

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

DATE: June 25, 2020

TIME: Executive Closed Session 5:00 P.M.
Regular Session 7:00 P.M.

PLACE: Join Zoom Meeting
<https://us02web.zoom.us/j/3432860852>

Meeting ID: 343 286 0852
One tap mobile
(669) 900-9128, 343 286 0852# US

1. Call to Order Closed Session at 5:00 P.M.

2. Public Comment

Note: This portion of the Agenda allows the public to speak to the Board on the closed session items. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Closed Session Agenda. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.

3. Move to Executive Closed Session

- a) CONFERENCE WITH LABOR NEGOTIATORS. Agency designated representatives: Larry Oetker, Executive Director. Employee organization: Operating Engineers Local Union No. 3, AFL-CIO.
- b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential purchase of real property with Assessor's Parcel Numbers 401-011-001, 401-011-010, 401-011-012, 401-011-018, 401-011-020, 401-011-023, 401-021-011, 401-021-018, 401-021-027, 401-011-028, 401-021-029, and 401-031-045 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Security National. Under negotiation: price and payment terms.
- c) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential purchase of real property with Assessor's Parcel Number 401-031-056-000 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party Timber Heritage Association. Under negotiation: price and payment terms.
- d) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential lease of real property adjacent and northeast of APN 506-121-001-000 in Arcata Bay, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party Hog Island Oyster Company and Humboldt Bay Oyster Company. Under negotiation: price and payment terms.

4. Call to Order Regular Session at 7:00 P.M. and Roll Call

5. Pledge of Allegiance

6. Report on Executive Closed Session

7. Public Comment

*Note: This portion of the Agenda allows the public to speak to the Board on the **various issues not itemized on this Agenda**. A member of the public may also request that a matter appearing on the Consent Calendar be pulled and discussed separately. Pursuant to the Brown Act, the Board may not take action on any item that does not*

Agenda for June 25, 2020 Regular Board Meeting

appear on the Agenda. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Agenda. Each speaker is limited to speak for a period of three (3) minutes during the PUBLIC COMMENT portion of the Agenda regarding items of special interest to the public not appearing on the Agenda that are within the subject matter jurisdiction of the Board of Commissioners. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.

8. Consent Calendar

- a) Receive District Financial Reports for March 2020
- b) Receive District Financial Reports for April 2020
- c) Receive District Financial Reports for May 2020
- d) Adopt Minutes for April 23, 2020 Regular Board Meeting
- e) Adopt Minutes for April 29, 2020 Special Board Meeting
- f) Adopt Minutes for May 14, 2020 Special Board Meeting
- g) Adopt Minutes for May 28, 2020 Regular Board Meeting
- h) Adopt Minutes for June 11, 2020 Special Board Meeting
- i) Approval of Permit and Agreement Renewal to Operate a Charter Service Business with Pat Burns, dba Comet Fisheries/North Coast River Adventures.
- j) Approve salary schedules for CalPERS audit compliance

9. New Business

a) Consider Adopting Resolution No. 2020-07, A Resolution Adopting the Final Fiscal Year 2020-21 Humboldt Bay Harbor, Recreation and Conservation District Budget and Goals

Recommendation: It is recommended that the Board:

1. Receive a report of the draft goals, income and expenditures for port operations, conservation - recreation programs, general operating and staffing projections.
2. By roll call vote, adopt Resolution NO 2020-07 adopting the FY 2020-21 budget.

Summary: The Board held budget meetings on May 28th and June 11th prior to adopting the FY 2020-21 preliminary budget in compliance with CA Harbors and Navigation Code Section 6093. Per Section 6093.3, the final budget shall be reported to the Board of Supervisors not later than August 1st. Staff does not propose to increase any fees during this budget cycle.

b) Consider Amending Ordinance 6, An Ordinance Establishing Procedures for the Conduct of Meetings, Elections of Officers and the Passage or Approval of Ordinances and Resolutions for the Humboldt Bay Harbor, Recreation and Conservation District

Recommendation: Staff recommends the Board: Direct staff to prepare amendments required to:

- 1) Modify the Regular Meeting agenda format;
- 2) Change the meeting date and time; and
- 3) Defer to annual Resolution Designating Business Matters for details of meeting structure and procedures.

Summary: The District currently meets on the 4th Thursday at 7:00 pm. Ordinance 6 has been amended 6 times since 1976 and has shifted from two meetings per month to one meeting per month and the meeting dates have changed from the 2nd and 4th Thursdays to 1st and 3rd Thursdays and back to the 4th Thursday only. The meeting times have also varied from 7:00 pm to 7:30 pm and back to 7:00 pm. The meeting format requirements have also changed over the years going from a rough outline to the current detailed agenda format requirements. There are no specific requirements outlined in the Harbors and Navigation Code or other State law which requires a specific meeting date, time, or agenda format. The requirements for open meetings are outlined in the Brown Act with other specific noticing requirements in other State Laws specific actions of the District.

c) Report on Draft Redwood Marine Terminal II Ocean Outfall Rate Study

Recommendation: It is recommended that the Board receive a report regarding the Draft Redwood Marine Terminal II Ocean Outfall Rate Study.

Agenda for June 25, 2020 Regular Board Meeting

Summary: Harbor District staff has prepared a Draft Redwood Marine Terminal II Ocean Outfall Rate Study and is seeking input from the Harbor District Board and public.

d) Humboldt Bay Oyster Company Lease Amendment and Approval of Sublease from Humboldt Bay Oyster Company to Hog Island Oyster Company

Recommendation: It is recommended that the Board:

- 1) Approve proposed amendments to Humboldt Bay Oyster Company Parcel A Tideland Lease and Parcel B Tideland Lease.
- 2) Approve a sublease from Humboldt Bay Oyster Company to Hog Island Oyster Company within the area of Humboldt Bay Oyster Company's Parcel A Tideland Lease and Parcel B Tideland Lease.

Summary: Item 1. District staff recommends the Board approve amendments to Humboldt Bay Oyster Company's existing Parcel A Tideland Lease and Parcel B Tideland Lease that would increase allowed shellfish culture methods. Allowed methods would be controlled by regulatory approvals, not the lease.

Item 2. District staff recommends that the Board approve a sublease of a portion of Humboldt Bay Oyster Company's Parcel A Tideland Lease and Parcel B Tideland Lease to Hog Island Oyster Company.

10. Permits - NONE

11. Adjournment

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Monthly Cash Flow Analysis

For The Months Ended March 31, 2020 and February 29, 2020

	<u>3/31/20</u>	<u>2/29/20</u>
<u>Account Balances</u>		
Checking	\$ 63,760	\$ 32,912
Savings	10,171	6,323
Tariff	2,706	227
County Treasury	108,835	163,835
Cash on hand	1,295	5,416
Total Cash	<u>186,767</u>	<u>208,713</u>
Add: Accounts Receivable (less doubtful accounts)	547,269	502,426
Less: Accounts Payable	(164,824)	(148,926)
Available Cash and Receivables	<u>\$ 569,212</u>	<u>\$ 562,213</u>
<u>Change in Cash Balance</u>		
Balance, Beginning of Month	\$ 208,713	\$ 307,553
Monthly Deposits	221,176	192,989
Monthly Payments	(243,122)	(291,829)
Balance, End of Month	<u>\$ 186,767</u>	<u>\$ 208,713</u>
<u>Monthly Payments Summary</u>		
Significant/Unusual Expenses:		
Humboldt Bay Development Assoc lease payment		\$ 50,649
Annual ACWA dues		14,740
Buoy #9 chain recovery expense	\$ 46,683	
Semi-annual property tax expense	19,355	
Sub-total, Unusual Expenses	<u>66,038</u>	<u>65,389</u>
General operating expenses and other misc. expense	177,084	226,440
Total Cash Payments	<u>\$ 243,122</u>	<u>\$ 291,829</u>
<u>Monthly Deposits Summary</u>		
Significant/Unusual Revenues:		
Interest Payment on NMTC note receivable	\$ 40,187	
Sub-total, Unusual Revenues	<u>40,187</u>	-
General revenues	180,989	\$ 192,989
Total Cash Receipts	<u>\$ 221,176</u>	<u>\$ 192,989</u>

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Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of March 31, 2020

06/17/20

Accrual Basis

Mar 31, 20

ASSETS

Current Assets

Checking/Savings

10901 · RESTRICTED - COUNTY TREASURY	185,488.00
10600.1 · Cash in bank, Tariff BBVA	2,706.25
10700.1 · Cash in bank, Water BBVA	10,171.26
10200.1 · Cash in BBVA, Checking	57,883.25
10000 · PETTY CASH ON HAND	150.00
10100 · CHANGE FUND ON HAND	400.00
10111 · COIN MACHINE FUND	730.00
10200 · CASH IN BANK, CHECKING	5,876.80
10400 · CASH IN COUNTY - FUND 2720	78,431.96
10500 · CASH IN COUNTY - FUND 3872	30,403.20
10902 · RESTRICTED CASH OFFSET	-185,488.00

Total Checking/Savings 186,752.72

Accounts Receivable

12000 · ACCTS RECEIVABLE 852,244.71

Total Accounts Receivable 852,244.71

Other Current Assets

12600 · Note Receivable - NMTC	5,849,375.00
12100 · ALLOW FOR BAD DEBTS	-303,888.93
12200 · TAXES RECEIVBLE	232,570.61
12300 · INTEREST RECEIVBLE	3,225.93
12700 · PREPAID EXPENSES	22,564.13
12800 · LEASE RECEIVABLE	41,192.84
12900 · Accounts Receivable FSM	48.47
1499 · Undeposited Funds	15.00

Total Other Current Assets 5,845,103.05

Total Current Assets 6,884,100.48

Fixed Assets

14900 · DOG RANCH PROPERTY 7,507.70

14800 · SHIPWRECK PROPERTY 45,088.05

CAPITAL ASSETS, NET

16900 · Dredge	1,215,423.27
16800 · REDWOOD TERMINAL 2	2,613,169.43
16700 · AQUAPONICS PILOT FACILITY	96,036.61
16600 · TABLE BLUFF LIGHTHOUSE	361.44
16500 · HOMELAND SECURITY EQUIPMENT	2,254,007.60
16400 · REDWOOD DOCK PROPERTY	3,010,194.30
16100 · MARINA DREDGE, CONSTR IN PROGRES	139,687.95
16000 · KING SALMON	15,143.99
15900 · DREDGING COSTS	215,226.78
15800 · SHELTER COVE	2,386,247.10
15700 · FL BOAT BLDG & REPAIR FACILITY	4,302,259.53
15600 · MARINA	10,529,004.29
15500 · MARINA, RESTAURANT COMPLEX	34,100.00
15200 · OPERATING EQUIPMENT	314,098.74
15100 · OFFICE EQUIPMENT	193,303.88
15000 · AUTOMOTIVE EQUIPMENT	95,639.08
17000 · ACCUMULATED DEPRECIATION	-16,172,019.17

Total CAPITAL ASSETS, NET 11,241,884.82

Total Fixed Assets 11,294,480.57

Other Assets

19000 · Deferred Outflows of PERS 290,427.00

Total Other Assets 290,427.00

TOTAL ASSETS 18,469,008.05

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

06/17/20

As of March 31, 2020

Accrual Basis

Mar 31, 20

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

20000 · ACCOUNTS PAYABLE

165,185.95

Total Accounts Payable

165,185.95

Credit Cards

20112 · US Bank Visa

297.72

Total Credit Cards

297.72

Other Current Liabilities

24002 · Groundlease Current Def Income

60,092.31

24000 · Ground Lease Deferred Income

3,906,000.00

Payroll tax & Withholding Liab

21900 · UNION DUES DEDUCTIBLE

3.00

21800 · STATE DISABILITY INSURANCE

-279.97

21701 · PERS DEFERRED COMPENSATION

100.00

21700 · PERS RETIREMENT

17.03

21400 · SOCIAL SECURITY/MEDICARE TAX

-811.88

21300 · STATE UNEMPLOYMENT TAX

2,240.35

21200 · STATE WITHHOLDING TAX

-944.16

2111 · *DIRECT DEPOSIT LIABILITIES

-1,072.77

21100 · FEDERAL WITHHOLDING TAX

-2,094.00

2100 · PAYROLL LIABILITIES

-23,630.84

Total Payroll tax & Withholding Liab

-26,473.24

20100 · LEASE PAYABLE TO HBDA

738.00

20200 · NOTES PAYABLE

1,323,744.91

20400 · ACCRUED WAGES PAYABLE

15,456.92

20500 · ACCRUED INTEREST

73,364.46

20600 · ACCRUED VACATION PAYABLE

27,863.05

20800 · DEPOSITS ON HAND

20809 · HAUL OUT DEPOSIT

-1,080.00

20808 · WAIT LIST DEPOSIT

1,800.00

20801 · KEY DEPOSITS ON HAND

12,960.00

20802 · PLUG DEPOSITS ON HAND

1,020.00

20803 · SLIP DEPOSITS ON HAND

42,333.52

20804 · STORAGE DEPOSITS

3,540.65

20806 · LEASE SECURITY DEPOSIT

55,783.42

20807 · STORAGE DEPOSIT - REDWOOD DOCK

2,750.26

Total 20800 · DEPOSITS ON HAND

119,107.85

22000 · DEFERRED LEASE INCOME

47,123.58

28000 · DEFERRED INCOME

116,290.94

28500 · OTHER DEFERRED CREDITS

723,523.92

Total Other Current Liabilities

6,386,832.70

Total Current Liabilities

6,552,316.37

Long Term Liabilities

24003 · Groundlease Current Offset

-60,092.31

24001 · Gound Lease Amortization

-244,114.61

27200 · Deferred Inflows of PERS

159,317.00

27000 · Net Pension Liability

921,868.00

25700 · BOND PAYABLE 2014 REFINANCING

2,400,035.12

25800 · BBVA Loan Payable

1,239,274.58

25600 · Note Payable-Coast Seafoods Co.

1,024,644.53

25500 · OPEB Liability

394,887.00

25200 · CONTRACTS PAYABLE

71,558.22

25900 · LESS CURRENT PORTION

-1,323,744.91

Total Long Term Liabilities

4,583,632.62

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of March 31, 2020

	Mar 31, 20
Total Liabilities	11,135,948.99
Equity	
30500 · INVESTMENT IN FIXED ASSETS	
30505 · Change In Invest Fixed Assets	171,443.17
30500 · INVESTMENT IN FIXED ASSETS - Other	9,134,021.36
Total 30500 · INVESTMENT IN FIXED ASSETS	9,305,464.53
30900 · RESTRICTED FUND BALANCE	185,488.00
31200 · GENERAL FUND BALANCE	
31205 · General Fund Invest Fixed Asset	-171,443.17
31000 · FUND BALANCE - TIDELANDS TRUST	-2,314,896.20
31200 · GENERAL FUND BALANCE - Other	569,914.50
Total 31200 · GENERAL FUND BALANCE	-1,916,424.87
Net Income	-242,604.00
Total Equity	7,331,923.66
TOTAL LIABILITIES & EQUITY	<u>18,467,872.65</u>

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Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through March 2020

Accrual Basis

	Jul '19 - Mar 20
Ordinary Income/Expense	
Income	
Discount	0.00
Dredging Revenue	
41318 · Dredging Surcharge - T	71,003.49
Total Dredging Revenue	71,003.49
Float Replacement Account	
41418 · Float Replacement	45,697.31
Total Float Replacement Account	45,697.31
Harbor Surcharge	
40908 · Harbor Improvement Surcharge-T	102,878.42
Total Harbor Surcharge	102,878.42
Utility Surcharge	
40409 · Utility Surcharge - NT	51,059.41
40418 · Utility Surcharge, Marina Dock	41,793.59
Total Utility Surcharge	92,853.00
Grant Revenue	
Harbor Grants	
45208.1 · Harbor Grants, Gov't - T	16,211.83
Total Harbor Grants	16,211.83
Total Grant Revenue	16,211.83
Tax Revenue	
43809 · TIMBER YIELD TAX GUAR G/NT	9,000.00
43609 · HOMEOWNERS EXEMPT G/NT	10,503.00
43509 · Property Tax Revenues	822,997.00
Total Tax Revenue	842,500.00
Other Revenue	
45909 · Other Revenue - NT	5,809.37
45908 · Other Revenue - T	58,268.17
Total Other Revenue	64,077.54
Interest Revenue	
43109 · Interest Income - NT	122,067.10
43108 · Interest Income - T	3,154.87
43318 · Interest On Del Accts - T	0.00
Total Interest Revenue	125,221.97
Rent Income	
41108 · Rents, Tidelands Leases - T	298,729.63
40318.1 · Transient Rentals - T	44,904.33
40519 · Equipment Rent - NT	2,357.50
40809 · Yard Rent - NT	52,075.83
41309 · Storage - NT	53,227.00
41409 · Upland Rent - NT	
41409.2 · Redwood Terminal 2 - NMTC	45,069.21
41409 · Upland Rent - NT - Other	490,690.46
Total 41409 · Upland Rent - NT	535,759.67
40218 · Slip Rents - T	343,253.88
Total Rent Income	1,330,307.84
Fees	
40108 · PERMITS-T	2,700.00
41818 · Late Charges/Interest - T	8,013.94

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through March 2020

Accrual Basis

	Jul '19 - Mar 20
45608 · Chevron - Ports O&M - T	24,262.50
41819 · Late Charges/Interest - NT	23,313.06
40808 · Pilotage Services - T	857.25
40509 · Travel Lift Fees - T	2,209.00
40609 · Haul Out Fees - T	17,516.90
41308.1 · Poundage - T	6,428.58
Total Fees	85,301.23
Sales	
40109 · Sales, Retail - NT	1,200.00
40119 · Concession Sales - NT	22,875.90
Total Sales	24,075.90
Donations	
46519 · Donations - Lighthouse	7.40
Total Donations	7.40
Total Income	2,800,135.93
Gross Profit	2,800,135.93
Expense	
66900 · Reconciliation Discrepancies	200.00
57018 · Bank Service Charges	1.35
Personnel Expenses	
Salaries/Wages	
50100 · Salaries & Wages - NT	560,909.98
50108 · Salaries & Wages - T	811.49
Salaries/Wages - Other	0.00
Total Salaries/Wages	561,721.47
Payroll Burden	
6560 · Workers' Comp	25,211.80
50500 · Payroll Benefits, Other - NT	281,653.60
50508 · Payroll Benefits, Other - T	84,491.70
50510 · PAYROLL BENEFITS M/A	13,137.57
Total Payroll Burden	404,494.67
Commissioners Fees	
50200 · Commissioner's Salaries - NT	13,230.00
50210 · COMMISSIONERS SALARIES M/A	5,670.00
Total Commissioners Fees	18,900.00
Total Personnel Expenses	985,116.14
Advertising & Promotion	
51000 · Advertising & Promotion - NT	1,124.94
51008 · Advertising & Promotion - T	105.71
51018 · ADVERTISING & PROMOTION M/T	678.38
Total Advertising & Promotion	1,909.03
Communications	
51400 · Communications - NT	15,484.69
51408 · Communications - T	3,178.26
Total Communications	18,662.95
Conference & Meetings	
51500 · Conferences & Meetings - NT	16,774.11
51508 · Conferences & Meetings - T	993.81
Total Conference & Meetings	17,767.92
Dues, Subscriptions & Licences	

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through March 2020

Accrual Basis

	Jul '19 - Mar 20
51600 · Dues & Subscriptions - NT	34,656.37
51608 · Dues & Subscriptions - T	367.50
Total Dues, Subscriptions & Licences	35,023.87
Elections & Government Fees	
51700 · Elections & Prop Tax Assess-NT	63,052.06
Total Elections & Government Fees	63,052.06
Insurance	
51800 · Insurance - NT	53,596.31
51808 · Insurance - T	8,459.98
Total Insurance	62,056.29
Office Supplies	
52100 · Outside Services - NT	16.13
51900 · Office Supplies - NT	22,572.52
51908 · Office Supplies - T	7,309.15
51918 · OFFICE EXPENSE M/T	342.95
Total Office Supplies	30,240.75
Maintenance Supplies	
53209 · SHELTER COVE OPER EXP G/NT	-340.00
53200 · SHELTER COVE OPER EXP G/A	-1,455.00
52010 · Maintenance Supplies - NT	15,311.98
52008 · Maintenance Supplies - T	108.81
Total Maintenance Supplies	13,625.79
Permits	
51618 · Permits - T	24,979.12
51610 · Permits - NT	250.00
Total Permits	25,229.12
Utilities	
52909 · Utilities - NT	199,236.87
52918 · Utilities - T	32,835.17
53000 · Water, Sewer, & Refuse - NT	144,132.89
53008 · Water, Sewer, & Refuse - T	43,886.92
Total Utilities	420,091.85
Fuel	
50400 · IMPUTED AUTO VALUE G/A	744.80
51208 · Vessel Fuel	2,756.11
51218 · Automotive, Fuel - T	7,024.83
51200 · Automotive, Fuel- NT	7,029.49
Total Fuel	17,555.23
Accounting/Auditing Services	
52500 · Accounting Fees - T	25,792.50
52508 · Accounting Fees - NT	10,097.50
Total Accounting/Auditing Services	35,890.00
Legal Services	
52300 · Legal Fees - NT	19,767.50
52308 · Legal Fees - T	6,693.00
Total Legal Services	26,460.50
Planning Services	
52208 · Planning Fees - T	22,271.00
52200 · Planning Fees - NT	20,233.76

