

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

**27 July 2006**

**PRESENT:**

Commissioner Pellegrini  
Commissioner Curless  
Commissioner Wilson  
Commissioner Hunter  
Commissioner Ollivier

The Closed Session was called to order at 6:05 p.m. Closed Session adjourned at 6:17 p.m.

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

Commissioner Hunter led those present in the Pledge of Allegiance.

District Counsel reported on the items discussed during Closed Session: real property negotiations and status of dredge line access agreement; potential litigation regarding the Newby spud barge in Fields and personnel matter regarding operational policies. No action was taken on these items during Closed Session.

**PUBLIC COMMENT**

Moss Bittner reported on the July 20<sup>th</sup> RAPIT meeting. He handed a letter to President Pellegrini, which outlines the RAPIT committee's suggestions for the Harbor District for further outreach in support for the railroad. One of the suggestions is for Commissioner Ollivier to travel to France and Switzerland with Wilson Lacy of the Port of Oakland to speak with shipping companies about utilizing the Ports of Humboldt Bay and Oakland. They also suggested discussions with California Secretary of Resources, Mike Chrisman (?) regarding the Harbor District's efforts on marine terminal modernization.

**CONSENT CALENDAR**

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

**CEO REPORT**

- √ 7/27: Harbor Safety Committee met and discussed the Dock Address system, a program designed to identify specific locations around Humboldt Bay, and different charting issues.
- √ CEO attended the Change of Command for the Sector Commander of the USCG. There is a new local MSO and a new Admiral for the 11<sup>th</sup> Coast Guard district. Also this year, the Humboldt Bay Maritime Expo and the City of Eureka's Coast Guard City Celebration will combine activities culminating in the Coast Guard Ball to be held on Saturday, September 30<sup>th</sup> after the Expo. President Pellegrini suggested Sector Commander Captain Mark Butt be invited to participate as a Celebrity Chef at the Expo since Captain Pettit had been an active Celebrity Chef in previous years.
- √ CEO announced the Port of Redwood City recently completed their second best year in shipping.

**DISTRICT COUNSEL'S REPORT:** None

**STAFF REPORT:** None

**COMMISSIONER REPORTS**

Commissioner Curless reported the Fortuna Rodeo was a great success and this past weekend there was an auto show in Fortuna that was also well attended.

Commissioner Wilson reported he had recently returned from a family vacation in the Bay Area, during which time there were 2-3 Spare the Air days due to the high temperatures.

Commissioner Hunter attended a RREDC meeting where Dan Johnson made a presentation about the Samoa Town Master Plan. Mr. Johnson stated an upgraded sewer system would be a part of the Master Plan and would accommodate all of the Simpson property, town of Samoa and the Harbor District properties. Mr. Johnson also commended CEO for his participation in the project. The population of the town of Samoa is estimated to be 1,200 and with the building regulations for tsunami zones, the buildings must be built at a minimum elevation of 30'. One of the ideas being discussed is to use the dredge spoils for the required 2' of additional fill required to bring the housing area to a 30' elevation.

Commissioner Hunter also stated Joe Marks, CEO of St. Joseph Hospital, spoke to the RREDC Board about the devastating effects on the community if the hospital shuts down due to loss of revenue. Commissioner Hunter said the loss of the hospital would have an adverse effect on port development as well.

Commissioner Ollivier reported he attended the RAPIT meeting and also made comments on Wilson Lacy's presentation to the Board of Commissioners. Commissioner Ollivier stated there is a large shipping company in the south of France interested in locating here because they do not have a terminal on the west coast of the United States. He said it might be a good Sister City opportunity.

President Pellegrini said at the Board's last meeting, Dr. William Hogarth of NOAA met with West Coast commercial salmon fishermen regarding fisheries disaster. She said meetings were held in Newport and Coos Bay, Oregon and Eureka and San Francisco, California. President Pellegrini stated many fishermen stayed home this year instead of fishing due partly to the high cost of fuel and to the 700-miles of west coast coastline closed to fishing this year. She said it is imperative the Legislature approves disaster assistance for the fishermen.

#### **ADVISORY COMMITTEE REPORTS**

Commissioner Hunter reported he and Commissioner Pellegrini will meet with CEO, Conservation Specialist and consultant Chad Roberts by phone to discuss the comments received on the Humboldt Bay Management Plan (HBMP) and the responses to the comments. The HBMP Final Environmental Impact Report will be considered for certification by the Board of Commissioners at their August 10<sup>th</sup> meeting. Commissioner Wilson asked when the FEIR would be available for review and CEO replied it would be sent out on August 4<sup>th</sup> to the participating agencies, area libraries, and Kinko's and CD's will be available in the Harbor District office. Commissioner Wilson stated that was not enough time to read the document and requested the Board consider certification on August 24<sup>th</sup>.

