatly missed by all who knew her.

Marcus Brown of the Timber Heritage Association reported an open house was held last weekend at the Glendale site where there is 4 acres of local historical saw milling and railroad equipment. Simpson Timber Company is selling the property where the items are housed and the Timber Heritage Association is actively looking for another site for the items. Woody Murphy of Humboldt Bay Forest Products has offered a temporary storage site, but the Association would like to have a permanent place to relocate.

Pete Oringer asked the Board of Commissioners to consider an agenda item during their next meeting to hold a public discussion of the Harbor District's role with the Timber Heritage Association.

**CONSENT CALENDAR**

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

**CEO REPORT**

- √ 6/20: CEO attended the Headwaters Fund Board Meeting and offered additional information to the application for a \$200,000 grant previously submitted to the Board. The additional information was accepted and the application was forwarded to the Board of Supervisors for approval.
- √ 6/22: CEO made a presentation about current Humboldt Bay projects to the ILWU Local 14 pensioners.
- √ CEO reported the Humboldt Bay Management Plan Draft EIR comment period has concluded. The Humboldt Bay Management Plan will be presented to the Board of Commissioners for their approval at their July 27<sup>th</sup> meeting.

- √ 6/29: CEO and Dockmaster attended a Harbor Safety Sub-Committee meeting to discuss the development of a dock address system to aid in identifying the individual docks in Humboldt Bay.
- √ 6/28: Harbor District and Department of Fish & Game co-sponsored a workshop on rapid assessment methodology developed by the San Francisco Bay Institute for assessing wetlands around Humboldt Bay and throughout the state.

**DISTRICT COUNSEL'S REPORT:** None

**STAFF REPORT:** None

### **COMMISSIONER REPORTS**

Commissioner Curless reported the Oregon State University Baseball team won the World Series of College Baseball. He said he played on the 1952 team that went to the College World Series, but was unable to go to the Series because he went into the Army instead.

Commissioner Curless reported the Fortuna Rodeo will be held July 10-16 at Rohner Park. Commissioner Curless also reported the Bear River Rancheria will put on a fireworks show on July 4<sup>th</sup> in Fortuna.

Commissioner Hunter reported at the recent RREDC meeting, Allan Katz, Executive Director of Community Health Alliance for St. Joseph Hospital, spoke to the group about the ramifications if St. Joseph Hospital cannot overcome its financial problems. He said they are researching several viable options to keep St. Joseph Hospital operating. Commissioner Hunter said at the same RREDC meeting, it was reported the Headwaters Fund Board approved a \$750,000 loan to expand the airport terminal. The project will take approx. 24 months to complete and increased airline ticket prices on departure will help repay the loan.

Commissioner Hunter said a news article in the San Francisco Chronicle reported commercial salmon fishermen will lose approx. \$80 million in revenue. Commissioner Hunter said Congressman Thompson should be commended for the work he has done to regain \$2 million for the fishermen.

Commissioner Hunter stated Maggie Herbelin, Humboldt Bay Stewards, called him to ask for some time during the Board of Commissioners' meeting to make a presentation to the Board. Since Commissioner Hunter was not able to add the request to the agenda prior to publishing, he said he would like to give some time during his Commissioner Report to Ms. Herbelin for her presentation. President Pellegrini suggested the Commissioners complete their reports first.

Commissioner Ollivier congratulated Commissioner Curless and his wife Laurada on their 50<sup>th</sup> wedding anniversary.

Commissioner Ollivier thanked CEO for his presentation to the ILWU Local 14 pensioners. He said the pensioners meet every three months to get an update on the activities around Humboldt Bay.

President Pellegrini reminded everyone to come to Woodley Island on the 4<sup>th</sup> of July to see the fireworks and to participate in the street fair in Old Town.

President Pellegrini reiterated Commissioner Hunter's sentiment about Congressman Thompson. She said Congressman Thompson went to bat for the local fishermen to assure some economic relief. President Pellegrini also noted that the Pellegrini family has been commercial salmon fishing from Humboldt Bay since 1910, but this is the first year the Pellegrini family will not.

President Pellegrini stated there would not be a quorum of the Board of Commissioners on July 13<sup>th</sup>; therefore the regular meeting will be rescheduled for July 12<sup>th</sup>.

President Pellegrini asked everyone to keep her niece Ashley in their thoughts and prayers because she has been deployed for the Air Force to Iraq.

Aldo Bongio asked the Board of Commissioners to hire someone locally to build the marine terminal that is being studied with funds from the Headwaters Fund. He also said if Highways 101 and 299 are not upgraded, container shipping in Humboldt Bay would not be feasible.

Bob Rasmussen spoke for Maggie Herbelin and said in light of the current public attention focused on port development of Humboldt Bay, the Humboldt Bay Stewards would be holding a public forum to inform the community about different aspects of bay development. He asked the Board of Commissioners for suggestions for topics and information and said the same request is being made of the Eureka City Council.