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through March 2020

Accrual Basis

	Jul '19 - Mar 20
Total Planning Services	42,504.76
Engineering Services	
52400 · Engineering Fees - NT	32,630.64
52408 · Engineering Fees - T	6,446.54
Total Engineering Services	39,077.18
Other Professional/Outside Serv	
52110 · OUTSIDE SERVICES M/A	1,670.32
52109 · Outside Services, Other - NT	10,668.92
52118 · Outside Services, Other - T	70,075.00
Total Other Professional/Outside Serv	82,414.24
Small Tools	
52800 · Small Tools - NT	1,229.50
52808 · Small Tools - T	475.38
Total Small Tools	1,704.88
Maintenance - Facilities	
52708 · Repairs & Maint, Facilities - T	89,876.18
52709 · REPAIRS & MAINTENANCE G/NT	1,834.00
52719 · Repairs & Maint, Facilities - N	32,463.41
Total Maintenance - Facilities	124,173.59
Maintenance - Equipment	
52718 · Repairs & Maint, Equip - T	6,198.16
52710 · Repairs & Maint, Equip - NT	12,113.42
51209 · Automotive, Repairs - NT	8,513.73
Total Maintenance - Equipment	26,825.31
Maintenance - IT	
57008 · Maintenance, IT Equip - T	2,377.01
57009 · Maintenance, IT Equip - NT	5,468.12
Total Maintenance - IT	7,845.13
Dredging Expense	
55608 · Dredging Expense - T	30,411.19
56708 · Dredging - GT	149,000.00
56718 · Dredging - MT	483,222.00
Total Dredging Expense	662,633.19
Rent Expense	
54308 · Redwood Terminal 2 Lease Expens	122,714.40
Total Rent Expense	122,714.40
Interest Expense	
55119 · INTEREST EXPENSE M/NT	29,415.00
55109 · Interest Expense - NT	60,329.48
55108 · Interest Expense - T	82,690.53
Total Interest Expense	172,435.01
Other Expenses	
55419 · Other Expenses - NT	416.90
Total Other Expenses	416.90
Grant Expenses	
Harbor Grant Expenses	
54408.1 · Harbor Grant Exp	395.00
Total Harbor Grant Expenses	395.00
Recreation Grant Expenses	

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

July 2019 through March 2020

	Jul '19 - Mar 20
54408.2 · Recreation Grant Exp	-17,993.93
Total Recreation Grant Expenses	-17,993.93
Conservation Grant Expenses	
54408.3 · Conservation Grant Exp	21,345.00
Total Conservation Grant Expenses	21,345.00
Total Grant Expenses	3,746.07
Bad Debts	
51308 · Bad Debts - T	3,366.42
Total Bad Debts	3,366.42
Total Expense	3,042,739.93
Net Ordinary Income	-242,604.00
Net Income	<u>-242,604.00</u>

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Humboldt Bay Harbor, Recreation & Conservation District
Account QuickReport

06/17/20

Accrual Basis

As of March 31, 2020

Type	Date	Num	Name	Memo	Amount
10200.1 - Cash in BBVA, Checking					
Liability Check	03/05/2020		QuickBooks Payroll Service	Created by Payroll Service on 03/04/...	-17,515.59
Liability Check	03/05/2020		QuickBooks Payroll Service	Created by Payroll Service on 03/04/...	-213.72
Liability Check	03/19/2020		QuickBooks Payroll Service	Created by Payroll Service on 03/16/...	-18,036.91
Liability Check	03/19/2020		QuickBooks Payroll Service	Created by Payroll Service on 03/16/...	-1,930.10
Check	03/16/2020			Service Charge	-270.73
Liability Check	03/06/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-4,054.75
Bill Pmt -Check	03/06/2020	EFT	CalPERS 457 Program	457Match 03/06/2020	-300.00
Liability Check	03/06/2020	EFT	CalPERS 457 Program	450348	-1,125.00
Liability Check	03/06/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Liability Check	03/06/2020	EFT	PERS Unfunded Accrued Liab	2233447024 Retro pay adjustment fo...	-30.93
Liability Check	03/20/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-4,054.75
Liability Check	03/20/2020	EFT	CalPERS 457 Program	450348	-1,125.00
Bill Pmt -Check	03/20/2020	EFT	CalPERS 457 Program	457Match 03/20/2020	-300.00
Liability Check	03/20/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Bill Pmt -Check	03/24/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-5,033.55
Liability Check	03/04/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # -879922858	-1,108.34
Liability Check	03/04/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # -8798948...	-2,722.16
Liability Check	03/04/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # -872447858	-2.39
Liability Check	03/04/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # -8724218...	-15.92
Liability Check	03/16/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # 344832338	-1,235.08
Liability Check	03/16/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # 344862338	-3,206.18
Liability Check	03/30/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # -29122858	-1,224.13
Liability Check	03/30/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # -2912098...	-2,905.88
Bill Pmt -Check	03/06/2020	60045	Advanced Security Systems		-823.72
Bill Pmt -Check	03/06/2020	60046	Alternative Business Concepts	Postage machine Ink	-184.44
Bill Pmt -Check	03/06/2020	60047	Campton Electric Supply		-60.08
Bill Pmt -Check	03/06/2020	60048	City of Eureka	WIM	-13,848.75
Bill Pmt -Check	03/06/2020	60049	FrancoTyp-Postalia	466106100	-144.78
Bill Pmt -Check	03/06/2020	60050	HSU Sponsored Programs Foundation	Ports, Account 000818	-1,251.40
Bill Pmt -Check	03/06/2020	60051	Nilsen Company		-56.90
Bill Pmt -Check	03/06/2020	60052	Petrusha, Tim	Bridge Resource Mngmt for Pilots wit...	-3,040.00
Bill Pmt -Check	03/06/2020	60053	Redwood Electrical Services		-3,426.13
Bill Pmt -Check	03/06/2020	60054	Security Lock & Alarm		-39.16
Bill Pmt -Check	03/06/2020	60055	Nilsen Company		-372.11
Bill Pmt -Check	03/06/2020	60056	U S Bank Corporate Payment System	4246044555706765	-2,241.10
Bill Pmt -Check	03/10/2020	60057	AT&T Phone	707 443-0801 071 7	-830.35
Bill Pmt -Check	03/10/2020	60058	California Redwood Co.	Red Tank 01/17/20 - 02/18/20	-509.12
Bill Pmt -Check	03/10/2020	60059	CAPA		-6,390.50
Bill Pmt -Check	03/10/2020	60060	Eureka Rubber Stamp		-39.21
Bill Pmt -Check	03/10/2020	60061	Mendes Supply Company	2705	-67.27
Bill Pmt -Check	03/10/2020	60062	Pacific Coast Appliance Repair	Replace washer control panel	-450.89
Bill Pmt -Check	03/10/2020	60063	Pacific Gas & Electric (8259-4) address	0074698259-4	-3,922.92
Bill Pmt -Check	03/10/2020	60064	Picky Picky Picky Inc.		-122.05
Bill Pmt -Check	03/18/2020	60066	Coast Seafood Co.	March 2020 Interest and Principal pa...	-13,000.00
Bill Pmt -Check	03/18/2020	60067	Humboldt County Tax Collector	2nd Installment #DEF180001100 364...	-19,355.04
Bill Pmt -Check	03/18/2020	60069	Zerlang and Zerlang Marine Services	Buoy #9 Chain Recovery Search Apri...	-46,682.50
Bill Pmt -Check	03/18/2020	60070	ACWA JPIA	April 2020	-33,014.40
Bill Pmt -Check	03/18/2020	60071	Humboldt Bay Municipal Water Dist.	9002.001 RMT2	-773.14
Bill Pmt -Check	03/18/2020	60072	Mission Uniform & Linen	299313	-105.90
Bill Pmt -Check	03/18/2020	60073	Pacific Gas & Electric (3494-4)	6598073494-4	-147.19
Bill Pmt -Check	03/18/2020	60074	Pintermedia LLC	Deposit, ADA Compliance Website	-400.00
Bill Pmt -Check	03/18/2020	60075	Recology Humboldt County (A00600002...	A0000265	-501.68
Bill Pmt -Check	03/18/2020	60076	Redwood Electrical Services	Service Call - Coast Guard	-171.86
Bill Pmt -Check	03/18/2020	60077	Restif Cleaning Service	Carpet Cleaning, Corps of Engineers	-210.00
Bill Pmt -Check	03/18/2020	60078	Times-Standard, Tri-City Weekly	Public Notice - App for Permit, Swain...	-187.83
Bill Pmt -Check	03/18/2020	60079	Verizon Wireless		-380.53
Bill Pmt -Check	03/18/2020	60080	Lithia Chrysler Dodge	Dodge Charger	-70.07
Bill Pmt -Check	03/18/2020	60081	Nylex.net	Repair backup	-250.00
Bill Pmt -Check	03/18/2020	60082	Pintermedia LLC		-60.00
Bill Pmt -Check	03/18/2020	60083	Shelter Cove Resort Improvement District	SC	-89.20
Bill Pmt -Check	03/18/2020	60084	SHN Consulting Engineers & Geologists		-587.50
Bill Pmt -Check	03/18/2020	60085	Southwest Answering Service		-157.70
Bill Pmt -Check	03/18/2020	60086	Thrifty Supply		-133.19
Bill Pmt -Check	03/18/2020	60087	Verizon Wireless		-77.12
Bill Pmt -Check	03/18/2020	60088	World Oil Environmental Services	WIM	-65.00
Bill Pmt -Check	03/18/2020	60093	Pacific Gas & Electric (1906-4)	Acct #0670491906-4	-4,801.73
Bill Pmt -Check	03/18/2020	60094	Pape Material Handling	340686, 490169, 1101058	-288.65
Bill Pmt -Check	03/18/2020	60095	Security Lock & Alarm	Program RR for Daylight Savings	-70.00
Bill Pmt -Check	03/18/2020	60096	Staples Credit Plan	6035 5178 1247 5530	-132.01
Bill Pmt -Check	03/18/2020	60097	Western Chainsaw	WIM Chainsaws and Weed Eater	-20.58
Bill Pmt -Check	03/18/2020	60098	Lost Coast Merchant Services		-270.00
Total 10200.1 - Cash in BBVA, Checking					-226,701.87
TOTAL					-226,701.87

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Monthly Cash Flow Analysis

For The Months Ended April 30, 2020 and March 31, 2020

	<u>4/30/20</u>	<u>3/31/20</u>
<u>Account Balances</u>		
Checking	\$ 117,105	\$ 63,760
Savings	7,195	10,171
Tariff	1,337	2,706
County Treasury	517,928	108,835
Cash on hand	1,740	1,295
Total Cash	<u>645,305</u>	<u>186,767</u>
Add: Accounts Receivable (less doubtful accounts)	1,181,396	547,269
Less: Accounts Payable	(227,421)	(164,824)
Available Cash and Receivables	<u>\$ 1,599,280</u>	<u>\$ 569,212</u>
<u>Change in Cash Balance</u>		
Balance, Beginning of Month	\$ 186,767	\$ 208,713
Monthly Deposits	626,115	221,176
Monthly Payments	(167,577)	(243,122)
Balance, End of Month	<u>\$ 645,305</u>	<u>\$ 186,767</u>
<u>Monthly Payments Summary</u>		
Significant/Unusual Expenses:		
Third payroll in month	\$ 18,022	
Buoy #9 chain recovery expense		\$ 46,683
Semi-annual property tax expense		19,355
Sub-total, Unusual Expenses	<u>18,022</u>	<u>66,038</u>
General operating expenses and other misc. expense	149,555	177,084
Total Cash Payments	<u>\$ 167,577</u>	<u>\$ 243,122</u>
<u>Monthly Deposits Summary</u>		
Significant/Unusual Revenues:		
Property taxes and interest income	\$ 459,093	
Interest Payment on NMTC note receivable		\$ 40,187
Sub-total, Unusual Revenues	<u>459,093</u>	<u>40,187</u>
General revenues	167,022	180,989
Total Cash Receipts	<u>\$ 626,115</u>	<u>\$ 221,176</u>

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Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of April 30, 2020

06/17/20

Accrual Basis

Apr 30, 20

ASSETS

Current Assets

Checking/Savings

10901 · RESTRICTED - COUNTY TREASURY	644,025.00
10600.1 · Cash in bank, Tariff BBVA	1,337.04
10700.1 · Cash in bank, Water BBVA	7,195.07
10200.1 · Cash in BBVA, Checking	111,337.63
10000 · PETTY CASH ON HAND	150.00
10100 · CHANGE FUND ON HAND	400.00
10111 · COIN MACHINE FUND	730.00
10200 · CASH IN BANK, CHECKING	5,767.17
10400 · CASH IN COUNTY - FUND 2720	487,525.29
10500 · CASH IN COUNTY - FUND 3872	30,403.20
10902 · RESTRICTED CASH OFFSET	-644,025.00

Total Checking/Savings 644,845.40

Accounts Receivable

12000 · ACCTS RECEIVABLE	1,486,352.62
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Total Accounts Receivable 1,486,352.62

Other Current Assets

12600 · Note Receivable - NMTC	5,849,375.00
12100 · ALLOW FOR BAD DEBTS	-303,888.93
12200 · TAXES RECEIVBLE	-123,256.25
12300 · INTEREST RECEIVBLE	16,448.46
12700 · PREPAID EXPENSES	15,394.64
12800 · LEASE RECEIVABLE	43,261.41
12900 · Accounts Receivable FSM	67.86
1499 · Undeposited Funds	460.00

Total Other Current Assets 5,497,862.19

Total Current Assets 7,629,060.21

Fixed Assets

14900 · DOG RANCH PROPERTY	7,507.70
14800 · SHIPWRECK PROPERTY	45,088.05

CAPITAL ASSETS, NET

16900 · Dredge	1,215,423.27
16800 · REDWOOD TERMINAL 2	2,613,169.43
16700 · AQUAPONICS PILOT FACILITY	96,036.61
16600 · TABLE BLUFF LIGHTHOUSE	361.44
16500 · HOMELAND SECURITY EQUIPMENT	2,254,007.60
16400 · REDWOOD DOCK PROPERTY	3,010,194.30
16100 · MARINA DREDGE, CONSTR IN PROGRES	139,687.95
16000 · KING SALMON	15,143.99
15900 · DREDGING COSTS	215,226.78
15800 · SHELTER COVE	2,386,247.10
15700 · FL BOAT BLDG & REPAIR FACILITY	4,302,259.53
15600 · MARINA	10,529,004.29
15500 · MARINA, RESTAURANT COMPLEX	34,100.00
15200 · OPERATING EQUIPMENT	314,098.74
15100 · OFFICE EQUIPMENT	193,303.88
15000 · AUTOMOTIVE EQUIPMENT	95,639.08
17000 · ACCUMULATED DEPRECIATION	-16,172,019.17

Total CAPITAL ASSETS, NET 11,241,884.82

Total Fixed Assets 11,294,480.57

Other Assets

19000 · Deferred Outflows of PERS	290,427.00
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Total Other Assets 290,427.00

TOTAL ASSETS 19,213,967.78

Humboldt Bay Harbor, Recreation & Conservation District

06/17/20

Balance Sheet

Accrual Basis

As of April 30, 2020

Apr 30, 20

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

20000 · ACCOUNTS PAYABLE

227,533.14

Total Accounts Payable

227,533.14

Credit Cards

20112 · US Bank Visa

167.46

Total Credit Cards

167.46

Other Current Liabilities

24002 · Groundlease Current Def Income

60,092.31

24000 · Ground Lease Deferred Income

3,906,000.00

Payroll tax & Withholding Liab

21900 · UNION DUES DEDUCTIBLE

3.00

21800 · STATE DISABILITY INSURANCE

-276.62

21701 · PERS DEFERRED COMPENSATION

100.00

21700 · PERS RETIREMENT

17.03

21600 · PERS CARE/MEDICAL INSURANCE

4,617.68

21400 · SOCIAL SECURITY/MEDICARE TAX

-802.18

21300 · STATE UNEMPLOYMENT TAX

45.27

21200 · STATE WITHHOLDING TAX

-947.14

2111 · *DIRECT DEPOSIT LIABILITIES

-18,001.48

21100 · FEDERAL WITHHOLDING TAX

-2,063.00

2100 · PAYROLL LIABILITIES

-20,984.70

Total Payroll tax & Withholding Liab

-38,292.14

20100 · LEASE PAYABLE TO HBDA

17,375.00

20200 · NOTES PAYABLE

1,313,831.39

20400 · ACCRUED WAGES PAYABLE

15,456.92

20500 · ACCRUED INTEREST

88,552.46

20600 · ACCRUED VACATION PAYABLE

27,863.05

20800 · DEPOSITS ON HAND

20809 · HAUL OUT DEPOSIT

-1,080.00

20808 · WAIT LIST DEPOSIT

1,900.00

20801 · KEY DEPOSITS ON HAND

13,160.00

20802 · PLUG DEPOSITS ON HAND

1,020.00

20803 · SLIP DEPOSITS ON HAND

44,179.98

20804 · STORAGE DEPOSITS

3,540.65

20806 · LEASE SECURITY DEPOSIT

55,783.42

20807 · STORAGE DEPOSIT - REDWOOD DOCK

2,750.26

Total 20800 · DEPOSITS ON HAND

121,254.31

22000 · DEFERRED LEASE INCOME

47,029.78

28000 · DEFERRED INCOME

116,290.94

28500 · OTHER DEFERRED CREDITS

723,523.92

Total Other Current Liabilities

6,398,977.94

Total Current Liabilities

6,626,678.54

Long Term Liabilities

24003 · Groundlease Current Offset

-60,092.31

24001 · Gound Lease Amortization

-249,122.30

27200 · Deferred Inflows of PERS

159,317.00

27000 · Net Pension Liability

921,868.00

25700 · BOND PAYABLE 2014 REFINANCING

2,400,035.12

25800 · BBVA Loan Payable

1,239,274.58

25600 · Note Payable-Coast Seafoods Co.