**OTHER:** None

**NON-AGENDA:** None

**UNFINISHED BUSINESS:** None

#### **NEW BUSINESS**

**A. CONSIDERATION OF APPROVAL OF RESOLUTION 2006-10 REQUESTING A GRANT IN THE AMOUNT OF \$1.726 MILLION FROM THE DEPARTMENT OF BOATING AND WATERWAYS FOR THE IMPROVEMENT OF THE BOAT LAUNCHING FACILITY LOCATED AT SHELTER COVE, CALIFORNIA.**

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF RESOLUTION 2006-10 REQUESTING A GRANT IN THE AMOUNT OF \$1.726 MILLION FROM THE DEPARTMENT OF BOATING AND WATERWAYS FOR THE IMPROVEMENT OF THE BOAT LAUNCHING FACILITY LOCATED AT SHELTER COVE, CALIFORNIA. COMMISSIONER CURLESS SECONDED.

Commissioner Curless stated several meetings were held with Shelter Cove residents to discuss the three options for repairing the breakwater. Alternative 1 states the breakwater will maintain the same footprint using larger, heavier rocks and is the option that has been approved by the Board of Commissioners and the Shelter Cove Resort Improvement District.

ROLL CALL VOTE WAS TAKEN:

COMMISSIONER PELLEGRINI – AYE  
COMMISSIONER CURLESS – AYE  
COMMISSIONER WILSON – AYE  
COMMISSIONER HUNTER – AYE  
COMMISSIONER OLLIVIER – AYE

MOTION CARRIED WITHOUT DISSENT.

**B. CONSIDERATION OF AWARDING THE BASE BID OF \$158,000 FOR TASKS 1,2 AND 3 OF THE REMOVAL OF STORM DAMAGE AND DEBRIS FROM THE FIELDS LANDING MARINE TERMINAL PROJECT TO FIGAS CONSTRUCTION.**

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF AWARDING THE BASE BID OF \$158,000 FOR TASKS 1,2 AND 3 OF THE REMOVAL OF STORM DAMAGE AND DEBRIS FROM THE FIELDS LANDING MARINE TERMINAL PROJECT TO FIGAS CONSTRUCTION. COMMISSIONER HUNTER SECONDED.

Commissioner Wilson asked if Figas Construction was responsible for the lawful removal of the materials. CEO stated Figas Construction will provide the Harbor District with disposal information.

MOTION CARRIED WITHOUT DISSENT.

**C. CONSIDERATION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE PORT OF HUMBOLDT BAY AND THE NORTHCOAST RAILROAD AUTHORITY.**

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE PORT OF HUMBOLDT BAY AND THE NORTHCOAST RAILROAD AUTHORITY. COMMISSIONER CURLESS SECONDED.

Commissioner Ollivier reported the NCRA Board, at their last meeting, approved the Memorandum of Understanding (MOU). The purpose of the MOU is to highlight the cooperative effort of NCRA and the Harbor District for the return of the railroad.

Commissioner Hunter complimented staff on their work to produce the MOU.

Commissioner Wilson asked if the MOU changes the Harbor District's relationship with NCRA. CEO stated the MOU memorializes the relationship and commits NCRA to a date to initiate the environmental documentation on the North end of the line.

Commissioner Ollivier stated NCRA recently hired a new railroad operator, Northwestern Pacific Railroad, and now NCRA is waiting for the \$37 million of TRCP funds that will hopefully be available in September in order to open up the southern section of railroad all the way to the canyon.

Commissioner Wilson stated the Board of Commissioners is being asked to support NCRA and he said he was concerned about NCRA's credibility with other agencies the Harbor District works with, since NCRA's credibility would reflect back on the Harbor District. Commissioner Wilson stated NCRA is listed as high risk with the State, CalTrans and California Transportation Commission and the reports disseminated by NCRA are highly questionable by most of the local technical community.

Commissioner Hunter asked Commissioner Wilson why he would say NCRA's reports are questionable. Commissioner Wilson suggested the commissioners talk privately with local engineers and geologists. NCRA's Strategic Plan states it will take \$41 million to fix the tracks through the Eel River Canyon and the technical people, outside those working with NCRA, he has talked with do not believe it is a reasonable number. He also stated NCRA's Strategic Plan estimates 1,000 containers per day will be shipped through our port; but the Harbor District's Harbor Revitalization Plan and the Financial Feasibility Study for NCRA both state container shipping is a low priority.