**ADVISORY COMMITTEE REPORTS:** None

## **OTHER**

### **Presentation on the Proposed Marina Center Project**

Brian Morrissey and Jeremy Smith of Security National spoke to the Board of Commissioners about the proposed Marina Center to be built on the former Union Pacific Balloon Track property. Mr. Morrissey said the project was started approximately one year ago and was presented to the City of Eureka to start the CEQA process. The majority of the tenants of the Marina Center will be offices, Home Depot, Discovery Museum and some smaller retail stores. Service retail, residences (40 units), industrial (i.e. Lost Coast Brewery), and restaurants comprise the rest of the project. The objective of the project is to provide an opportunity to experience the bay - to allow the community to work, live and recreate on the bay.

Mr. Morrissey stated one of the controversies associated with the project is the idea of "capping" the existing contaminants to keep them from leaking into the bay. He said the Marina Center will meet and exceed all State and Federal clean up guidelines and that capping is a tried and true technology. In fact, there are several properties around the bay and hundreds in California that were capped during their development; capping is not a new technology.

Cities commonly use "Smart Growth" principles when approving new developments and the Marina Center encompasses these principles with mixed land use, compact building design, range of housing, walkable neighborhoods and preservation of open spaces and natural beauty, among others.

The Marina Center development will create approximately 1,100 new jobs, of which 70 are industrial-related and 400 are professional positions. New retail sales are estimated at \$110 million and property taxes will be approximately \$900,000, where the property taxes are currently assessed at approximately \$10,000 per year.

President Pellegrini thanked Mr. Morrissey and Mr. Smith for their informational presentation. She stated if the Board of Commissioners decides to take a position on the project, the item would appear on a future Board meeting agenda; and at that time, the Board and the public would have an opportunity for comment.

**NON-AGENDA:** None

## **UNFINISHED BUSINESS**

### **A. SECOND READING AND ADOPTION OF FY 2006/07 BUDGET.**

District Treasurer reported this is the second reading and adoption of the FY 2006/07 Budget. There have been several public meetings leading up to this point when the details of the budget have been discussed. For the 2006/07 fiscal year, the budget reflects the following: revenue \$2,821,366; operating expenses \$1,746,863; non-operating expenses \$3,531,200; excess revenues over (under) expenses (\$2,456,697).

District Treasurer explained the increase in Salaries/Wages over the previous reading of this budget. The negotiations with the employees' union were finalized and the contract was approved at the Board's last meeting. One of the items of the contract allowed for a CPI increase in all union wages and the Board had previously approved increases in the management wages, thereby increasing Salaries/Wages for the 2006/07 fiscal year.

District Treasurer also stated the Harbor District has approximately \$5.7 million in combined restricted and unrestricted funds.

Commissioner Hunter stated the Board of Commissioners for many years has adopted budgets showing a deficit, usually due to large capital projects. He asked District Treasurer how many years the annual audit has shown a deficit. District Treasurer responded the Board has adopted a budgeted deficit for the last twelve years, but there have only been two years where a deficit has actually been realized.

COMMISSIONER HUNTER MOVED TO ADOPT FY 2006/07 BUDGET. COMMISSIONER OLLIVIER SECONDED. MOTION CARRIED WITHOUT DISSENT.

## **NEW BUSINESS**

### **A. CONSIDERATION OF APPROVAL OF AGREEMENT WITH PACIFIC STATES MARINE FISHERIES COMMISSION FOR TECHNICAL ASSISTANCE COORDINATION FOR THE EEL RIVER/HUMBOLDT BAY INTEGRATIVE WETLANDS STRATEGY PROJECT.**

CEO reported EPA had given the Harbor District a \$131,000 grant for the Eel River/Humboldt Bay Integrative Wetlands Strategy Project, a joint effort between the Harbor District and Department of Fish & Game. This item represents the first part of the project at \$80,000.

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF AGREEMENT WITH PACIFIC STATES MARINE FISHERIES COMMISSION (PSMFC) FOR TECHNICAL ASSISTANCE COORDINATION FOR THE EEL RIVER/HUMBOLDT BAY INTEGRATIVE WETLANDS STRATEGY PROJECT. COMMISSIONER OLLIVIER SECONDED.

Commissioner Curless suggested some mitigation credits might be available through this project. Mark Wheatley, Project Manager for the grant, stated the EPA monitors closely the gains and losses of wetlands nationally. Equivalent efforts are being done in San Francisco Bay, Central Coast and the Southern Coast. Pacific States Marine Fisheries Commission is a compact of five states - California, Oregon, Washington, Idaho and Alaska – and they are mandated to hold their administrative costs to 15%.

Aldo Bongio said there were plenty of salmon in the 1940's and he thought it wonderful the Harbor District applied for the grant. He said the pursuit of mitigation credits was a good idea. He also suggested PSMFC should be consulted about controlling the sea lions that have been eating the salmon at the mouth of the Klamath River.

MOTION CARRIED WITHOUT DISSENT.

### **ADMINISTRATIVE AND EMERGENCY PERMITS: None**

The Regular Meeting of the Board of Commissioners adjourned at 8:11 p.m.

APPROVED BY:

RECORDED BY:

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Signature on File  
Roy Curless, Secretary

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Signature on File  
Patricia L. Tyson, Admin. Assistant