1,014,731.01

25500 · OPEB Liability

394,887.00

25200 · CONTRACTS PAYABLE

71,558.22

25900 · LESS CURRENT PORTION

-1,313,831.39

Humboldt Bay Harbor, Recreation & Conservation District

06/17/20

Balance Sheet

Accrual Basis

As of April 30, 2020

	Apr 30, 20
Total Long Term Liabilities	4,578,624.93
Total Liabilities	11,205,303.47
Equity	
30500 · INVESTMENT IN FIXED ASSETS	
30505 · Change In Invest Fixed Assets	181,356.69
30500 · INVESTMENT IN FIXED ASSETS - Other	9,134,021.36
Total 30500 · INVESTMENT IN FIXED ASSETS	9,315,378.05
30900 · RESTRICTED FUND BALANCE	644,025.00
31200 · GENERAL FUND BALANCE	
31205 · General Fund Invest Fixed Asset	-181,356.69
31000 · FUND BALANCE - TIDELANDS TRUST	-2,314,896.20
31200 · GENERAL FUND BALANCE - Other	111,377.50
Total 31200 · GENERAL FUND BALANCE	-2,384,875.39
Net Income	433,001.25
Total Equity	8,007,528.91
TOTAL LIABILITIES & EQUITY	19,212,832.38

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Humboldt Bay Harbor, Recreation & Conservation District Profit & Loss

06/17/20

July 2019 through April 2020

Accrual Basis

	Jul '19 - Apr 20
Ordinary Income/Expense	
Income	
Discount	0.00
Dredging Revenue	
41318 · Dredging Surcharge - T	78,538.59
Total Dredging Revenue	78,538.59
Float Replacement Account	
41418 · Float Replacement	49,877.71
Total Float Replacement Account	49,877.71
Harbor Surcharge	
40908 · Harbor Improvement Surcharge-T	102,878.42
Total Harbor Surcharge	102,878.42
Utility Surcharge	
40409 · Utility Surcharge - NT	55,882.83
40418 · Utility Surcharge, Marina Dock	48,510.59
Total Utility Surcharge	104,393.42
Grant Revenue	
Harbor Grants	
45208.1 · Harbor Grants, Gov't - T	16,211.83
Total Harbor Grants	16,211.83
Total Grant Revenue	16,211.83
Tax Revenue	
43809 · TIMBER YIELD TAX GUAR G/NT	10,000.00
43609 · HOMEOWNERS EXEMPT G/NT	11,670.00
43509 · Property Tax Revenues	952,205.00
Total Tax Revenue	973,875.00
Other Revenue	
45909 · Other Revenue - NT	5,871.24
45908 · Other Revenue - T	58,693.13
Total Other Revenue	64,564.37
Interest Revenue	
43109 · Interest Income - NT	135,630.10
43108 · Interest Income - T	3,505.30
43318 · Interest On Del Accts - T	0.00
Total Interest Revenue	139,135.40
Rent Income	
41108 · Rents, Tidelands Leases - T	332,762.03
40318.1 · Transient Rentals - T	44,325.22
40519 · Equipment Rent - NT	2,634.85
40709 · FL BUILDING SPACE RENT G/NT	19,444.00
40809 · Yard Rent - NT	58,249.24
41309 · Storage - NT	59,150.00
41409 · Upland Rent - NT	
41409.2 · Redwood Terminal 2 - NMTC	50,076.90
41409 · Upland Rent - NT - Other	540,926.65
Total 41409 · Upland Rent - NT	591,003.55
40218 · Slip Rents - T	378,804.04
Total Rent Income	1,486,372.93
Fees	
40108 · PERMITS-T	2,800.00

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through April 2020

Accrual Basis

	Jul '19 - Apr 20
41818 · Late Charges/Interest - T	8,013.94
45608 · Chevron - Ports O&M - T	24,262.50
41819 · Late Charges/Interest - NT	23,263.06
40808 · Pilotage Services - T	857.25
40509 · Travel Lift Fees - T	2,659.00
40609 · Haul Out Fees - T	21,107.16
41308.1 · Poundage - T	6,428.58
41308 · Moorage - T	31.36
Total Fees	89,422.85
Sales	
40109 · Sales, Retail - NT	1,200.00
40119 · Concession Sales - NT	23,622.40
Total Sales	24,822.40
Donations	
46519 · Donations - Lighthouse	7.40
Total Donations	7.40
Total Income	3,130,100.32
Gross Profit	3,130,100.32
Expense	
66900 · Reconciliation Discrepancies	200.00
57018 · Bank Service Charges	1.35
Personnel Expenses	
Salaries/Wages	
50100 · Salaries & Wages - NT	617,723.30
50108 · Salaries & Wages - T	811.49
Salaries/Wages - Other	0.00
Total Salaries/Wages	618,534.79
Payroll Burden	
6560 · Workers' Comp	27,928.19
50500 · Payroll Benefits, Other - NT	314,818.62
50508 · Payroll Benefits, Other - T	94,175.84
50510 · PAYROLL BENEFITS M/A	14,597.30
Total Payroll Burden	451,519.95
Commissioners Fees	
50200 · Commissioner's Salaries - NT	14,700.00
50210 · COMMISSIONERS SALARIES M/A	6,300.00
Total Commissioners Fees	21,000.00
Total Personnel Expenses	1,091,054.74
Advertising & Promotion	
51000 · Advertising & Promotion - NT	1,124.94
51008 · Advertising & Promotion - T	105.71
51018 · ADVERTISING & PROMOTION M/T	678.38
Total Advertising & Promotion	1,909.03
Communications	
51400 · Communications - NT	17,297.03
51408 · Communications - T	3,599.52
Total Communications	20,896.55
Conference & Meetings	
51500 · Conferences & Meetings - NT	16,948.01
51508 · Conferences & Meetings - T	993.81

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through April 2020

Accrual Basis

	Jul '19 - Apr 20
Total Conference & Meetings	17,941.82
Dues, Subscriptions & Licences	
51600 · Dues & Subscriptions - NT	34,656.37
51608 · Dues & Subscriptions - T	367.50
Total Dues, Subscriptions & Licences	35,023.87
Elections & Government Fees	
51700 · Elections & Prop Tax Assess-NT	91,851.06
Total Elections & Government Fees	91,851.06
Insurance	
51800 · Insurance - NT	59,710.13
51808 · Insurance - T	9,515.65
Total Insurance	69,225.78
Office Supplies	
52100 · Outside Services - NT	16.13
51900 · Office Supplies - NT	23,748.07
51908 · Office Supplies - T	7,560.01
51918 · OFFICE EXPENSE M/T	381.15
Total Office Supplies	31,705.36
Maintenance Supplies	
53209 · SHELTER COVE OPER EXP G/NT	-340.00
53200 · SHELTER COVE OPER EXP G/A	-1,455.00
52010 · Maintenance Supplies - NT	16,762.50
52008 · Maintenance Supplies - T	108.81
Total Maintenance Supplies	15,076.31
Permits	
51618 · Permits - T	24,979.12
51610 · Permits - NT	250.00
Total Permits	25,229.12
Utilities	
52909 · Utilities - NT	219,834.13
52918 · Utilities - T	37,242.43
53000 · Water, Sewer, & Refuse - NT	156,041.32
53008 · Water, Sewer, & Refuse - T	49,862.16
Total Utilities	462,980.04
Fuel	
50400 · IMPUTED AUTO VALUE G/A	823.20
51208 · Vessel Fuel	2,756.11
51218 · Automotive, Fuel - T	7,287.52
51200 · Automotive, Fuel- NT	7,213.78
Total Fuel	18,080.61
Accounting/Auditing Services	
52500 · Accounting Fees - T	28,302.00
52508 · Accounting Fees - NT	10,934.00
Total Accounting/Auditing Services	39,236.00
Legal Services	
52300 · Legal Fees - NT	19,767.50
52308 · Legal Fees - T	6,693.00
Total Legal Services	26,460.50
Planning Services	

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/17/20

July 2019 through April 2020

Accrual Basis

	Jul '19 - Apr 20
52208 · Planning Fees - T	27,700.00
52200 · Planning Fees - NT	20,862.26
Total Planning Services	48,562.26
Engineering Services	
52400 · Engineering Fees - NT	37,514.39
52408 · Engineering Fees - T	7,541.54
Total Engineering Services	45,055.93
Other Professional/Outside Serv	
52110 · OUTSIDE SERVICES M/A	1,828.02
52109 · Outside Services, Other - NT	10,913.91
52118 · Outside Services, Other - T	65,906.50
Total Other Professional/Outside Serv	78,648.43
Small Tools	
52800 · Small Tools - NT	1,515.90
52808 · Small Tools - T	475.38
Total Small Tools	1,991.28
Maintenance - Facilities	
52708 · Repairs & Maint, Facilities - T	92,180.67
52709 · REPAIRS & MAINTENANCE G/NT	1,834.00
52719 · Repairs & Maint, Facilities - N	34,292.87
Total Maintenance - Facilities	128,307.54
Maintenance - Equipment	
52718 · Repairs & Maint, Equip - T	7,184.86
52710 · Repairs & Maint, Equip - NT	13,090.41
51209 · Automotive, Repairs - NT	9,221.21
Total Maintenance - Equipment	29,496.48
Maintenance - IT	
57008 · Maintenance, IT Equip - T	2,377.01
57009 · Maintenance, IT Equip - NT	6,220.12
Total Maintenance - IT	8,597.13
Dredging Expense	
55608 · Dredging Expense - T	13,515.65
56708 · Dredging - GT	37,126.00
56718 · Dredging - MT	0.00
Total Dredging Expense	50,641.65
Rent Expense	
54308 · Redwood Terminal 2 Lease Expens	139,351.40
Total Rent Expense	139,351.40
Interest Expense	
55119 · INTEREST EXPENSE M/NT	32,654.00
55109 · Interest Expense - NT	66,972.70
55108 · Interest Expense - T	91,244.01
Total Interest Expense	190,870.71
Other Expenses	
55419 · Other Expenses - NT	464.06
Total Other Expenses	464.06
Grant Expenses	
Harbor Grant Expenses	

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

July 2019 through April 2020

	Jul '19 - Apr 20
54408.1 · Harbor Grant Exp	425.00
Total Harbor Grant Expenses	425.00
Recreation Grant Expenses	
54408.2 · Recreation Grant Exp	-17,993.93
Total Recreation Grant Expenses	-17,993.93
Conservation Grant Expenses	
54408.3 · Conservation Grant Exp	42,442.57
Total Conservation Grant Expenses	42,442.57
Total Grant Expenses	24,873.64
Bad Debts	
51308 · Bad Debts - T	3,366.42
Total Bad Debts	3,366.42
Total Expense	2,697,099.07
Net Ordinary Income	433,001.25
Net Income	<u>433,001.25</u>

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**Humboldt Bay Harbor, Recreation & Conservation District
Account QuickReport**

06/17/20

As of April 30, 2020

Accrual Basis

Type	Date	Num	Name	Memo	Amount
10200.1 - Cash in BBVA, Checking					
Liability Check	04/02/2020		QuickBooks Payroll Service	Created by Payroll Service on 03/30/...	-18,060.87
Liability Check	04/16/2020		QuickBooks Payroll Service	Created by Payroll Service on 04/15/...	-20,019.13
Liability Check	04/30/2020		QuickBooks Payroll Service	Created by Payroll Service on 04/29/...	-18,021.98
Check	04/15/2020			Service Charge	-161.22
Liability Check	04/03/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-4,054.75
Bill Pmt -Check	04/03/2020	EFT	CalPERS 457 Program	457Match 04/03/2020	-300.00
Liability Check	04/03/2020	EFT	CalPERS 457 Program	450348	-1,125.00
Liability Check	04/03/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Liability Check	04/09/2020	EFT	PERS Unfunded Accrued Liab	2233447024 RJ OOC Adjustment 3/2...	-7.03
Liability Check	04/17/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-4,054.75
Liability Check	04/17/2020	EFT	CalPERS 457 Program	450348	-1,050.00
Bill Pmt -Check	04/17/2020	EFT	CalPERS 457 Program	457Match 04/17/2020	-300.00
Liability Check	04/17/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Bill Pmt -Check	04/30/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-5,033.55
Liability Check	04/02/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # 939702338	-2,258.31
Liability Check	04/15/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # 609910142	-1,243.78
Liability Check	04/15/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # 609985142	-3,199.02
Liability Check	04/29/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # 14136691...	-1,223.76
Liability Check	04/29/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # 1413704...	-2,865.18
Bill Pmt -Check	04/03/2020	60101	AT&T Internet	831-000-8571 571	-933.88
Bill Pmt -Check	04/03/2020	60103	Eureka Oxygen Company	Cylinder Rental	-175.52
Bill Pmt -Check	04/03/2020	60104	High Rock Conservation Camp	WIM (2/14/20)	-100.00
Bill Pmt -Check	04/03/2020	60105	Pierson Building Center	1297	-653.99
Bill Pmt -Check	04/03/2020	60106	Pintermedia LLC	ADA Compliance work, label content	-190.00
Bill Pmt -Check	04/03/2020	60107	Recology Eel River	061097997	-402.17
Bill Pmt -Check	04/03/2020	60108	Recology Humboldt County (A00600002...	A0000265	-679.41
Bill Pmt -Check	04/03/2020	60109	Schmidbauer Building Supply		-243.34
Bill Pmt -Check	04/03/2020	60110	Shafer's Ace Hardware	1586	-77.84
Bill Pmt -Check	04/03/2020	60112	Valley Pacific Petroleum Services, Inc	114137	-866.21
Bill Pmt -Check	04/03/2020	60113	Waste Management	23-09580-43003	-75.00
Bill Pmt -Check	04/03/2020	60114	World Oil Enviromental Services		-607.84
Bill Pmt -Check	04/03/2020	60115	Zerlang and Zerlang Marine Services		-1,130.02
Bill Pmt -Check	04/03/2020	60116	Recology Humboldt County (A00600002...	A0000265	-651.06
Bill Pmt -Check	04/03/2020	60117	Recology Humboldt County (A00600002...	A0000265	-651.06
Bill Pmt -Check	04/03/2020	60118	Recology Humboldt County (A00600002...	A0000265	-757.39
Bill Pmt -Check	04/03/2020	60119	Recology Humboldt County (A00600002...	A0000265	-251.68
Bill Pmt -Check	04/03/2020	60120	Recology Humboldt County (A00600002...	A0000265	-651.06
Bill Pmt -Check	04/03/2020	60121	Recology Humboldt County (A00600002...	A0000265	-53.01
Check	04/03/2020	60122	Holbrook, Patricia	Tenant Refund	-103.50
Bill Pmt -Check	04/03/2020	60123	B & B Portable Toilets	RWD	-105.78
Bill Pmt -Check	04/03/2020	60124	BT Metal Sales and Fabrication	WIM	-101.25
Bill Pmt -Check	04/03/2020	60125	Coastal Business Systems, Inc.	WIM Copier Lease 03/20/20-04/20/20	-268.22
Bill Pmt -Check	04/03/2020	60126	Coldwell Banker Commerical PacificPart...	RMT2 Lease, Rogue Construction	-360.00
Bill Pmt -Check	04/03/2020	60127	David L. Moonie & Company		-5,071.00
Bill Pmt -Check	04/03/2020	60128	Don's Rent-All	7197	-472.05
Bill Pmt -Check	04/03/2020	60129	Englund Marine Supply		-1,358.83
Bill Pmt -Check	04/03/2020	60130	Humboldt Bay Municipal Water Dist.	9002.001 RMT2	-690.30
Bill Pmt -Check	04/03/2020	60131	Humboldt Bay Solar Fund LLC	February 2020	-9,498.61
Bill Pmt -Check	04/03/2020	60132	Humboldt Community Services District	3165	-346.00
Bill Pmt -Check	04/03/2020	60133	Humboldt County-Planning Dept	Shelter Cove CDP (PO #1550)	-1,504.51
Bill Pmt -Check	04/03/2020	60134	Mendes Supply Company	2705	-134.54
Bill Pmt -Check	04/03/2020	60135	Mission Uniform & Linen	299313	-433.22
Bill Pmt -Check	04/03/2020	60136	Napa Auto Parts		-166.73
Bill Pmt -Check	04/03/2020	60137	Nylex.net		-590.00
Bill Pmt -Check	04/03/2020	60138	O&M Industries	WIM Cafe Circuit Breaker	-76.00
Bill Pmt -Check	04/03/2020	60139	Pintermedia LLC		-60.00
Bill Pmt -Check	04/03/2020	60140	Planwest Partners, Inc.	February 2020 Planning Services	-1,713.00
Bill Pmt -Check	04/03/2020	60141	Recology Humboldt County (A00600002...	A0000265	-865.84
Bill Pmt -Check	04/03/2020	60142	Shelter Cove Fishing Preservation Inc	SC Janitorial March 2020	-2,083.33
Bill Pmt -Check	04/03/2020	60143	Specialty Traffic Systems		-125.15
Bill Pmt -Check	04/03/2020	60144	The Mitchell Law Firm, LLP		-2,907.50
Bill Pmt -Check	04/03/2020	60145	Tony Gosselin & Sons	CAT Backhoe	-40.80
Bill Pmt -Check	04/03/2020	60146	Valley Pacific Petroleum Services, Inc	114137	-173.72
Bill Pmt -Check	04/03/2020	60147	Humboldt Fasteners		-110.84
Bill Pmt -Check	04/17/2020	60151	City of Eureka	WIM	-12,722.31
Bill Pmt -Check	04/17/2020	60152	Humboldt County-Planning Dept		-448.75
Bill Pmt -Check	04/17/2020	60153	Napa Auto Parts		-1,634.73
Bill Pmt -Check	04/17/2020	60154	North Coast Laboratories, LTD	Samoa SWDS	-5,117.00
Bill Pmt -Check	04/17/2020	60155	Pacific Gas & Electric (8259-4) address	0074698259-4	-12,028.05
Bill Pmt -Check	04/17/2020	60156	Pacific Gas & Electric (Non-Energy)	2072047	-657.19
Bill Pmt -Check	04/17/2020	60157	Planwest Partners, Inc.	Dec 2019 & Jan 2020 Planning Servi...	-6,554.00
Total 10200.1 - Cash in BBVA, Checking					-161,118.62
TOTAL					-161,118.62

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Monthly Cash Flow Analysis

For The Months Ended May 31, 2020 and April 30, 2020

	<u>5/31/20</u>	<u>4/30/20</u>
<u>Account Balances</u>		
Checking	\$ 13,316	\$ 117,105
Savings	6,259	7,195
Tariff	434,436	1,337
County Treasury	420,304	517,928
Cash on hand	1,513	1,740
Total Cash	<u>875,828</u>	<u>645,305</u>
Add: Accounts Receivable (less doubtful accounts)	720,576	1,181,396
Less: Accounts Payable	(210,816)	(227,421)
Available Cash and Receivables	<u>\$ 1,385,588</u>	<u>\$ 1,599,280</u>
<u>Change in Cash Balance</u>		
Balance, Beginning of Month	\$ 645,305	\$ 186,768
Monthly Deposits	656,623	626,114
Monthly Payments	(425,873)	(167,577)
Balance, End of Month	<u>\$ 876,055</u>	<u>\$ 645,305</u>
<u>Monthly Payments Summary</u>		
Significant/Unusual Expenses:		
Humboldt Bay Development Assoc lease payment	\$ 50,649	
Third payroll in month		\$ 18,022
RMT2 Brownfield expenses	37,514	
Payment of 6/30/19 audit fee	11,280	
Property tax adjustment for redevelopment agencies	12,625	
Two monthly insurance payments in same month	32,066	
Sub-total, Unusual Expenses	<u>144,134</u>	<u>18,022</u>
General operating expenses and other misc. expense	281,739	149,555
Total Cash Payments	<u>\$ 425,873</u>	<u>\$ 167,577</u>
<u>Monthly Deposits Summary</u>		
Significant/Unusual Revenues:		
Property taxes and interest income		\$ 459,093
FEMA grant	\$ 415,908	
Lump sum lease payment	38,724	
Sub-total, Unusual Revenues	<u>454,632</u>	<u>459,093</u>
General revenues	201,991	167,021
Total Cash Receipts	<u>\$ 656,623</u>	<u>\$ 626,114</u>

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Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of May 31, 2020

06/19/20

Accrual Basis

May 31, 20

ASSETS

Current Assets

Checking/Savings

10901 · RESTRICTED - COUNTY TREASURY	874,549.00
10600.1 · Cash in bank, Tariff BBVA	434,436.25
10700.1 · Cash in bank, Water BBVA	6,259.46
10200.1 · Cash in BBVA, Checking	4,603.99
10000 · PETTY CASH ON HAND	150.00
10100 · CHANGE FUND ON HAND	400.00
10111 · COIN MACHINE FUND	730.00
10200 · CASH IN BANK, CHECKING	8,712.42
10400 · CASH IN COUNTY - FUND 2720	389,900.57
10500 · CASH IN COUNTY - FUND 3872	30,403.20
10902 · RESTRICTED CASH OFFSET	-874,549.00

Total Checking/Savings 875,595.89

Accounts Receivable

12000 · ACCTS RECEIVABLE	1,074,117.84
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Total Accounts Receivable 1,074,117.84

Other Current Assets

12600 · Note Receivable - NMTC	5,849,375.00
12100 · ALLOW FOR BAD DEBTS	-303,888.93
12200 · TAXES RECEIVABLE	-19,256.53
12300 · INTEREST RECEIVABLE	30,361.46
12700 · PREPAID EXPENSES	84,112.97
12800 · LEASE RECEIVABLE	45,525.44
12900 · Accounts Receivable FSM	67.86
1499 · Undeposited Funds	233.00