Commissioner Wilson said he supports port development and cargo trains in Humboldt County, but would like more research done on the information available prior to approving the MOU.

Commissioner Hunter stated one of the purposes of the MOU is to show Harbor District support of the railroad as a part of port development; another is to require NCRA to provide the environmental documentation by December 2007.

President Pellegrini stated NCRA was given a credibility handshake from the California Transportation Committee when they were granted funding a couple of months ago. Commissioner Wilson stated the monies were given to NCRA by CTC based on their Strategic Plan and he said there are too many holes in the information.

Kaye Strickland said NCRA has come a long way and is still being blamed for sins of past owners and operators. She said NCRA has a very good Executive Director, who has been reappointed for another three years. Ms. Strickland also said the MOU is requiring NCRA to accept a lot of responsibility and an alternative for the county to the highways has to be found.

Dave Spreen said he agreed with Commissioner Wilson's comments and urged the Board of Commissioners to use caution when signing the MOU. He suggested the words "technical and political" be deleted in Item #3. Technical support is costly and he asked who would bear the costs. Also, he said, this Board of Commissioners is supposed to be non-partisan; and, therefore, political support would not be appropriate because political support doesn't sit well with members of Humboldt County in general. He also said he felt item #8 regarding the rock slope protection repair and rehabilitation asserts some liability towards the Harbor District and it is the sole responsibility of NCRA. He requested the Board of Commissioners table the item for further review.

Commissioner Hunter asked District Counsel if the Harbor District was liable in any way for the rock slope protection repair and rehabilitation. District Counsel replied in the MOU it states neither party is liable to the other for their responsibilities.

COMMISSIONER HUNTER AMENDED HIS ORIGINAL MOTION AND MOVED FOR THE APPROVAL OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE PORT OF HUMBOLDT BAY AND THE NORTHCOAST RAILROAD AUTHORITY WITH THE DELETION OF THE WORDS "TECHNICAL AND POLITICAL" IN ITEM 3 OF THE MOU. COMMISSIONER CURLESS SECONDED.

Marcus Brown stated part of the discrepancy in the words of the reports comes from having a new operator who wants to paint the most optimistic picture of the railroad. Mr. Brown also said the environmental community has a wide spectrum of opinions about the railroad and one is to fix the rail line rather than let the pieces of the old line fall into the river. It's a huge project, but it is better to stabilize what is already there. He said currently Humboldt Flakeboard trucks their product to Redding and Lost Coast Brewery trucks their product to the Bay Area to put on trains. The railroad is the most efficient mode of transportation for Humboldt County. Also, there are funds available to fix the tracks around the bay; therefore, the trails and rail committees should work together to that end.

Moss Bittner stated the more accurate the numbers, the more chance of success; but numbers are a starting place. He suggested talking with the engineers working with NCRA about the information in the reports; it is unrealistic to dismiss the estimates when in the process of developing a project. Mr. Bittner said the long relationship between the Harbor District and NCRA should be memorialized; but if someone doesn't believe Humboldt County would be better off without the railroad, they should state it up front. He suggested, in the spirit of cooperation, NCRA be given the chance to reconcile or justify their statistics.

Commissioner Wilson stated the information presented by NCRA in their reports consists of basic engineering calculations, but are highly irregular numbers; and he is not satisfied with the information currently available, but he does want good discussion about the railroad.

Dave Spreen said he thought the MOU Items 3 and 13 conflict because the Harbor District is committing their support for funding, but does not know what it is. He suggested the Harbor District consider support of a local ethanol industry and fleet of small trucks to use as a transport system.

David Elsebusch said the MOU is not enforceable by either party and is innocuous in many respects. He suggested wording be added to Item 1: "if proven viable and cost effective."

Penny Elsebusch stated political support is important and letters of support should be sent to legislators to keep them updated. She said the wording for Item 3 should be left as is.

Commissioner Hunter stated the wording for Item 3 is too limiting and maintained his motion for the removal of the words "technical and political".

MOTION CARRIED WITH COMMISSIONER WILSON DISSENTING.

**D. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE SAILING INSTRUCTION SERVICES WITH JAY DOTTLER DBA BAYSAIL LLC.**

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF PERMIT AND AGREEMENT TO OPERATE SAILING INSTRUCTION SERVICES WITH JAY DOTTLER DBA BAYSAIL LLC.  
COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

**ADMINISTRATIVE AND EMERGENCY PERMITS:** None

The Regular Meeting of the Board of Commissioners adjourned at 8:25 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