Total Other Current Assets 5,686,530.27

Total Current Assets 7,636,244.00

Fixed Assets

14900 · DOG RANCH PROPERTY	7,507.70
14800 · SHIPWRECK PROPERTY	45,088.05

CAPITAL ASSETS, NET

16900 · Dredge	1,215,423.27
16800 · REDWOOD TERMINAL 2	2,613,169.43
16700 · AQUAPONICS PILOT FACILITY	96,036.61
16600 · TABLE BLUFF LIGHTHOUSE	361.44
16500 · HOMELAND SECURITY EQUIPMENT	2,254,007.60
16400 · REDWOOD DOCK PROPERTY	3,010,194.30
16100 · MARINA DREDGE, CONSTR IN PROGRES	139,687.95
16000 · KING SALMON	15,143.99
15900 · DREDGING COSTS	215,226.78
15800 · SHELTER COVE	2,386,247.10
15700 · FL BOAT BLDG & REPAIR FACILITY	4,302,259.53
15600 · MARINA	10,529,004.29
15500 · MARINA, RESTAURANT COMPLEX	34,100.00
15200 · OPERATING EQUIPMENT	314,098.74
15100 · OFFICE EQUIPMENT	193,303.88
15000 · AUTOMOTIVE EQUIPMENT	95,639.08
17000 · ACCUMULATED DEPRECIATION	-16,172,019.17

Total CAPITAL ASSETS, NET 11,241,884.82

Total Fixed Assets 11,294,480.57

Other Assets

19000 · Deferred Outflows of PERS	290,427.00
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Total Other Assets 290,427.00

TOTAL ASSETS 19,221,151.57

Humboldt Bay Harbor, Recreation & Conservation District

06/19/20

Balance Sheet

Accrual Basis

As of May 31, 2020

May 31, 20

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

20000 · ACCOUNTS PAYABLE

288,852.24

Total Accounts Payable

288,852.24

Other Current Liabilities

24002 · Groundlease Current Def Income

60,092.31

24000 · Ground Lease Deferred Income

3,906,000.00

Payroll tax & Withholding Liab

21900 · UNION DUES DEDUCTIBLE

3.00

21701 · PERS DEFERRED COMPENSATION

100.00

21700 · PERS RETIREMENT

536.02

21600 · PERS CARE/MEDICAL INSURANCE

9,235.36

21300 · STATE UNEMPLOYMENT TAX

97.77

2100 · PAYROLL LIABILITIES

-49,708.80

Total Payroll tax & Withholding Liab

-39,736.65

20100 · LEASE PAYABLE TO HBDA

-16,637.00

20200 · NOTES PAYABLE

1,313,831.39

20400 · ACCRUED WAGES PAYABLE

15,456.92

20500 · ACCRUED INTEREST

103,740.46

20600 · ACCRUED VACATION PAYABLE

27,863.05

20800 · DEPOSITS ON HAND

20809 · HAUL OUT DEPOSIT

-1,080.00

20808 · WAIT LIST DEPOSIT

2,000.00

20801 · KEY DEPOSITS ON HAND

13,480.00

20802 · PLUG DEPOSITS ON HAND

1,020.00

20803 · SLIP DEPOSITS ON HAND

48,138.48

20804 · STORAGE DEPOSITS

3,609.65

20806 · LEASE SECURITY DEPOSIT

60,433.42

20807 · STORAGE DEPOSIT - REDWOOD DOCK

2,750.26

Total 20800 · DEPOSITS ON HAND

130,351.81

22000 · DEFERRED LEASE INCOME

36,985.63

28000 · DEFERRED INCOME

116,290.94

28500 · OTHER DEFERRED CREDITS

723,523.92

Total Other Current Liabilities

6,377,762.78

Total Current Liabilities

6,666,615.02

Long Term Liabilities

24003 · Groundlease Current Offset

-60,092.31

24001 · Gound Lease Amortization

-254,129.99

27200 · Deferred Inflows of PERS

159,317.00

27000 · Net Pension Liability

921,868.00

25700 · BOND PAYABLE 2014 REFINANCING

2,400,035.12

25800 · BBVA Loan Payable

1,239,274.58

25600 · Note Payable-Coast Seafoods Co.

1,004,780.32

25500 · OPEB Liability

394,887.00

25200 · CONTRACTS PAYABLE

71,558.22

25900 · LESS CURRENT PORTION

-1,313,831.39

Total Long Term Liabilities

4,563,666.55

Total Liabilities

11,230,281.57

Equity

30500 · INVESTMENT IN FIXED ASSETS

30505 · Change In Invest Fixed Assets

181,356.69

30500 · INVESTMENT IN FIXED ASSETS - Other

9,134,021.36

Total 30500 · INVESTMENT IN FIXED ASSETS

9,315,378.05

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of May 31, 2020

	May 31, 20
30900 · RESTRICTED FUND BALANCE	874,549.00
31200 · GENERAL FUND BALANCE	
31205 · General Fund Invest Fixed Asset	-181,356.69
31000 · FUND BALANCE - TIDELANDS TRUST	-2,314,896.20
31200 · GENERAL FUND BALANCE - Other	-119,146.50
Total 31200 · GENERAL FUND BALANCE	-2,615,399.39
Net Income	366,791.96
Total Equity	7,941,319.62
TOTAL LIABILITIES & EQUITY	<u>19,171,601.19</u>

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Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/19/20

July 2019 through May 2020

Accrual Basis

	Jul '19 - May 20
Ordinary Income/Expense	
Income	
Discount	19.55
Dredging Revenue	
41318 · Dredging Surcharge - T	86,256.91
Total Dredging Revenue	86,256.91
Float Replacement Account	
41418 · Float Replacement	54,910.79
Total Float Replacement Account	54,910.79
Harbor Surcharge	
40908 · Harbor Improvement Surcharge-T	108,921.98
Total Harbor Surcharge	108,921.98
Utility Surcharge	
40409 · Utility Surcharge - NT	59,264.17
40418 · Utility Surcharge, Marina Dock	52,987.78
Total Utility Surcharge	112,251.95
Grant Revenue	
Harbor Grants	
45208 · Harbor Grants, Other - T	616,160.00
45208.1 · Harbor Grants, Gov't - T	19,701.83
Total Harbor Grants	635,861.83
Total Grant Revenue	635,861.83
Tax Revenue	
43809 · TIMBER YIELD TAX GUAR G/NT	11,000.00
43609 · HOMEOWNERS EXEMPT G/NT	12,837.00
43509 · Property Tax Revenues	1,041,413.00
Total Tax Revenue	1,065,250.00
Other Revenue	
45909 · Other Revenue - NT	5,871.24
45908 · Other Revenue - T	58,693.13
Total Other Revenue	64,564.37
Interest Revenue	
43109 · Interest Income - NT	149,193.10
43108 · Interest Income - T	3,855.79
43318 · Interest On Del Accts - T	0.00
Total Interest Revenue	153,048.89
Rent Income	
41108 · Rents, Tidelands Leases - T	367,051.41
40318.1 · Transient Rentals - T	43,636.09
40519 · Equipment Rent - NT	4,004.85
40709 · FL BUILDING SPACE RENT G/NT	9,722.00
40809 · Yard Rent - NT	62,954.24
41309 · Storage - NT	64,868.30
41409 · Upland Rent - NT	
41409.2 · Redwood Terminal 2 - NMTC	55,084.59
41409 · Upland Rent - NT - Other	587,987.65
Total 41409 · Upland Rent - NT	643,072.24
40218 · Slip Rents - T	421,229.99
Total Rent Income	1,616,539.12
Fees	

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/19/20

July 2019 through May 2020

Accrual Basis

	Jul '19 - May 20
40108 · PERMITS-T	3,300.00
41818 · Late Charges/Interest - T	7,988.94
45608 · Chevron - Ports O&M - T	24,262.50
41819 · Late Charges/Interest - NT	23,263.06
40808 · Pilotage Services - T	857.25
40509 · Travel Lift Fees - T	2,434.00
40609 · Haul Out Fees - T	21,107.16
41308.1 · Poundage - T	6,428.58
41308 · Moorage - T	31.36
Total Fees	89,672.85
Sales	
40109 · Sales, Retail - NT	3,950.00
40119 · Concession Sales - NT	24,038.15
Total Sales	27,988.15
Donations	
46519 · Donations - Lighthouse	16.40
Total Donations	16.40
Total Income	4,015,302.79
Gross Profit	4,015,302.79
Expense	
66900 · Reconciliation Discrepancies	200.00
57018 · Bank Service Charges	1.35
Personnel Expenses	
Salaries/Wages	
50100 · Salaries & Wages - NT	702,823.41
50108 · Salaries & Wages - T	811.49
Salaries/Wages - Other	0.00
Total Salaries/Wages	703,634.90
Payroll Burden	
6560 · Workers' Comp	31,962.80
50500 · Payroll Benefits, Other - NT	349,703.62
50508 · Payroll Benefits, Other - T	103,533.87
50510 · PAYROLL BENEFITS M/A	16,057.03
Total Payroll Burden	501,257.32
Commissioners Fees	
50200 · Commissioner's Salaries - NT	16,170.00
50208 · Commissioner's Salaries - T	6,930.00
Total Commissioners Fees	23,100.00
Total Personnel Expenses	1,227,992.22
Advertising & Promotion	
51000 · Advertising & Promotion - NT	1,124.94
51008 · Advertising & Promotion - T	105.71
51018 · ADVERTISING & PROMOTION M/T	678.38
Total Advertising & Promotion	1,909.03
Communications	
51400 · Communications - NT	19,122.49
51408 · Communications - T	4,033.90
Total Communications	23,156.39
Conference & Meetings	
51500 · Conferences & Meetings - NT	17,034.37

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/19/20

July 2019 through May 2020

Accrual Basis

	Jul '19 - May 20
51508 · Conferences & Meetings - T	993.81
Total Conference & Meetings	18,028.18
Dues, Subscriptions & Licences	
51600 · Dues & Subscriptions - NT	34,656.37
51608 · Dues & Subscriptions - T	367.50
Total Dues, Subscriptions & Licences	35,023.87
Elections & Government Fees	
51700 · Elections & Prop Tax Assess-NT	91,851.06
Total Elections & Government Fees	91,851.06
Insurance	
51800 · Insurance - NT	82,419.97
51808 · Insurance - T	10,571.32
Total Insurance	92,991.29
Office Supplies	
52100 · Outside Services - NT	16.13
51900 · Office Supplies - NT	25,215.39
51908 · Office Supplies - T	7,693.61
51918 · OFFICE EXPENSE M/T	421.90
Total Office Supplies	33,347.03
Maintenance Supplies	
53209 · SHELTER COVE OPER EXP G/NT	-340.00
53200 · SHELTER COVE OPER EXP G/A	-1,455.00
52010 · Maintenance Supplies - NT	17,933.05
52008 · Maintenance Supplies - T	108.81
Total Maintenance Supplies	16,246.86
Permits	
51618 · Permits - T	24,979.12
51610 · Permits - NT	250.00
Total Permits	25,229.12
Utilities	
52909 · Utilities - NT	240,983.89
52918 · Utilities - T	40,636.85
53000 · Water, Sewer, & Refuse - NT	166,525.68
53008 · Water, Sewer, & Refuse - T	54,961.28
Total Utilities	503,107.70
Fuel	
50400 · IMPUTED AUTO VALUE G/A	940.80
51208 · Vessel Fuel	2,756.11
51218 · Automotive, Fuel - T	7,701.76
51200 · Automotive, Fuel- NT	7,536.07
Total Fuel	18,934.74
Accounting/Auditing Services	
52500 · Accounting Fees - T	29,832.00
52508 · Accounting Fees - NT	11,444.00
Total Accounting/Auditing Services	41,276.00
Legal Services	
52300 · Legal Fees - NT	23,127.63
52308 · Legal Fees - T	7,646.37
Total Legal Services	30,774.00

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

06/19/20

July 2019 through May 2020

Accrual Basis

	Jul '19 - May 20
Planning Services	
52208 · Planning Fees - T	29,824.43
52200 · Planning Fees - NT	23,031.76
Total Planning Services	52,856.19
Engineering Services	
52400 · Engineering Fees - NT	44,017.46
52408 · Engineering Fees - T	11,376.24
Total Engineering Services	55,393.70
Other Professional/Outside Serv	
52110 · OUTSIDE SERVICES M/A	1,985.72
52109 · Outside Services, Other - NT	10,953.90
52118 · Outside Services, Other - T	70,074.96
Total Other Professional/Outside Serv	83,014.58
Small Tools	
52800 · Small Tools - NT	1,515.90
52808 · Small Tools - T	475.38
Total Small Tools	1,991.28
Maintenance - Facilities	
52708 · Repairs & Maint, Facilities - T	100,526.47
52709 · REPAIRS & MAINTENANCE G/NT	3,434.00
52719 · Repairs & Maint, Facilities - N	35,286.94
Total Maintenance - Facilities	139,247.41
Maintenance - Equipment	
52718 · Repairs & Maint, Equip - T	8,243.27
52710 · Repairs & Maint, Equip - NT	14,340.90
51209 · Automotive, Repairs - NT	10,090.23
Total Maintenance - Equipment	32,674.40
Maintenance - IT	
57008 · Maintenance, IT Equip - T	2,377.01
57009 · Maintenance, IT Equip - NT	6,220.12
Total Maintenance - IT	8,597.13
Dredging Expense	
55608 · Dredging Expense - T	30,411.19
56708 · Dredging - GT	149,000.00
56718 · Dredging - MT	483,222.00
Total Dredging Expense	662,633.19
Rent Expense	
54308 · Redwood Terminal 2 Lease Expens	155,988.40
Total Rent Expense	155,988.40
Interest Expense	
55119 · INTEREST EXPENSE M/NT	35,893.00
55109 · Interest Expense - NT	73,605.49
55108 · Interest Expense - T	99,760.32
Total Interest Expense	209,258.81
Other Expenses	
55419 · Other Expenses - NT	479.06
Total Other Expenses	479.06
Grant Expenses	
Harbor Grant Expenses	

Humboldt Bay Harbor, Recreation & Conservation District

Profit & Loss

July 2019 through May 2020

	Jul '19 - May 20
54408.1 · Harbor Grant Exp	455.00
Total Harbor Grant Expenses	455.00
Recreation Grant Expenses	
54408.2 · Recreation Grant Exp	-17,993.93
Total Recreation Grant Expenses	-17,993.93
Conservation Grant Expenses	
54408.3 · Conservation Grant Exp	92,223.75
Total Conservation Grant Expenses	92,223.75
Total Grant Expenses	74,684.82
Bad Debts	
51308 · Bad Debts - T	3,366.42
51309 · Bad Debts - NT	8,256.60
Total Bad Debts	11,623.02
Total Expense	3,648,510.83
Net Ordinary Income	366,791.96
Net Income	<u>366,791.96</u>

2:32 PM

Humboldt Bay Harbor, Recreation & Conservation District
Account QuickReport

06/17/20

As of May 31, 2020

Accrual Basis

Type	Date	Num	Name	Memo	Amount
10200.1 - Cash in BBVA, Checking					
Liability Check	05/14/2020		QuickBooks Payroll Service	Created by Payroll Service on 05/13/...	-19,300.41
Liability Check	05/28/2020		QuickBooks Payroll Service	Created by Payroll Service on 05/27/...	-21,676.47
Check	05/15/2020			Service Charge	-150.79
Liability Check	05/01/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-4,054.75
Liability Check	05/01/2020	EFT	CalPERS 457 Program	450348	-1,050.00
Bill Pmt -Check	05/01/2020	EFT	CalPERS 457 Program	457Match 05/01/2020	-300.00
Liability Check	05/01/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Bill Pmt -Check	05/15/2020	EFT	CalPERS 457 Program	457Match 05/15/2020	-300.00
Liability Check	05/15/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-3,535.76
Liability Check	05/15/2020	EFT	CalPERS 457 Program	450348	-1,050.00
Liability Check	05/15/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Bill Pmt -Check	05/15/2020	EFT	Humboldt Bay Development Association	RMT2 Lease Pymt Q2 2020	-50,000.00
Bill Pmt -Check	05/29/2020	EFT	CalPERS 457 Program	457Match 05/29/2020	-300.00
Bill Pmt -Check	05/29/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-5,033.55
Liability Check	05/29/2020	EFT	State Disbursement Unit	0230000067964	-233.53
Liability Check	05/29/2020	EFT	CalPERS 457 Program	450348	-1,050.00
Liability Check	05/29/2020	EFT	PERS Unfunded Accrued Liab	2233447024	-4,054.75
Bill Pmt -Check	05/28/2020	EFT	Humboldt Bay Development Association	RMT2 Lease Pymt Q2 2020	-649.00
Liability Check	05/13/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # 19941441...	-1,223.93
Liability Check	05/13/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # 1994180...	-2,878.80
Liability Check	05/14/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # 2029854...	-6.78
Liability Check	05/14/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # 20298741...	-2.34
Liability Check	05/27/2020	E-pay	Employment Development Department	499-0307-3 QB Tracking # -1906154...	-1,291.14
Liability Check	05/27/2020	E-pay	Tri Counties Bank	94-2262845 QB Tracking # -1906128...	-3,307.00
Bill Pmt -Check	05/01/2020	60160	101Netlink	WIM & FL	-270.06
Bill Pmt -Check	05/01/2020	60161	ACWA JPIA	May 2020	-33,014.40
Bill Pmt -Check	05/01/2020	60162	Advanced Security Systems		-981.92
Bill Pmt -Check	05/01/2020	60163	AT&T Phone	707 443-0801 071 7	-830.35
Bill Pmt -Check	05/01/2020	60164	Campton Electric Supply		-336.42
Bill Pmt -Check	05/01/2020	60165	Coast Seafood Co.	April 2020 Interest and Principal pay...	-13,000.00
Bill Pmt -Check	05/01/2020	60166	Coastal Tractor	H05502	-273.40
Bill Pmt -Check	05/01/2020	60167	David L. Moonie & Company		-1,500.00
Bill Pmt -Check	05/01/2020	60168	Eel River Scrap & Salvage	Scrap removal - RMT II	-406.25
Bill Pmt -Check	05/01/2020	60169	Eureka Oxygen Company		-483.92
Bill Pmt -Check	05/01/2020	60170	High Rock Conservation Camp	Samoa 3/19 & 3/23/2020	-400.00
Bill Pmt -Check	05/01/2020	60171	Humboldt Waste Management Authority	Finance Charge	-1.00
Bill Pmt -Check	05/01/2020	60172	Kelly-O'Hern Associates	North Bay Calculations	-500.00
Bill Pmt -Check	05/01/2020	60173	Nylex.net	Setting up laptops for telecommuting	-262.50
Bill Pmt -Check	05/01/2020	60174	Pacific Affiliates	WIM Pre-Dredge (invoice received 3/...	-4,950.00
Bill Pmt -Check	05/01/2020	60175	Pacific Gas & Electric (1906-4)	Acct #0670491906-4	-2,175.99
Bill Pmt -Check	05/01/2020	60176	Pacific Gas & Electric (3494-4)	6598073494-4	-133.39
Bill Pmt -Check	05/01/2020	60177	Pierson Building Center	1297	-961.58
Bill Pmt -Check	05/01/2020	60178	Recology Eel River	061097997	-402.17
Bill Pmt -Check	05/01/2020	60179	Recology Humboldt County (A00600002...	A0000265	-678.93
Bill Pmt -Check	05/01/2020	60180	Shafer's Ace Hardware	1586	-374.58
Bill Pmt -Check	05/01/2020	60181	Shelter Cove Resort Improvement District	SC	-91.95
Bill Pmt -Check	05/01/2020	60182	Southwest Answering Service		-157.70
Bill Pmt -Check	05/01/2020	60183	Staples Credit Plan	6035 5178 1247 5530	-30.61
Bill Pmt -Check	05/01/2020	60184	U S Bank Corporate Payment System	4246044555706765	-1,343.45
Bill Pmt -Check	05/01/2020	60185	Valley Pacific Petroleum Services, Inc	114137	-1,265.10
Bill Pmt -Check	05/01/2020	60186	Verizon Wireless		-380.12
Bill Pmt -Check	05/01/2020	60187	World Oil Environmental Services	WIM	-65.00
Bill Pmt -Check	05/01/2020	60188	Humboldt Bay Solar Fund LLC	March 2020	-13,081.40
Bill Pmt -Check	05/01/2020	60189	Recology Humboldt County (A00600002...	A0000265	-878.83
Bill Pmt -Check	05/01/2020	60190	Verizon Wireless		-77.08
Bill Pmt -Check	05/01/2020	60191	Recology Humboldt County (A00600002...	A0000265	-651.06
Bill Pmt -Check	05/01/2020	60192	Recology Humboldt County (A00600002...	A0000265	-760.22
Bill Pmt -Check	05/01/2020	60193	Recology Humboldt County (A00600002...	A0000265	-651.06
Bill Pmt -Check	05/01/2020	60194	Recology Humboldt County (A00600002...	A0000265	-653.90
Bill Pmt -Check	05/01/2020	60195	Recology Humboldt County (A00600002...	A0000265	-251.68
Bill Pmt -Check	05/01/2020	60196	Recology Humboldt County (A00600002...	A0000265	-54.62
Bill Pmt -Check	05/01/2020	60197	B & B Portable Toilets	RWD	-105.78
Bill Pmt -Check	05/01/2020	60198	Coastal Business Systems, Inc.	WIM Copier Lease 04/20/20-05/20/20	-268.22
Bill Pmt -Check	05/01/2020	60199	Humboldt Community Services District	3165	-349.92
Bill Pmt -Check	05/01/2020	60200	Mission Uniform & Linen	299313	-239.24
Bill Pmt -Check	05/01/2020	60201	North Coast Laboratories, LTD	FL Stormwater	-205.00
Bill Pmt -Check	05/01/2020	60202	Pacific Gas & Electric (Non-Energy)	2072047	-584.69
Bill Pmt -Check	05/01/2020	60203	Rogers Machinery Co.	Air Compressor "bidge"	-253.67
Bill Pmt -Check	05/01/2020	60205	AT&T Internet	831-000-8571 571	-933.88
Bill Pmt -Check	05/01/2020	60206	Bradley Tanks, Inc	Brownfield RMT2	-8,834.02
Bill Pmt -Check	05/01/2020	60207	BT Metal Sales and Fabrication		-159.72
Bill Pmt -Check	05/01/2020	60208	CAPA	March, April and May 2020 Members...	-3,195.25
Bill Pmt -Check	05/01/2020	60209	Industrial Electric Service Co.	Small Hoist Repairs	-823.41
Bill Pmt -Check	05/01/2020	60210	Nylex.net	Setup: Larry & Cory	-210.00
Bill Pmt -Check	05/01/2020	60211	Shelter Cove Fishing Preservation Inc	SC Janitorial April 2020	-2,083.33
Bill Pmt -Check	05/01/2020	60212	Standard Insurance Company	ST 908447 0001	-379.20
Bill Pmt -Check	05/05/2020	60213	City of Eureka	WIM	-11,950.49

Humboldt Bay Harbor, Recreation & Conservation District Account QuickReport

Accrual Basis

As of May 31, 2020

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	05/05/2020	60214	Eureka Chamber of Commerce	2020 Membership Dues	-205.00
Bill Pmt -Check	05/05/2020	60215	Harshwal & Company, LLP	Audit for FY 2018/19	-11,280.00
Bill Pmt -Check	05/05/2020	60216	SHN Consulting Engineers & Geologists	Aerial Photo & LiDAR Aquisition 2019	-7,000.00
Bill Pmt -Check	05/05/2020	60217	The Mitchell Law Firm, LLP		-10,551.50
Bill Pmt -Check	05/05/2020	60218	101Netlink	WIM & FL	-270.00
Bill Pmt -Check	05/05/2020	60219	Advanced Security Systems	RMT 2	-95.00
Bill Pmt -Check	05/05/2020	60220	Alliant Insurance Services, Inc.	20-21 Foreign Trade Zone Bond	-500.00
Bill Pmt -Check	05/05/2020	60221	AT&T Phone	707 443-0801 071 7	-842.52
Bill Pmt -Check	05/05/2020	60223	Humboldt County-Environmental Health	Hazmat Facility Fee - Marina	-1,440.78
Bill Pmt -Check	05/12/2020	60225	Humboldt Land Title Company	Bay Street	-500.00
Bill Pmt -Check	05/12/2020	60226	Humboldt Bay Municipal Water Dist.		-115.98
Bill Pmt -Check	05/12/2020	60227	Napa Auto Parts		-728.80
Bill Pmt -Check	05/12/2020	60228	Pacific Gas & Electric (8259-4) address	0074698259-4	-9,029.05
Bill Pmt -Check	05/12/2020	60230	Humboldt Bay Municipal Water Dist.	9002.001 RMT2	-858.16
Bill Pmt -Check	05/12/2020	60231	Pacific Gas & Electric (1906-4)	Acct #0670491906-4	-1,960.82
Bill Pmt -Check	05/12/2020	60232	Pacific Gas & Electric (3494-4)	6598073494-4	-137.99
Bill Pmt -Check	05/12/2020	60233	Southwest Answering Service		-172.70
Bill Pmt -Check	05/12/2020	60234	Verizon Wireless		-380.12
Bill Pmt -Check	05/12/2020	60235	Pierson Building Center	1297	-584.46
Bill Pmt -Check	05/12/2020	60236	Verizon Wireless		-77.08
Bill Pmt -Check	05/15/2020	60239	Pintermedia LLC		-60.00
Bill Pmt -Check	05/15/2020	60240	Planwest Partners, Inc.	March 2020 District Planner Services	-4,978.00
Bill Pmt -Check	05/15/2020	60242	Kernen Construction	RMT2 Brownfield	-21,097.57
Bill Pmt -Check	05/15/2020	60243	B & B Portable Toilets	RWD	-105.78
Bill Pmt -Check	05/15/2020	60244	CPR Aquatic	Sneeze Guard for front counter	-244.69
Bill Pmt -Check	05/15/2020	60245	Englund Marine Supply		-1,078.50
Bill Pmt -Check	05/15/2020	60246	Eureka Oxygen Company	Cylinder Rental	-181.40
Bill Pmt -Check	05/15/2020	60247	High Rock Conservation Camp	Samoa 4/27 & 4/29/2020	-400.00
Bill Pmt -Check	05/15/2020	60248	Industrial Electric Service Co.	2 Ton Work Hoist Repair	-115.10
Bill Pmt -Check	05/15/2020	60249	Mission Uniform & Linen	299313	-282.68
Bill Pmt -Check	05/15/2020	60250	Munnell & Sherrill		-154.50
Bill Pmt -Check	05/15/2020	60251	Recology Eel River	061097997	-402.17
Bill Pmt -Check	05/15/2020	60252	Recology Humboldt County (060339473)	060339473	-865.84
Bill Pmt -Check	05/15/2020	60253	Recology Humboldt County (061218064)	061218064	-1,337.80
Bill Pmt -Check	05/15/2020	60254	Recology Humboldt County (A00600002...)	A0060000265	-2,387.89
Bill Pmt -Check	05/15/2020	60255	Security Lock & Alarm		-232.50
Bill Pmt -Check	05/15/2020	60256	Shafer's Ace Hardware	1586	-25.12
Bill Pmt -Check	05/15/2020	60257	SHN Consulting Engineers & Geologists		-9,077.50
Bill Pmt -Check	05/15/2020	60258	U S Bank Corporate Payment System	4246044555706765	-2,241.93
Bill Pmt -Check	05/15/2020	60259	Valley Pacific Petroleum Services, Inc	114137	-525.38
Bill Pmt -Check	05/29/2020	60260	ACWA JPIA	June 2020	-32,066.48
Bill Pmt -Check	05/29/2020	60261	Waste Management	23-09580-43003	-16,416.19
Bill Pmt -Check	05/29/2020	60263	Advanced Security Systems	12volt 7AH Battery, RMT 2	-69.66
Bill Pmt -Check	05/29/2020	60264	AT&T Internet	831-000-8571 571	-933.88
Bill Pmt -Check	05/29/2020	60265	Coast Seafood Co.	May 2020 Interest and Principal pay...	-13,000.00
Bill Pmt -Check	05/29/2020	60266	Coastal Business Systems, Inc.	WIM Copier Lease 05/20/20-06/20/20	-268.22
Bill Pmt -Check	05/29/2020	60268	David L. Moonie & Company		-3,346.00
Bill Pmt -Check	05/29/2020	60269	Eel River Scrap & Salvage	FC	-6.09
Bill Pmt -Check	05/29/2020	60270	FrancoTyp-Postalia	466106100	-144.78
Bill Pmt -Check	05/29/2020	60271	Humboldt Community Services District	3165	-404.80
Bill Pmt -Check	05/29/2020	60272	Interstate Battery		-114.87
Bill Pmt -Check	05/29/2020	60273	Kelly-O'Hern Associates	Timber Heritage Easements	-1,000.00
Bill Pmt -Check	05/29/2020	60274	Mendes Supply Company	2705	-161.19
Bill Pmt -Check	05/29/2020	60275	Mission Uniform & Linen	299313	-522.10
Bill Pmt -Check	05/29/2020	60276	Pacific Gas & Electric (Non-Energy)	2072047	-459.79
Bill Pmt -Check	05/29/2020	60277	Pape Material Handling	340686, 490169, 1101058	-59.07
Bill Pmt -Check	05/29/2020	60278	Razursharp	HUMBOLBOX	-175.70
Bill Pmt -Check	05/29/2020	60279	Security Lock & Alarm	keys	-36.43
Bill Pmt -Check	05/29/2020	60280	Shelter Cove Fishing Preservation Inc	SC Janitorial May 2020	-2,083.33
Bill Pmt -Check	05/29/2020	60281	Shelter Cove Resort Improvement District	SC	-95.60
Bill Pmt -Check	05/29/2020	60282	Standard Insurance Company	ST 908447 0001	-202.60
Bill Pmt -Check	05/29/2020	60283	Staples Credit Plan	6035 5178 1247 5530	-38.99
Bill Pmt -Check	05/29/2020	60284	World Oil Environmental Services		-175.00
Bill Pmt -Check	05/29/2020	60285	City of Eureka	Aerial Photo and Lidar Acquisition 20...	-7,000.00
Total 10200.1 - Cash in BBVA, Checking					-406,127.60
TOTAL					-406,127.60

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

April 23, 2020

The Humboldt Bay Harbor, Recreation and Conservation District met in regular session on the above date, Closed Session met at 6:00 P.M., Regular Session met at 7:00 P.M. by teleconference.

CLOSED SESSION – 6:00 P.M.

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters on the closed session meeting agenda: Kent Sawatsky

- a) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 and 401-112-024 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: California Marine Investments LLC. Under negotiation: price and payment terms.
- b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property in Fields Landing, Humboldt County, with Assessor's Parcel Numbers, 307-101-002 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Tod Reincke. Under negotiation: price and payment terms.
- c) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential purchase of real property with Assessor's Parcel Numbers 401-112-021, 401-031-061, 401-031-040, and 401-031-054 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Diamond Resource Company. Under negotiation: price and payment terms.
- d) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Cloud Inc. Under negotiation: price and payment terms.
- e) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 and 401-112-024 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: EWP Renewable Corp. Under negotiation: price and payment terms.
- f) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential lease of real property in Eureka, Humboldt County, with Assessor's Parcel Numbers, APNs 002-161-001, 002-162-001, 014-161-006, 014-161-007, and 014-161-014 pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Cloud Inc. Under negotiation: price and payment terms.

REGULAR SESSION - 7:00 P.M.

ROLL CALL:

PRESENT: DALE
 HIGGINS
 KULLMANN
 DOSS
 MARKS

ABSENT: NONE

QUORUM: YES

PLEDGE OF ALLEGIANCE

Draft Minutes for April 23, 2020 Regular Board Meeting

REPORT ON EXECUTIVE CLOSED SESSION – Met on items A, B and C, no reportable action. Closed session reconvened after regular session at 8:45 P.M and adjourned at 9:49 P.M. No reportable action on items D, E & F.

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters not on this meeting’s agenda: Kent Sawatsky, Uri Driscoll, and Joan Romo. Scott Frazier requested that Items A and B be removed from the consent calendar for further discussion.

CONSENT CALENDAR

- a) Receive District Financial Reports for January 2020
- b) Receive District Financial Reports for February 2020
- c) Adopt Minutes for February 27, 2020 Regular Board Meeting
- d) Adopt Minutes for March 18, 2020 Special Board Meeting
- e) Adopt Minutes for March 31, 2020 Special Board Meeting
- f) Adopt Minutes for April 9, 2020 Special Board Meeting
- g) Approval of Permit and Agreement Renewal to Operate a Charter Service Business with Reef Twibell, dba Humboldt Sportfishing
- h) Approval of Permit and Agreement Renewal to Operate a Charter Service Business with Mike Stratman, dba Redwood Coast Fishing
- i) Approval of Permit and New Agreement to Operate a Charter Service Business with Micah Woolworth, dba Lost Coast Sportfishing
- j) Approval of Permit and New Agreement to Operate a Charter Service Business with Jeff Stackhouse, dba Stackhouse Guide Services
- k) Schedule a Special Board meeting on Thursday, May 14, 2020

I. COMMISSIONER MARKS MOVED TO APPROVE CONSENT CALENDAR ITEMS C-K.
COMMISSIONER HIGGINS SECONDED.

II. Chair Kullmann opened the item to the public comment. No one commented.

III. Chair Kullmann moved the discussion back to the Commission.

ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS

Noes: NONE

Absent: NONE

Abstain: NONE

I. COMMISSIONER HIGGINS MOVED TO APPROVE CONSENT CALENDAR ITEMS A & B.
COMMISSIONER DALE SECONDED.

II. Chair Kullmann opened the item to the public comment. Scott Frazier and Kent Sawatsky commented.

III. Chair Kullmann moved the discussion back to the Commission.

ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.

Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS

Noes: NONE

Absent: NONE

Abstain: NONE

COMMUNICATIONS AND REPORTS

- a) Executive Director’s Report
 - I. Executive Director presented Executive Director’s Report.
- b) Staff Reports
 - I. Staff presented on recent District activities.
- c) District Counsel and District Treasurer Reports
 - I. No report.
- d) Commissioner and Committee Reports
 - I. Commissioners reported on their recent activities.
- e) Others
 - I. No report.

UNFINISHED BUSINESS

- a) **Receive Report and Receive Direction from the Board Regarding Districts Response to COVID-19.**

Draft Minutes for April 23, 2020 Regular Board Meeting

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. No one commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken

b) Consider Authorizing the Executive Director to Execute a Lease Agreement with Reincke Marine Fabrication to operate the Fields Landing Boat Yard

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER HIGGINS MOVED TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A LEASE AGREEMENT WITH REINCKE MARINE FABRICATION TO OPERATE THE FIELDS LANDING BOAT YARD.
COMMISSIONER DOSS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

c) Receive an Update on the Subtidal and Intertidal Humboldt Bay Mariculture Pre-Permitting Projects

- I. District Staff presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken.

NEW BUSINESS

a) Accept the Audit Report for the 2018-2019 Fiscal Year

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER HIGGINS MOVED TO ACCEPT THE AUDIT REPORT FOR THE 2018-2019 FISCAL YEAR.
COMMISSIONER DALE SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

b) Consider Authorizing Staff to Release a Request for Proposals for 2020 Woodley Island Marina Dredging

- I. District Staff presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. No one commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER HIGGINS MOVED TO AUTHORIZE STAFF TO RELEASE A REQUEST FOR PROPOSALS FOR 2020 WOODLEY ISLAND MARINA DREDGING.
COMMISSIONER DALE SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE

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Absent: NONE
Abstain: NONE

c) Consideration of Initial 2020-21 District Budget Preparation Schedule

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky and Scott Frazier commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken.

d) Authorize the Acquisition of APNs 002-161-001, 002-162-001, 014-161-006, 014-161-007, and 014-161-014

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER DOSS MOVED TO AUTHORIZE THE ACQUISITION OF APNs 002-161-001, 002-162-001, 014-161-006, 014-161-007, AND 014-161-014.
COMMISSIONER DALE SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

e) Consideration of lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021

- I. Executive Director requested to table the item.
- II. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER HIGGINS MOVED TO TABLE THE CONSIDERATION OF LEASE OF REAL PROPERTY ON THE SAMOA PENINSULA, HUMBOLDT COUNTY, APN 401-112-021
COMMISSIONER DALE SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE

ADMINISTRATIVE AND EMERGENCY PERMITS

a) Administrative Permit A-2020-02 California Redwood Company Dock Repairs

- I. Executive Director reported on issuance of Administrative Permit A-2020-02.

ADJOURNMENT – 8:41 P.M.

APPROVED BY:

RECORDED BY:

Patrick Higgins
Secretary of the Board of Commissioners

Mindy Hiley
Director of Administrative Services

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

April 29, 2020

The Humboldt Bay Harbor, Recreation and Conservation District met in special session on the above date, Closed Session met at 5:00 P.M. Special Session met at 6:00 P.M via video conference with a teleconference option.

CLOSED SESSION – 5:00 PM

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters on the closed session meeting agenda: NO ONE.

- a) **CONFERENCE WITH REAL PROPERTY NEGOTIATORS.** Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor’s Parcel Numbers, 401-112-021 and 401-112-024 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: California Marine Investments LLC. Under negotiation: price and payment terms.
- b) **CONFERENCE WITH REAL PROPERTY NEGOTIATORS.** Terms of potential purchase of real property with Assessor’s Parcel Numbers 401-112-021, 401-111-006, 401-122-011, 401-122-012, 401-031-061, 401-031-070, 401-031-040, and 401-031-055 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Diamond Resource Company and DANCO. Under negotiation: price and payment terms.
- c) **CONFERENCE WITH REAL PROPERTY NEGOTIATORS.** Terms of potential lease of real property on the Samoa Peninsula, Humboldt County, with Assessor’s Parcel Numbers, 401-112-021 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Cloud Inc. Under negotiation: price and payment terms.
- d) **CONFERENCE WITH REAL PROPERTY NEGOTIATORS.** Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor’s Parcel Numbers, 401-121-012 and 401-121-010 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: EWP Renewable Corp. Under negotiation: price and payment terms.

SPECIAL SESSION – 6:00 P.M.

ROLL CALL:

PRESENT: DALE
 DOSS
 MARKS
 HIGGINS
 KULLMANN

ABSENT: NONE
QUORUM: YES

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters not on this meeting’s agenda: Kent Sawatsky.

NEW BUSINESS

- a) **Consideration of lease of real property on the Samoa Peninsula, Humboldt County, with Assessor’s Parcel Numbers, 401-112-021 and 401-112-024 to California Marine Investments LLC.**
 - I. Executive Director presented the item.
 - II. The Commission discussed the item.
 - III. Chair Kullmann opened the item to public comment. Ryan Plotz and Kent Sawatsky commented.

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- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER DALE MOVED TO AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN A LETTER OF INTENT AND NEGOTIATE A LEASE AGREEMENT TO BRING BACK TO THE BOARD.
COMMISSIONER DOSS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

b) Consideration of lease or other real property agreement on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers 401-112-021, 401-111-006, 401-122-011, 401-122-012, 401-031-061, 401-031-070, 401-031-040, and 401-031-055 with Green Diamond Resource Company and DANCO.

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER HIGGINS MOVED TO AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A SHARED SERVICES AGREEMENT.
COMMISSIONER DOSS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

c) Consideration of lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 with Green Cloud Inc.

- I. Executive Director recommended the item to be tabled.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Ryan Plotz and Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER MARKS MOVED TO TABLE THIS ITEM FOR A FUTURE MEETING.
COMMISSIONER HIGGINS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

ADJOURNMENT – 6:50 P.M.

APPROVED BY:

RECORDED BY:

Patrick Higgins
Secretary of the Board of Commissioners

Mindy Hiley
Director of Administrative Services

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

May 14, 2020

The Humboldt Bay Harbor, Recreation and Conservation District met in special session on the above date, Closed Session met at 5:00 P.M. Special Session met at 7:00 P.M via video conference with a teleconference option.

CLOSED SESSION – 5:00 PM

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters on the closed session meeting agenda: Kent Sawatsky.

- a) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 and 401-112-024 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: California Marine Investments LLC (Nordic Aquafarms). Under negotiation: price and payment terms.
- b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential purchase of real property with Assessor's Parcel Numbers 401-112-021, 401-111-006, 401-122-011, 401-122-012, 401-031-061, 401-031-070, 401-031-040, and 401-031-055 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Diamond Resource Company, Simpson Paper Company and DANCO. Under negotiation: price and payment terms.
- c) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-112-021 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Trans Pacific Networks LLC and Inyo Networks Inc. Under negotiation: price and payment terms.
- d) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers, 401-121-012 and 401-121-010 California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: EWP Renewable Corp. Under negotiation: price and payment terms.
- e) PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code section 54957(b)(1). Title: Executive Director – Larry Oetker

SPECIAL SESSION – 7:00 P.M.

ROLL CALL:

PRESENT: DALE
 DOSS
 MARKS
 HIGGINS
 KULLMANN

ABSENT: NONE

QUORUM: YES

REPORT ON EXECUTIVE CLOSED SESSION: No reportable action.

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters not on this meeting's agenda: Kent Sawatsky.

BUSINESS

- a) **Receive Report and Receive Direction from the Board Regarding Districts Response to COVID-19.**
 - I. Executive Director presented the item.
 - II. The Commission discussed the item.

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- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken.

b) Review and Public Comment on Draft Relocation Plan associated with the Proposed California Marine Investments LLC (Nordic Aquafarms) Lease Agreement at Redwood Marine Terminal II.

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken.

c) Approve a Lease Agreement with DANCO for use of the Harbor District's ocean outfall pipeline for the new Town of Samoa Wastewater Treatment Plant Discharge

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER HIGGINS MOVED TO AUTHORIZE THE EXECUTIVE DIRECTOR TO DRAFT AND EXECUTE A LEASE AGREEMENT WITH DANCO FOR USE OF THE OUTFALL PIPE CONSISTENT WITH THE TERMS DISCUSSED AND BRING BACK TO THE BOARD FOR RATIFICATION AT THE MAY 28, 2020 REGULAR MEETING.
COMMISSIONER DOSS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

d) Consider authorizing purchase of and easement, fee title, lease or other real property agreement on the Samoa Peninsula, Humboldt County, with Assessor's Parcel Numbers 401-111-006 from Green Diamond Resource Company and/or Simpson Paper Company.

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER HIGGINS MOVED TO TABLE THE ITEM.
COMMISSIONER MARKS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

PERMITS

a) Consideration of Extension for Permit No. 2018-01: Caltrans Eureka-Arcata Corridor Project

- I. District staff presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER DALE MOVED TO APPROVE AN EXTENSION OF PERMIT NUMBER 2018-01 FOR THE CALTRANS EUREKA-ARCATA CORRIDOR PROJECT THROUGH MAY 22, 2021.
COMMISSIONER DOSS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE

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Absent: NONE
Abstain: NONE

ADJOURNMENT – 7:39 P.M.

APPROVED BY:

RECORDED BY:

Patrick Higgins
Secretary of the Board of Commissioners

Mindy Hiley
Director of Administrative Services

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

May 28, 2020

The Humboldt Bay Harbor, Recreation and Conservation District met in Regular Session on the above date, Closed Session met at 6:00 P.M., Regular Session met at 7:00 P.M. by video conference with an option for teleconference.

CLOSED SESSION – 5:00 P.M.

- a) PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code section 54957(b)(1). Title: Executive Director – Larry Oetker
- b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential purchase of real property with Assessor’s Parcel Numbers 401-111-006-000 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Green Diamond Resource Company and/or Simpson Paper Company and Under negotiation: price and payment terms.
- c) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential purchase of real property with Assessor’s Parcel Numbers 401-031-070-000, 401-031-069-000, 401-031-071-000, and 401-112-029 on the Samoa Peninsula, Humboldt County, California pursuant to California Government Code § 54956.8. District negotiators: Larry Oetker, Executive Director and Ryan Plotz, District Counsel. Negotiating party: Samoa Pacific Group. Under negotiation: price and payment terms.

REGULAR SESSION - 7:01 P.M.

ROLL CALL:

PRESENT: DALE
 HIGGINS
 KULLMANN
 DOSS
 MARKS

ABSENT: NONE

QUORUM: YES

REPORT ON EXECUTIVE CLOSED SESSION – No reportable action.

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters not on this meeting’s agenda: Robin Grey-Stewart, Kent Sawatsky, and John Nicolini.

COMMUNICATIONS AND REPORTS

- a) Executive Director’s Report
 - I. Executive Director presented Executive Director’s Report.
- b) Staff Reports
 - I. Staff presented on recent District activities.
- c) District Counsel and District Treasurer Reports
 - I. No report.
- d) Commissioner and Committee Reports
 - I. Commissioners reported on their recent activities.
- e) Others
 - I. No report.

BUSINESS

- a) **Receive Report and Receive Direction from the Board Regarding Districts Response to COVID-19.**
 - I. Executive Director presented the item.
 - II. The Commission discussed the item.

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- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken

b) Approval of Draft Relocation Plan associated with the Proposed Nordic Aquafarms Lease Agreement at Redwood Marine Terminal II

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. No one commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER HIGGINS MOVED TO APPROVE THE DRAFT RELOCATION PLAN ASSOCIATED WITH THE PROPOSED NORDIC AQUAFARMS LEASE AGREEMENT AT REDWOOD MARINE TERMINAL II.
COMMISSIONER MARKS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

c) FY 2020-21 District Budget Preparation – draft goals revenues and expenditures by programmatic activity.

- I. District Staff presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky and Ted Romo commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. Executive Director stated two tentative special meetings were scheduled for budget approval process on June 11, 2020 and July 9, 2020.
- VI. No formal action was taken

d) Consideration of Resolution 2020-06, A Resolution to Authorize the Execution of a Grant Agreement and Accept Funds from the California Department of Fish and Wildlife for Secretariat Services for the Harbor Safety Committee of the Humboldt Bay Area for Fiscal Year 2020-2021.

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. No one commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. COMMISSIONER DOSS MOVED TO ADOPT RESOLUTION 2020-06, A RESOLUTION TO AUTHORIZE THE EXECUTION OF A GRANT AGREEMENT AND ACCEPT FUNDS FROM THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE FOR SECRETARIAT SERVICES FOR THE HARBOR SAFETY COMMITTEE OF THE HUMBOLDT BAY AREA FOR FISCAL YEAR 2020-2021.
COMMISSIONER DALE SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITHOUT DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE

PERMITS – NONE

ADJOURNMENT – 8:39 P.M.

Draft Minutes for May 28, 2020 Regular Board Meeting

APPROVED BY:

RECORDED BY:

Patrick Higgins
Secretary of the Board of Commissioners

Mindy Hiley
Director of Administrative Services

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

June 11, 2020

The Humboldt Bay Harbor, Recreation and Conservation District met in Special Session on the above date at 6:00 P.M via video conference with a teleconference option.

SPECIAL SESSION – 6:02 P.M.

ROLL CALL:

PRESENT: DALE
 DOSS
 MARKS
 HIGGINS
 KULLMANN

ABSENT: NONE

QUORUM: YES

PUBLIC COMMENT: The following individuals addressed the Commission regarding subject matters not on this meeting's agenda: Scott Frazier.

BUSINESS

a) Jennifer Marlow Research Grant Proposal: Frameworks for Managing the Known Vulnerability from Sea Level Rise to Bluff Erosion and Exposure of Humboldt Bay Nuclear Power Plant's Spent Nuclear Fuel Storage Site.

- I. Chair Kullmann presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Jennifer Marlow commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
CHAIR KULLMANN MADE A MOTION TO SIGN A LETTER OF SUPPORT FOR JENNIFER MARLOW'S RESEARCH GRANT PROPOSAL.
COMMISSIONER HIGGINS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

b) Receive Report and Receive Direction from the Board Regarding Districts Response to COVID-19.

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Scott Frazier commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
- V. No formal action was taken.

c) FY 2020-21 District Budget Preparation—draft goals revenues and expenditures by programmatic activity.

- I. District Staff presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky and Scott Frazier commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER MARKS MADE A MOTION TO ADOPT THE PRELIMINARY BUDGET.
COMMISSIONER HIGGINS SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

d) Humboldt Local Agency Formation Commission Independent Special District Election – Official Ballot

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Chair Kullmann opened the item to public comment. Kent Sawatsky commented.
- IV. Chair Kullmann moved the discussion back to the Commission.
COMMISSIONER MARKS MOVED TO VOTE FOR D. DAVENPORT IN THE HUMBOLDT LOCAL AGENCY FORMATION COMMISSION INDEPENDENT SPECIAL DISTRICT ELECTION.
COMMISSIONER DALE SECONDED.
ROLL CALL VOTE WAS CALLED, MOTION CARRIED WITH NO DISSENT.
Ayes: DALE, DOSS, HIGGINS, KULLMANN, MARKS
Noes: NONE
Absent: NONE
Abstain: NONE

e) Appoint Board Member to the Wind Energy Subcommittee

CHAIR KULLMANN MOVED TO APPOINT COMMISSIONER MARKS TO THE WIND ENERGY SUBCOMMITTEE.
COMMISSIONER DOSS SECONDED.
NO VOTE WAS CALLED, IT WAS DECIDED THE CHAIR HAD THE AUTHORITY TO APPOINT COMMISSIONER MARKS TO THE SUBCOMMITTEE.

PERMITS – NONE

FUTURE AGENDA ITEMS

- I. Commissioner Dale requests adding a decision about the Dog Ranch property acquisition.
- II. Commissioner Marks would like to receive a report on the Fairhaven Community Service District and what the relationship will be regarding infrastructure on the Samoa Peninsula for a near future meeting agenda.
- III. Special Meeting week of July 12th to award the Dredging Contract.

ADJOURNMENT – 7:46 P.M.

APPROVED BY:

RECORDED BY:

Patrick Higgins
Secretary of the Board of Commissioners

Mindy Hiley
Director of Administrative Services

Patrick Burns
Comet Fisheries/North Coast River Adventures
(707)-616-3716
P.O. Box 5694
Eureka, CA 95502

Dear Humboldt Bay Harbor District,

This letter is to inform you of my intent to operate a charter business out of Woodley Island. I currently own two Commercial Fishing Vessels docked at Woodley Island; The F/V Comet, and the F/V Belle J II. I have owned and operated the F/V Comet for six years. Last year I acquired the F/V Belle J II, and I operated both vessels during the 2020 commercial crab season.

In 2016 I received my 6-pack Merchant Mariner Credential from the U.S. Coast Guard, with plans to begin an ocean charter business. Prior to that, I have successfully owned and operated a river fishing guide business, North Coast River Adventures, for the past twelve years. I plan to expand my business to include ocean charters as well as continue to offer guided river trips.

Please contact me with any questions. Thank you for your time and consideration,

Patrick Burns
(707)-616-3716

HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO
OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Patrick Burns
dba *Comet Fisheries/North Coast River Adventures*
P.O. Box 5694
Eureka, CA 95502

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **PATRICK BURNS** an individual, dba ***Comet Fisheries/North Coast River Adventures*** hereinafter referred to as "**Patrick Burns.**"

WHEREAS, Patrick Burns will be the Lessee of Slip Number 05, Float F, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about June 15, 2020 **Patrick Burns** made written request to operate the business ***Comet Fisheries/North Coast River Adventures*** on a vessel moored at Slip Number 05, Float F at the Woodley Island Marina; and

WHEREAS, Ordinance Number 9, Section 6.7, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of **Patrick Burns:**

2020 Comet Fisheries/North Coast River Adventures
Page 1 of 6

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit **Patrick Burns**, an individual, to operate the business ***Comet Fisheries/North Coast River Adventures*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Patrick Burns** operates the business of charter services from the Woodley Island Marina.
2. The term of this Permit and Agreement shall be for one (1) year commencing June 26, 2020 and terminating on June 25, 2021. District or **Patrick Burns** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **Patrick Burns** with or without cause or reason by giving **Patrick Burns** sixty (60) days written notice of termination and **Patrick Burns** shall terminate his business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Patrick Burns**, at P.O. Box 5694 Eureka, CA 95502. In the event **Patrick Burns** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Patrick Burns** Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Patrick Burns** Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.
3. In addition to the monthly rental payable by **Patrick Burns** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Patrick Burns** shall

pay District the sum of two hundred fifty dollars and no cents (\$250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: June 26, 2020, **Patrick Burns** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Patrick Burns** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Patrick Burns** from liability for bodily injury, death, or property damage as a result of his operation and shall name District as an additional insured and provide District, prior to June 26th each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents (\$1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Patrick Burns** shall forthwith cease and stop his **Comet Fisheries/North Coast River Adventures** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.
5. **Patrick Burns** shall, prior to commencing operation of **Comet Fisheries/North Coast River Adventures** obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license, and California Department of Fish and Wildlife licenses.
6. **Patrick Burns** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Patrick Burns** and **Patrick Burns** shall indemnify and hold harmless District, its

Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Patrick Burns** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Patrick Burns** operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Patrick Burns** at all times shall comply and shall obtain compliance of Lessee's family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.
8. **Patrick Burns** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.
9. **Patrick Burns** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Patrick Burns** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform

in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Patrick Burns** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Patrick Burns** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Patrick Burns** is hereby notified by the District that this Permit and Agreement to Operate ***Comet Fisheries/North Coast River Adventures*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Patrick Burns** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Patrick Burns** agrees and acknowledges that he has actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Patrick Burns** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessels for Woodley Island Marina. **Patrick Burns** hereby acknowledges that he has actual knowledge of the existence of a possessory interest tax and has read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Patrick Burns** agrees to and shall pay

all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and his Berthing Permit and Rental Agreement for his vessel, for Woodley Island Marina.

EXECUTED on, _____, 2020, by authority of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT.

**STEPHEN KULLMANN, President
Board of Commissioners
HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT**

Patrick Burns, an individual, dba, *Comet Fisheries/North Coast River Adventures*, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _____, 2020

By _____
**Patrick Burns, Owner
*Comet Fisheries/North Coast River Adventures***

HUMBOLDT BAY HARBOR,
RECREATION, AND CONSERVATION DISTRICT
(707) 443-0801 P.O. BOX 1030, EUREKA, CA 95502-1030

BERTHING PERMIT AND RENTAL AGREEMENT
FOR WOODLEY ISLAND MARINA

(30 days or more)

Date Filed: 24 June 2015

Name: Patrick Burns Title: Owner Phone: 616-3716

Legal Owner of Vessel: Patrick Burns Home Phone: [REDACTED]

Legal Owner Home Address: P.O. Box 5694, Eureka, CA 95502

Legal Owner Business Address:

Business Phone: Cellular Phone: Pager Number:

Name of Vessel: Comet Home Port: Eureka Vessel Cellular:

Name of Operator: Phone:

Address of Operator:

Registration or

Documentation No.: 1160974 Length: 32 Beam: 11 Draft: 4 Year Built: 2004 Builder: Uniflite

Type: Inboard Hull: Wood Engine: Gas
 Outboard Metal Diesel
 Sail Fiber Glass Other
 Inboard/Outboard Ferro/Concrete

Propellers: Single Twin Make of Engine: H.P.: Radio Call Letters: Liveboard: Yes No

Emergency Contacts/Phone #: [REDACTED]

THIS AGREEMENT between the undersigned (hereafter called "Lessee") and the Humboldt Bay Harbor, Recreation, and Conservation District (hereafter called "District") is made with reference to the following agreed facts:

- A. The District operates and maintains a marina or moorage facility at Woodley Island, Humboldt Bay, California.
- B. Lessee has read and is familiar with the terms and conditions herein.

NOW, THEREFORE, IT IS AGREED:

1. Premises

District leases to Lessee and Lessee leases from District pursuant to this Agreement Slip No. ~~4-13~~ ^{F05} at the Woodley Island Marina, Woodley Island, Humboldt Bay, California, (hereafter called "premises") for the use by Lessee for moorage by Lessee of Lessee's vessel described above.

2. Terms

The term of the lease shall commence at 8:00 a.m. on the 24 day of June, 2015 to 8:00 a.m. the 1st of the next calendar month following the commencement date and thereafter the term shall be a periodic month to month tenancy from 8:00 a.m. on the first day of each successive calendar month to 8:00 a.m. on the first day of the month following. This tenancy may be terminated by either party by the giving of 30 days prior written notice. District may revoke immediately any berthing assignment permit when Lessee violates any one of the Marina Rules and Regulations or any one of the terms and conditions contained herein.

3. Rent

Lessee shall pay as rent to the District the sum of \$ 216.00 per calendar month, including all utility surcharge as set by the Board of Commissioners, due and payable in advance on the first day of each calendar month, with no prior notice or demand and free of all claims or off sets, in lawful money of the United States of America. A late charge shall be applied to accounts not paid in full on or before the tenth (10th) of the month. One percent (1%) interest shall be applied to the accounts not paid in full by the end of the month. The sum of \$ 259.20 is due and payable to the District upon execution of this Agreement, of which \$ 43.20 is the pro-rate portion of the rent from the commencement date to the first day of the month following the commencement date, plus \$ 216.00 as a security deposit refundable to Lessee upon termination or expiration of the term and upon Lessee's faithful performance of all the terms, covenants and conditions of this Agreement. The security deposit shall be a sum equal to one month's rental charge. It is understood that District may change or increase the moorage rates for said slip by giving Lessee 30 days notice and Lessee shall pay District the new moorage rates 30 days after said notice by District.

Check on (1) where applicable:

- (A) Monthly rental for exclusive possession or use of such berth is the sum of \$ _____ per foot, or 25% higher than non-exclusive possession, based upon the length of the slip, length of Lessee's vessel, or combined length of vessels, whichever is greater plus surcharges as set by the Board of Commissioners.
- (B) Monthly rental for non-exclusive possession or use of berth is the sum of \$ 5.40 per foot based upon the length of the slip used, length of Lessee's vessel, or combined length of vessels, whichever is greater plus surcharges as set by the Board of Commissioners.
- (C) The sum of \$ _____ which equals twelve (12) months advance payment of \$ _____ per month plus \$ _____ security deposit for exclusive possession and use of such berth is the sum of \$ _____ per foot, or 25% higher than non-exclusive possession, based upon the length of the slip used, length of lessee's vessel or combined length of vessels, whichever is greater plus surcharges as set by the Board of Commissioners. It is agreed that payment of advance monthly payments shall remain at all times a month to month tenancy. In the event lessee quits the premises for any reason there shall be no refund of any advance monies paid to the District, except there shall be a pro-rate refund if the vessel is destroyed or ownership is sold or transferred.
- (D) The sum of \$ _____ which equals twelve (12) months advance payment of \$ _____ per month plus \$ _____ security deposit for non-exclusive possession and use of such berth is the sum of \$ _____ per foot based upon the length of the slip used, length of Lessee's vessel or combined length of vessels, whichever is greater plus surcharges as set by the Board of Commissioners. It is agreed that payment of advance monthly payments shall remain at all times a month to month tenancy. In the event Lessee quits the premises for any reason there shall be no refund of any advance monies paid to the District, except there shall be a pro-rate refund if the vessel is destroyed or ownership is or transferred.

4. Holding Over

If the Lessee holds possession of the premises after notice of termination by the District, Lessee's rental obligation to the District shall be at the transient daily rental rate for Lessee's size vessel, until Lessee actually vacates said slip and otherwise upon all of the Agreements herein contained.

5. Notice of Possessory Interest Tax

The Lessee is hereby notified by District that this Permit and Rental Agreement or property interest created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 and 108 of the California Revenue and Taxation Code and that Lessee and /or party in whom the possessory interest is vested may be subject to the payment of property taxes levied on such interest.

6. Non-Exclusive Use of Berth.

In the event Lessee's use is based upon a monthly rental for non-exclusive use as designated in paragraph 3 above, possession of the above slip is granted for non-exclusive possession or use of such berth. Non-exclusive possession or use of the slip or berth means a right to the use of a specific slip or berth when such specific slip or berth is also used intermittently by other, even though such possession or right to use such slip or berth is paramount to any use by others. District reserves the right to assign to others the right to use such facility.

In the event Lessee's vessel will be absent from the slip for a stated period of time of 5 days or more, District may, at its sole option, allow use or sublet of the slip by another vessel for such stated period and District may in its sole and absolute discretion collect moorage fees from another vessel and Lessee shall receive no credit or reimbursement from District except as set forth hereafter. Prior to Lessee's vessel departure from the slip for a stated period of 5 days or more, Lessee shall notify District of the vessel's intended schedule and the District shall have the right to rent the slip to other vessels, including but not limited to transient vessels during Lessee's absence. The District is under no obligation to have the slip clear for Lessee prior to the intended estimated time of arrival unless Lessee notifies the District at least 24 hours in advance of his arrival.

7. Exclusive Use of Berth

In the event Lessee's use is based upon a monthly rental for exclusive use or possession of such berth as designated in paragraph 3 above, District may not sublet the use of the slip to others so long as Lessee is not in default in any of the terms herein.

8. Use

(A) Lessee agrees at all times to use the premises exclusively for the moorage of vessel described herein.

Lessee further agrees at all times that (1) No vessel moored or berthed within the Woodley Island Marina shall be used as a place of residence and no person shall use the same as a place of residence except the holder of a Live Aboard Permit issued by the District. Living aboard or overnight occupancy of any vessel in the Harbor for more than 3 consecutive nights by any person or persons at any time is strictly prohibited, except for the holder of a Live Aboard Permit issued by the District. No vessel shall be used as a residence except a transient vessel occupying a berth under a temporary assignment for less than thirty (30) days or the holder of a Live Aboard Permit issued by the District. For

COMMISSIONERS
 1st Division
 Larry Doss
 2nd Division
 Greg Dale
 3rd Division
 Stephen Kullmann
 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
June 25, 2020

TO: Honorable Board President and Harbor District Board Members

FROM: Larry Oetker, Executive Director

DATE: June 19, 2020

Title: **Approve Salary Schedules for CalPERS Audit Compliance**

STAFF RECOMMENDATION: Staff recommends that the Board: Approve Salary Schedules from FY 2014-2015 through FY 2019-2020 to reflect increases outside the published rages.

BACKGROUND: Under the Collective Bargaining Agreement effective July 1, 2013 through June 30, 2016 and automatically renewing year to year until a new agreement has been negotiated, hourly employees annually receive a CPI increase as well as the opportunity to receive a 2.5% pay increase based on a performance evaluation. Due to the long-term employment of some recent retirees, there are three positions where retirees have exceeded the salary range of the adopted salary schedule.

DISCUSSION: California Code of Regulations (CCR)570.5 requires a publicly available pay schedule showing the payrate for each identified position. During a recent audit by CalPERS for compliance, it was determined that adopted salary schedule did not comply with the above CCR and retirement benefits were at risk for three recent retirees. Retirement benefits will remain intact with the approval of the below attachments.

Current Union negotiations are underway, and a new collective bargaining agreement will be scheduled for adoption in the coming months. It is recommended that salary schedules be reviewed to ensure that salary ranges include accurate maximum rates of all employees.

ATTACHMENTS:

- A. Salary Schedule for FY 2014-2015
- B. Salary Schedule for FY 2015-2016
- C. Salary Schedule for FY 2016-2017
- D. Salary Schedule for FY 2017-2018
- E. Salary Schedule for FY 2018-2019
- F. Salary Schedule for FY 2019-2020
- G. Salary Schedule for District Management Staff FY 2019-2020

EXHIBIT "C"
SALARY SCHEDULE
FY 2014-2015
Revised June 25, 2020

<u>POSITION</u>	<u>HOURLY RATE</u> <u>MIN - MAXIMUM</u>
<u>HARBOR MAINTENANCE</u>	
Harbor Maintenance III (Foreman)	\$22.00 - \$28.00
Harbor Maintenance II	\$16.00 - \$22.00
Harbor Maintenance I *	\$12.00 - \$16.00
<i>*Harbor Maintenance I (Y-Rated Range)</i>	<i>\$12.00 - \$20.31</i>
<u>MARINA OPERATIONS</u>	
Marina Manager (Dock Master)**	\$25.00 - \$35.00
<i>*Marina Manager (Y-Rated Range)</i>	<i>\$25.00 - \$35.03</i>
Marina Assistant	\$12.00 - \$18.00
<u>BOATYARD OPERATIONS</u>	
Travel Lift Operator	\$18.00 - \$25.00
Boatyard Assistant (non-operator)	\$12.00 - \$18.00
<u>OFFICE ADMINISTRATION</u>	
Office Bookkeeper	\$18.00 - \$28.00
Office Assistant (Front Desk Clerk)	\$12.00 - \$18.00
<u>DREDGE OPERATIONS</u>	
Dredge Captain	\$25.00 - \$35.00
Leverman	\$18.00 - \$25.00
Tender Operator / Crew	\$15.00 - \$18.00

**Employees hired prior to June 30, 2014*

***Management position (current staff exception)*

Effective: July 1, 2014

EXHIBIT "C"
SALARY SCHEDULE
FY 2015-2016
Revised June 25, 2020

<u>POSITION</u>	<u>HOURLY RATE</u> <u>MIN - MAXIMUM</u>
<u>HARBOR MAINTENANCE</u>	
Harbor Maintenance III (Foreman)	\$22.00 - \$28.00
Harbor Maintenance II	\$16.00 - \$22.00
Harbor Maintenance I *	\$12.00 - \$16.00
<i>*Harbor Maintenance I (Y-Rated Range)</i>	\$12.00 - \$20.43
<u>MARINA OPERATIONS</u>	
Marina Manager (Dock Master)**	\$25.00 - \$35.00
<i>*Marina Manager (Y-Rated Range)</i>	\$25.00 - \$35.24
Marina Assistant	\$12.00 - \$18.00
<u>BOATYARD OPERATIONS</u>	
Travel Lift Operator	\$18.00 - \$25.00
Boatyard Assistant (non-operator)	\$12.00 - \$18.00
<u>OFFICE ADMINISTRATION</u>	
Office Bookkeeper	\$18.00 - \$28.00
Office Assistant (Front Desk Clerk)	\$12.00 - \$18.00
<u>DREDGE OPERATIONS</u>	
Dredge Captain	\$25.00 - \$35.00
Leverman	\$18.00 - \$25.00
Tender Operator / Crew	\$15.00 - \$18.00

**Employees hired prior to June 30, 2014*

***Management position (current staff exception)*

Effective: July 1, 2015

EXHIBIT "C"
SALARY SCHEDULE
FY 2016-2017
Revised June 25, 2020

<u>POSITION</u>	<u>HOURLY RATE</u> <u>MIN - MAXIMUM</u>
<u>HARBOR MAINTENANCE</u>	
Harbor Maintenance III (Foreman)	\$22.00 - \$28.00
Harbor Maintenance II	\$16.00 - \$22.00
Harbor Maintenance I *	\$12.00 - \$16.00
<i>*Harbor Maintenance I (Y-Rated Range)</i>	<i>\$12.00 - \$20.53</i>
<u>MARINA OPERATIONS</u>	
Marina Manager (Dock Master)**	\$25.00 - \$35.00
<i>*Marina Manager (Y-Rated Range)</i>	<i>\$25.00 - \$36.31</i>
Marina Assistant	\$12.00 - \$18.00
<u>BOATYARD OPERATIONS</u>	
Travel Lift Operator	\$18.00 - \$25.00
Boatyard Assistant (non-operator)	\$12.00 - \$18.00
<u>OFFICE ADMINISTRATION</u>	
Office Bookkeeper	\$18.00 - \$28.00
<i>*Office Bookkeeper (Y-Rated Range)</i>	<i>\$18.00 - \$29.22</i>
Office Assistant (Front Desk Clerk)	\$12.00 - \$18.00
<u>DREDGE OPERATIONS</u>	
Dredge Captain	\$25.00 - \$35.00
Leverman	\$18.00 - \$25.00
Tender Operator / Crew	\$15.00 - \$18.00

**Employees hired prior to June 30, 2014*

***Management position (current staff exception)*

Effective: July 1, 2016

EXHIBIT "C"
SALARY SCHEDULE
FY 2017-2018
Revised June 25, 2020

<u>POSITION</u>	<u>HOURLY RATE</u> <u>MIN - MAXIMUM</u>
<u>HARBOR MAINTENANCE</u>	
Harbor Maintenance III (Foreman)	\$22.00 - \$28.00
Harbor Maintenance II	\$16.00 - \$22.00
Harbor Maintenance I	\$12.00 - \$16.00
<u>MARINA OPERATIONS</u>	
Marina Manager (Dock Master)**	\$25.00 - \$35.00
<i>*Marina Manager (Y-Rated Range)</i>	\$25.00 - \$38.11
Marina Assistant	\$12.00 - \$18.00
<u>BOATYARD OPERATIONS</u>	
Travel Lift Operator	\$18.00 - \$25.00
Boatyard Assistant (non-operator)	\$12.00 - \$18.00
<u>OFFICE ADMINISTRATION</u>	
Office Bookkeeper	\$18.00 - \$28.00
<i>*Office Bookkeeper (Y-Rated Range)</i>	\$18.00 - \$30.67
Office Assistant I	\$12.00 - \$18.00
Office Assistant II	\$18.00 - \$22.00
<u>HARBOR SPECIALIST</u>	
Harbor Specialist I	\$18.00 - \$22.00
Harbor Specialist II	\$22.00 - \$26.00
Harbor Specialist III	\$26.00 - \$30.00
<u>DREDGE OPERATIONS</u>	
Dredge Captain	\$25.00 - \$35.00
Leverman	\$18.00 - \$25.00
Tender Operator / Crew	\$15.00 - \$18.00

**Employees hired prior to June 30, 2014*

***Management position (current staff exception)*

Effective: July 1, 2017

EXHIBIT "C"
SALARY SCHEDULE
FY 2018-2019
Revised June 25, 2020

<u>POSITION</u>	<u>HOURLY RATE</u> <u>MIN - MAXIMUM</u>
<u>HARBOR MAINTENANCE</u>	
Harbor Maintenance III (Foreman)	\$22.00 - \$28.00
Harbor Maintenance II	\$16.00 - \$22.00
Harbor Maintenance I	\$12.00 - \$16.00
<u>MARINA OPERATIONS</u>	
Marina Manager (Dock Master)**	\$25.00 - \$35.00
<i>*Marina Manager (Y-Rated Range)</i>	<i>\$25.00 - \$40.12</i>
Marina Assistant	\$12.00 - \$18.00
<u>BOATYARD OPERATIONS</u>	
Travel Lift Operator	\$18.00 - \$25.00
Boatyard Assistant (non-operator)	\$12.00 - \$18.00
<u>OFFICE ADMINISTRATION</u>	
Office Bookkeeper	\$18.00 - \$28.00
<i>*Office Bookkeeper (Y-Rated Range)</i>	<i>\$18.00 - \$31.50</i>
Office Assistant I	\$12.00 - \$18.00
Office Assistant II	\$18.00 - \$22.00
<u>HARBOR SPECIALIST</u>	
Harbor Specialist I	\$18.00 - \$22.00
Harbor Specialist II	\$22.00 - \$26.00
Harbor Specialist III	\$26.00 - \$30.00
<u>DREDGE OPERATIONS</u>	
Dredge Captain	\$25.00 - \$35.00
Leverman	\$18.00 - \$25.00
Tender Operator / Crew	\$15.00 - \$18.00

**Employees hired prior to June 30, 2014*

***Management position (current staff exception)*

Effective: July 1, 2018

EXHIBIT "C"
SALARY SCHEDULE
FY 2019-2020
Revised June 25, 2020

<u>POSITION</u>	<u>HOURLY RATE</u> <u>MIN - MAXIMUM</u>
<u>HARBOR MAINTENANCE</u>	
Harbor Maintenance III (Foreman)	\$22.00 - \$28.00
Harbor Maintenance II	\$16.00 - \$22.00
Harbor Maintenance I	\$12.00 - \$16.00
<u>MARINA OPERATIONS</u>	
Marina Assistant	\$12.00 - \$18.00
<u>BOATYARD OPERATIONS</u>	
Travel Lift Operator	\$18.00 - \$25.00
Boatyard Assistant (non-operator)	\$12.00 - \$18.00
<u>OFFICE ADMINISTRATION</u>	
Office Bookkeeper	\$18.00 - \$28.00
Office Assistant I	\$12.00 - \$18.00
Office Assistant II	\$18.00 - \$22.00
<u>HARBOR SPECIALIST</u>	
Harbor Specialist I	\$18.00 - \$22.00
Harbor Specialist II	\$22.00 - \$26.00
Harbor Specialist III	\$26.00 - \$30.00
<u>DREDGE OPERATIONS</u>	
Dredge Captain	\$25.00 - \$35.00
Leverman	\$18.00 - \$25.00
Tender Operator / Crew	\$15.00 - \$18.00

Effective: July 1, 2019

Humboldt Bay Harbor, Recreation and Conservation District Management Staff Annual Salary Schedule

FY 2019/2020

Revised June 25, 2020

<u>POSITION</u>	<u>ANNUAL SALARY RANGE MINIMUM - MAXIMUM</u>
Executive Director	\$100,000 - \$145,000
Deputy Director	\$90,000 - \$110,000
Director of Administrative Services	\$65,000 - \$85,000
Director of Harbor Operations	\$65,000 - \$85,000
Bar Pilot	\$70,000 - \$95,000
Director of Facilities Maintenance	\$65,000 - \$85,000
Marina Manager	\$52,000 - \$72,000

Effective: July 1, 2019

COMMISSIONERS
 1st Division
 Larry Doss
 2nd Division
 Greg Dale
 3rd Division
 Stephen Kullmann
 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
June 25, 2020

TO: Honorable Board President and Harbor District Board Members
FROM: Larry Oetker, Executive Director
DATE: June 19, 2020

TITLE: Consider Adopting Resolution No. 2020-07 Adopting the FY 2020-21 District Budget

RECOMMENDATION: It is recommended that the Board:

1. Receive a report of the draft goals, income and expenditures for port operations, conservation - recreation programs, general operating and staffing projections.
2. By roll call vote, adopt Resolution NO 2020-07 adopting the FY 2020-21 budget.

INTRODUCTION: The Board held budget meetings on May 28th and June 11th prior to adopting the FY 2020-21 preliminary budget in compliance with CA Harbors and Navigation Code Section 6093. Per Section 6093.3, the final budget shall be reported to the Board of Supervisors not later than August 1st. Staff does not propose to increase any fees during this budget cycle.

DISCUSSION: Staff has reviewed the preliminary budget income and expenditures to see if there were additional adjustments that could be made, new income sources, and expenditure reductions to find ways to fund the following projects which were cut from the Division recommended budget. The following adjustments have been made in the draft FY 2020-21 Budget. Staff will continue to monitor income and expenditures and make adjustments throughout the year to make sure that the District's finances are within budget.

Potential Funding Source	Unfunded Projects					Total
	RMT II Brownfield Pile removal	RMT II Ocean Outfall Anodes	Dredging Mitigation for suction dredge	Shelter Cove Fish Cleaning Station	Multipurpose Dock Offshore Wind	
	70,000	20,000	85,000	65,000	50,000	290,000
Fire Boat Rental fee (Simpson)		12,000				12,000
PCSD WWTP Outfall discharge fee		8,000				8,000
RMT II NMTC Admin reimbursement	36,000					36,000
FLBY Utility savings	25,000					25,000
Property Tax 1% increase from 2019-20	9,000					9,000
Dredge Fund Reserve			85,000			85,000
TOTAL	70,000	20,000	85,000	-	-	175,000

The Draft Budget is included as Attachment A. The numbers that are highlighted in yellow represent the numbers that have been changed from the adopted Preliminary Budget to fund the projects outlined in the table. A compiled list of the goals is included as Attachment B.

If an additional meeting is required to review the Budget prior to adoption, Staff recommends that the Board schedule a special meeting on July 16th instead of July 9th as previously stated. The reason for the change is due to the Woodley Island Marina dredging contract which has a bid opening scheduled for July 14th with contract award at a proposed July 16th special meeting.

Attachments

- A. Draft Resolution 2020-07 Adoption of FY 2020-21 Budget
- B. Harbor District Goals

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

RESOLUTION NO. 2020-07

**A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2020-2021 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 2020-21 preliminary budget on June 11, 2020 and scheduled and noticed a hearing for the adoption of the final budget on June 25, 2020 at 7:00 pm via video conference with a teleconference option.

WHEREAS, notice of said hearing was posted on the Harbor District's website 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 2020-21 Budget as set forth in Exhibit A and B, attached here to 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 25th day of June 2020, by the following polled vote:

AYES:

NOES:

ABSENT:

**STEPHEN KULLMANN, President
Board of Commissioners**

ATTEST:

**PATRICK HIGGINS, Secretary
Board of Commissioners**

CERTIFICATE OF SECRETARY

The undersigned, duly qualified and acting Secretary of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, does hereby certify that the attached Resolution is a true and correct copy of RESOLUTION NO. 2020-07 entitled,

A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2020-2021 HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT BUDGET AND GOALS

as regularly adopted at a legally convened meeting of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, duly held on the 25th day of June 2020; and further, that such Resolution has been fully recorded in the Journal of Proceedings in my office, and is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of June, 2020.

PATRICK HIGGINGS, Secretary
Board of Commissioners

EXHIBIT A INCOME

Humboldt Bay Harbor, Recreation, and Conservation District
 FY 2020-21 BUDGET
 6/25/2020

Account	Sub Account	General Fund	Tidelands	Woodley Island	RMT II	RMT I	Fields Landing	Shelter Cove	Grants	TOTAL 2020-21
R1	Dredging									-
R1a	Dredging Surcharge			125,000			15,000			140,000
R1b	Dredging Set Aside									-
R1c	Dredging Other	85,000							50,000	135,000
R2	Float Replacement			63,000						63,000
R3	Harbor Surcharge		150,000							150,000
R4	Utility Surcharge			56,471	56,422	10,414				123,308
R5	Grants									-
R5a	Conservation									-
R5a	Recreation									-
R5c	Harbor									-
R5d	Facilities								21,274	21,274
R6	Tax Revenue									-
R6a	Property Tax	1,107,465								1,107,465
R6b	Other									-
R8	Other Income									-
R8a	Other Revenue	36,000	32,350							68,350
R8b	Late Fees/Interest	7,000	160,750	5,000						172,750
R9	Interest Income				6,200					6,200
R10	Rents									-
R10a	Slip Rents			500,000						500,000
R10b	Transient Rents			120,000						120,000
R10c	Upland Rent			140,000	568,000	25,000	78,500			811,500
R10d	Tideland Rent		307,000							307,000
R10e	Equipment	12,000								12,000
R10f	Storage			40,000		18,000				58,000
R10g	Work Yard			5,000						5,000
R11	Fees									-
R11a	Services Office			2,200						2,200
R11b	Late Fees/Interest	500		8,000	1,500	200				10,200
	Permits	500	1,500	5,300						7,300
R11c	Miscellaneous	10,000								10,000
R11d	Fork Lift			3,500						3,500
R11e	Boat Launch									-
R11f	Travel Lift									-
R11g	Haul Out									-
R11h	Moorage									-
R11i	Poundage			1,500		6,000				7,500
R11j	Port	9,700	12,500							22,200
	Pilotage		2,000							2,000
R12	Sales									-
R12a	Laundry			6,000						6,000
R12b	Retail									-
R13	Donations									-
R13a	Light House			20						20
R13b	Sea Scouts			10						10
	TOTAL REVENUE	1,268,165	666,100	1,081,001	632,122	59,614	93,500	-	71,274	3,871,747
	TOTAL EXPENSE	898,911	313,071	1,214,809	1,092,596	156,857	120,451	29,200	25,273	3,851,167
	NET INCOME	369,254	353,029	(133,808)	(460,474)	(97,243)	(26,951)	(29,200)	46,001	20,580

**EXHIBIT B
EXPENSES**

**Humboldt Bay Harbor, Recreation, and Conservation District
FY 2020-21 BUDGET
6/25/2020**

Account	Sub Account	General Fund	Tidelands	Woodley Island	RMT II	RMT I	Fields Landing	Shelter Cove	Grants	TOTAL 2020-21
Personnel										
E1	Salaries/Wages	251,677		327,480	107,828	61,861	28,720		15,187	792,752
E1a	Salaries/Wages PT	-		-	-	-	-			-
E2	Commissioners Fees	25,200		-	-	-	-			25,200
E3	Payroll Burden	220,370		246,429	74,786	44,096	21,681			607,362
E3a	Payroll Burden PT					-				-
Materials and Services										
E5	Advertising & Promotion									-
E6	Communications	6,000		7,000	11,200					24,200
E7	Conference & Meetings	6,000							1,000	7,000
E8	Dues,Subscript.,License	33,565							435	34,000
E9	Elections & Government Fees	10,000			40,000					50,000
E10	Insurance	9,000	19,000	33,700	16,000		7,600	7,200		92,500
E11	Supplies Office	4,349	5,000	4,000					4,651	18,000
E12	Supplies Maintenance	750		14,000	1,000	1,000				16,750
E13	Permits		3,400	500	22,000	400	2,700			29,000
E14	Utilities	8,000		220,000	217,000	10,000	5,000	7,500		467,500
E15	Fuel		15,750	3,900	350					20,000
E16	Accounting	41,000		8,300						49,300
E17	Legal	35,000								35,000
E18	Planning	30,000								30,000
E19	Engineering	12,000		1,000		3,000	10,000	2,000	2,000	30,000
E20	Other Professional/Outside Services	5,000		8,000	1,000	5,000	2,500	-	2,000	23,500
E20a	Information Technology									-
E20b	HSU Ports		32,350							32,350
E21	Small Tools - Protective Clothing			2,000	1,500		250			3,750
E22	Maintenance Facilities		30,000	23,500	40,900	25,000	33,000	2,500		154,900
E23	Maintenance Equipment			17,000	14,900	3,500	5,000	10,000		50,400
E24	Maintenance IT	3,000		2,000	4,000					9,000
E25	Dredging			150,000						150,000
E26	Capital Outlay									-
E26a	Building & Facilities			45,000	100,000		4,000			149,000
E26b	Equipment									-
E26c	Automotive									-
E26d	Vessels									-
E27	Rent/ Lease Payments				205,632					205,632
E28	Interest/Debt Payments									-
E29	Other Expenses	2,000		1,000		3,000				6,000
E30	Grant Expenses									-
E30a	Conservation Grant									-
E30b	Recreation Grant									-
E30c	Harbor Grant									-
E30d	Facilities Grant									-
TOTAL EXPENSE		702,911	105,500	1,114,809	858,096	156,857	120,451	29,200	25,273	3,113,096
Debt										
D1	Bonds 2014		207,571	100,000						307,571
D2	Coast Seafood	196,000								196,000
D3	BVVA Loan NMTC				234,500					234,500
D4	Acquisition									-
D5										-
D6										-
TOTAL EXPENSE		196,000	207,571	100,000	234,500	-	-	-	-	738,071
TOTAL EXPENSE		-	-	-	-	-	-	-	-	-
GRAND TOTAL EXPENSE		898,911	313,071	1,214,809	1,092,596	156,857	120,451	29,200	25,273	3,851,167
TOTAL REVENUE		1,268,165	666,100	1,081,001	632,122	59,614	93,500	-	71,274	3,871,777
NET INCOME		369,254	353,029	(133,808)	(460,474)	(97,243)	(26,951)	(29,200)	46,001	20,610

COMMISSIONERS

1st Division	Larry Doss
2nd Division	Greg Dale
3rd Division	Stephen Kullmann
4th Division	Richard Marks
5th Division	Patrick Higgins



FY 2020-21 Goals

June 25, 2020

FIELDS LANDING - GOALS

- Complete the transition of Boat Yard operations to Lessee
- Perform ongoing wash water / storm water management
- Determine long term wash water treatment system
- Commence demolition of abandoned and non-operative vessels
- Replace failed windows and entrance door to main building
- Install overhead door beams to strengthen against wind shear
- Grub and Maintain South acreage for future use / opportunities

Woodley Island Marina Goals

- Establish a Facilities Capital Improvement and Operations Plan
- Begin strong focus on Dock Improvements, including Weldment and Roller replacement
- Resurface Gangway ramps for safe pedestrian travel
- Improve Island passive security through camera upgrades and automated passage lock replacement in common areas
- Continue communication with Island Tenants to promote a strong Neighborhood Watch and reliant community.

Woodley Island Makirāi Goals

- Strengthen partner agency relations to promote Woodley Island as a commercial, recreational, and tourist destination
- Promote dock side / on-site Fish Sales supporting local Commercial Fishermen and their crews & families
- Increase efficient and appropriate lighting though working with energy partner RCEA

Dredging Goals

- Woodley Island Marina
 - Emergency dredging (FEMA /CalOES funding)
 - Optional maintenance dredging if bids are favorable (Dredge Fund expense)
 - Plan for and permit 2021 suction dredging and beneficial use
- Fields Landing
 - Monitor shoaling
- King Salmon
 - Plan for Fisherman's Channel dredging
- To allow for suction dredging, obtain longfin smelt incidental take permit using Bay Street property as mitigation
- In partnership with DanCo, design and permit sediment beneficial use site on Samoa Peninsula
- Complete Sediment Management Program Environmental Impact Report

Federal Navigation Dredging Goals

- Coordinate with USACE for:
 - Entrance dredging that addresses winter shoaling issues.
 - Timely access to survey's
 - Inner channel dredging
 - Jetty reconstruction
 - Assess dredging needs to support future uses at Terminal I and Terminal II.

RMT | GOALS

- Complete the transition of Commercial Fisheries storage to upland areas and Woodley Island Marina.
- Perform ongoing safety repairs to Dock while continuing to pull back overall use as it comes to the end of its service life.
- Maintain roads and clear overgrowth vegetation from surrounding areas
- Hire and obtain Professional Studies for the permitting of a Multi-purpose Dock
- Secure Red Tank power with goal to secure other long-term power solutions
- Continue to work with the City of Eureka and Humboldt Maritime Association to relocate the 1091 vessel as required by the Coastal Commission.

RMT II GOALS

- Continue target marketing efforts on aquaculture and other water related uses while allowing non water related uses on an interim basis.
- Nordic Aquafarms:
 - Assist tenant to obtain necessary permits to develop an upland fish farm.
 - Remove all debris piles in within the lease area
 - Continue positive tenant communications for potential future relocation

RMT II GOALS

- Permit and develop a master saltwater intake using the existing sea chest
- Ocean Outfall
 - Permit and develop a master effluent discharge program and infrastructure
 - Conduct routine maintenance and structural integrity assessment.
 - Amend the existing lease with the State Lands Commission to 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.

Shelter Cove GOALS

- Complete the conversion of the fish cleaning station discharge from direct ocean to the Resort Improvement District's wastewater treatment system, with composting of solids.
- Boat ramp maintenance.
- Assist the Shelter Cove Fisherman's Preservation Inc. to:
 - Implement the Sublease and Janitorial Contract
 - Develop and implement a conceptual master plan for the property

Port Operations GOALS

- Support US Army Corps efforts to repair jetties.
- Planning for multi-purpose berth development including for off-shore wind energy support.
- Coordinate with private and public dock owners to identify and pursue funding for projects that will increase shipping and boating opportunities.

Port Budget

- Revenue (Harbor Improvement Surcharge) = \$150k
- Expenses = Staff Time Only

Conservation GOALS

- Continue to partner with Coastal Conservancy, Redwood Community Action Agency, Caltrans and other partners to control Spartina.
- Coordinate with local partners to identify and pursue funding for high priority conservation efforts.
- Assess and implement energy conservation measures at District facilities.
- Budget = Staff Time Only

Recreation GOALS

- Work with Woodley Island Marina tenants to identify and pursue funding for projects that would benefit recreational boating.
- Budget = Staff Time Only

COMMISSIONERS

1st Division
Larry Doss
2nd Division
Greg Dale
3rd Division
Stephen Kullmann
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
June 25, 2020

TO: Honorable Board President and Harbor District Board Members

FROM: Larry Oetker, Executive Director

DATE: June 18, 2020

TITLE: **Consider Amending Ordinance 6, An Ordinance Establishing Procedures for the Conduct of Meetings, Elections of Officers and the Passage or Approval of Ordinances and Resolutions for the Humboldt Bay Harbor, Recreation and Conservation District.**

STAFF RECOMMENDATION: Staff recommends the Board: Direct staff to prepare amendments required to:

- 1) Modify the Regular Meeting agenda format;
- 2) Change the meeting date and time; and
- 3) Defer to annual Resolution Designating Business Matters for details of meeting structure and procedures.

BACKGROUND: The District currently meets on the 4th Thursday at 7:00 pm. Ordinance 6 has been amended 6 times since 1976 and has shifted from two meetings per month to one meeting per month and the meeting dates have changed from the 2nd and 4th Thursdays to 1st and 3rd Thursdays and back to the 4th Thursday only. The meeting times have also varied from 7:00 pm to 7:30 pm and back to 7:00 pm. The meeting format requirements have also changed over the years going from a rough outline to the current detailed agenda format requirements. There are no specific requirements outlined in the Harbors and Navigation Code or other State law which requires a specific meeting date, time, or agenda format. The requirements for open meetings are outlined in the Brown Act with other specific noticing requirements in other State Laws specific actions of the District.

DISCUSSION: As an alternative to the current system of having the detailed agenda format specified by Amendment 5 to Ordinance 6 (Attachment A), Staff would recommend that Ordinance 6 be simplified to the requirement to implement Brown Act and other open meeting laws. Please note the specificity in Section 5 Public Comment and the specific order in which Communications and Reports must be given without an agenda modification in Section 7. There was also some discussion by the Board of adding a “Future Agenda Item” which is currently not approved. Ordinance 6 would defer the details of meeting structure and procedures to the Resolution designating business matters which is reviewed, updated, and adopted each January (Attachment A). The current Resolution 2020-02 includes the following which could be expanded as necessary and modified annually without adopting amendments to Ordinance 6.

REGULAR MONTHLY BOARD MEETINGS:

1. Location: Humboldt Bay Harbor, Recreation and Conservation District; 601 Startare Drive; Eureka, CA
2. Time: Closed Session: 6:00 p.m. PST; Regular Session: 7:00 p.m. PST

3. When: 4th Thursdays of each month. Exceptions only if regular meeting dates conflict with November and December holidays.
4. Notices posted a minimum of 72 hours prior to the meeting.

Staff would specifically request that the Board consider changing the Closed Session from 6:00 pm to 5:00 PM and the Regular Session time from 7:00 pm to 6:00 pm. The Board may also consider changing the meeting Date from the 4th Thursday to the 2nd Thursday.

Attachments

- A. Amendment 5 to Ordinance 6 establishing meeting procedures
- B. Current Resolution 2020-02 designating business matters

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

AMENDMENT NO. 5 TO ORDINANCE 6

**ESTABLISHING PROCEDURES FOR THE CONDUCT OF MEETINGS,
ELECTION OF OFFICERS AND THE PASSAGE OR APPROVAL OF
ORDINANCES AND RESOLUTIONS FOR THE HUMBOLDT BAY HARBOR,
RECREATION AND CONSERVATION DISTRICT**

**THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR,
RECREATION AND CONSERVATION DISTRICT DOES HEREBY AMEND
ORDINANCE NO. 6 AS FOLLOWS:**

The following words are hereby deleted from Article III, Meetings, Section 6:

1. Call to Order at 6:00 PM
 - a. Move to Executive Session pursuant to paragraph 12 of the Agenda, Executive Closed Session involving the provisions of the California Government Code Sections 54956.5, 54953 et seq., 54956.8, 54956.9, 54956.95, 54957, 54957.1, 54957.6 and 54957.7 as set forth in the Executive Closed Session of paragraph 12 hereafter.
2. Call to Order Regular Session at 7:00 P.M. and Roll Call
3. Pledge of Allegiance
4. Report on Executive Session
5. Public Comment

Note: This portion of the Agenda allows the public to speak to the Board on the various issues not itemized on this Agenda. A member of the public may also request that a matter appearing on the Consent Calendar be pulled and discussed separately. Pursuant to the Brown Act, the Board may not take action on any item that does not appear on the Agenda. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Agenda. Each speaker is limited to speak for a period of three (3) minutes during the PUBLIC COMMENT portion of the Agenda regarding items of special interest to the public not appearing on the Agenda that are within the subject matter jurisdiction of the Board of Commissioners. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.

6. Consent Calendar
7. Communications and Reports
 - a. Chief Executive Officers Report
 - b. District Counsel's Report

- c. Staff Reports
- d. Commissioner Reports
- e. Standing/Ad Hoc Committee Reports
- f. Others
- 8. Non Agenda
- 9. Unfinished Business
- 10. New Business
- 11. Administrative and Emergency Permits
- 12. Adjournment

AND the following words inserted:

- 1. Call to Order at 6:00 P.M.
 - a. Move to Executive Session pursuant to paragraph 12 of the Agenda, Executive Closed Session involving the provisions of the California Government Code Sections 54956.5, 54953 et seq., 54956.8, 54956.9, 54956.95, 54957, 54957.1, 54957.6 and 54957.7 as set forth in the Executive Closed Session of paragraph 12 hereafter.
- 2. Call to Order Regular Session at 7:00 P.M. and Roll Call
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- 4. Report on Executive Session
- 5. Public Comment

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- 6. Consent Calendar
- 7. Communications and Reports
 - a. Chief Executive Officer Report
 - b. Staff Reports
 - c. District Counsel and District Treasurer Reports
 - d. Commissioner and Committee Reports
 - e. Others
- 8. Non Agenda
- 9. Unfinished Business
- 10. New Business

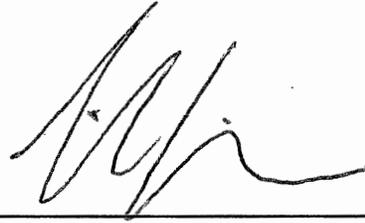
- 11. Administrative and Emergency Permits
- 12. Adjournment

PASSED AND ADOPTED THIS 23rd DAY OF AUGUST, 2012 BY THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT BY THE FOLLOWING POLLED VOTE:

AYES: NEWMAN, DALE, WILSON, MARKS, HIGGINS

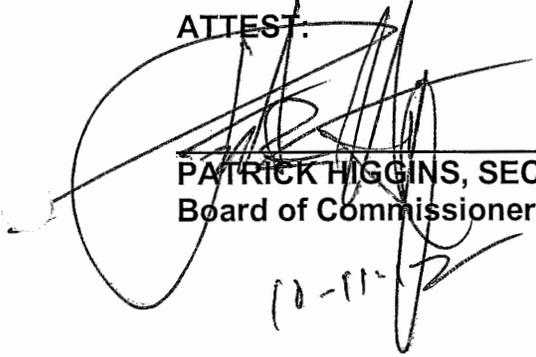
NOES:

ABSENT:



MIKE WILSON, PRESIDENT
Board of Commissioners

ATTEST:



PATRICK HIGGINS, SECRETARY
Board of Commissioners

10-11-12

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

RESOLUTION NO. 2020-02

**A RESOLUTION DESIGNATING BUSINESS MATTERS,
APPOINTMENT AND AUTHORIZATION FOR THE HUMBOLDT BAY HARBOR,
RECREATION AND CONSERVATION DISTRICT FOR CALENDAR YEAR 2020**

BE IT RESOLVED THAT the Board of Commissioners for the Humboldt Bay Harbor, Recreation and Conservation District hereby appoints and/or authorizes the following Business Matters for the calendar year beginning January 1, 2020 and ending December 31, 2020 for all divisions of the Humboldt Bay Harbor, Recreation and Conservation District:

OFFICERS FOR THE BOARD OF COMMISSIONERS:

President -	Stephen Kullmann
Vice President -	Larry Doss
Secretary -	Patrick Higgins
Commissioner -	Greg Dale
Commissioner -	Richard Marks

ENABLING LEGISLATION:

Appendix II of the State of California Harbors and Navigation Code: Humboldt Bay Harbor, Recreation and Conservation District.

FINANCIAL:

1. Auditors- As approved by the Board.
2. District Treasurer – Mark Wetzel, CPA; David L. Moonie & Co., LLP; 325 Second Street, Suite 301; Eureka, CA 95501
3. Budget Officer – District Treasurer and Executive Director
4. Custodians of Funds – District Treasurer and Executive Director
5. Authorized to Open Accounts – District Treasurer and Executive Director
6. Investment of Surplus Funds – Custodians of Funds
7. Custodians of State, Federal and other funds, whether loans or grants, to make application for, receive and expend – Custodians of Funds and Executive Director
8. Expenditures:
 - a. Checks require any two signatures from the following: Current Commissioner or Executive Director.

- b. Expenditures over \$5,000 shall follow § 36 of Appendix II of the State of California Harbors and Navigation Code: Humboldt Bay Harbor, Recreation and Conservation District
 - c. Purchase Order for non-recurring, single expenditures over \$300.00
 - d. Board approval of any expenditure over \$5,000.00
9. Authorized Revenue Facilities:
- a. Local Bank Checking, Money Market & Savings Accounts – TriCounties Bank, Eureka Branch
 - b. Remote Bank Checking, Money Market/Savings Accounts – BBVA Compass Bank
 - c. Humboldt County Treasurer to receive Humboldt County imposed tax revenues and other collected revenues for disbursement to the Humboldt Bay Harbor, Recreation and Conservation District
10. Grants
- a. The Board President and/or Executive Director are authorized to sign grant agreements
11. Contracts
- a. The Board President and/or Executive Director are authorized to sign contracts and expenditures over \$5,000.00 which have been approved by the Board

LEGAL NOTICE DESIGNATIONS:

- 1. Official Notice posting sites:
 - a. District Conference Room – aside main door on outside wall
 - b. District website: www.humboldtby.org
- 2. The Times-Standard (newspaper of general circulation) as the newspaper for legal publications
- 3. Email notification to News Media: The Times-Standard, North Coast Journal, Ferndale Enterprise, Mad River Union, KEET-TV, KIEM-TV, KMUD Radio, and KHUM Radio.
- 4. Email notification to:
 - a. Cities: Eureka, Fortuna, Arcata
 - b. Counties: Humboldt
 - c. Chambers of Commerce: Eureka, Arcata
 - d. Interested parties list

REGULAR MONTHLY BOARD MEETINGS:

- 1. Location: Humboldt Bay Harbor, Recreation and Conservation District; 601 Startare Drive; Eureka, CA
- 2. Time: Closed Session: 6:00 p.m. PST; Regular Session: 7:00 p.m. PST
- 3. When: 4th Thursdays of each month. Exceptions only if regular meeting dates conflict with November and December holidays.
- 4. Notices posted a minimum of 72 hours prior to the meeting.

SPECIAL BOARD MEETINGS:

1. Location: Humboldt Bay Harbor, Recreation and Conservation District; 601 Startare Drive; Eureka, CA
2. When: As needed.
3. Notices posted a minimum of 24 hours prior to the meeting.

OTHER BUSINESS:

1. Election Officer – Executive Director
2. Filing of Bonds - Executive Director
3. Authorized to contract as necessary- Executive Director
4. Legal Counsel – Ryan Plotz of Mitchell, Brisso, Delaney & Vrieze, LLC, 814 7th St. Eureka, CA 95501
5. District Planner – George Williamson; Planwest Partners Inc.; 1125 16th Street; Arcata, CA 95521
6. District Engineer- Mike Foget; SHN Engineers, 812 W. Wabash Ave, Eureka, CA 95501
7. District Treasurer- Mark Wetzel; DLM & Co. LLP, 325 2nd St., Ste 301, Eureka, CA 95501
8. Insurance Agent of Record – Special Districts Risk Management Authority (Property, Liability, Workers Compensation, Marina Operators Liability)
9. Recognize the Humboldt Bay Harbor, Recreation and Conservation District as an equal opportunity employer.
10. Designation of registered office and agent:
Office: 601 Startare Drive; Eureka, CA 95501
Agent: Executive Director
11. Custodian of Public Records: Executive Director

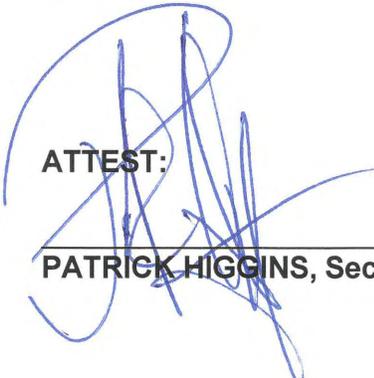
PASSED AND ADOPTED by the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District at a duly called meeting held on the 27th day of February 2020, by the following polled vote:

AYES: Dale, Doss, Higgins, Kullmann & Marks

NOES: 

ABSENT: 

ATTEST:



PATRICK HIGGINS, Secretary



**STEPHEN KULLMANN, President
Board of Commissioners**

Board of Commissioners

CERTIFICATE OF SECRETARY

The undersigned, duly qualified and acting Secretary of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, does hereby certify that the attached Resolution is a true and correct copy of RESOLUTION NO. 2020-02 entitled,

**A RESOLUTION DESIGNATING BUSINESS MATTERS,
APPOINTMENT AND AUTHORIZATION FOR THE HUMBOLDT BAY HARBOR,
RECREATION AND CONSERVATION DISTRICT FOR CALENDAR YEAR 2020**

as regularly adopted at a legally convened meeting of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, duly held on the 27th day of February 2020; and further, that such Resolution has been fully recorded in the Journal of Proceedings in my office, and is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of February 2020.



PATRICK HIGGINS, Secretary
Board of Commissioners

COMMISSIONERS

- 1st Division
Larry Doss
- 2nd Division
Greg Dale
- 3rd Division
Stephen Kullmann
- 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

June 25, 2020

TO: Honorable Board President and Harbor District Board Members

FROM: Larry Oetker, Executive Director

DATE: June 19, 2020

TITLE: Report on Draft Redwood Marine Terminal II Ocean Outfall Rate Study.

RECOMMENDATION:

It is recommended that the Board receive a report regarding the Draft Redwood Marine Terminal II Ocean Outfall Rate Study.

INTRODUCTION:

Harbor District staff has prepared a Draft Redwood Marine Terminal II Ocean Outfall Rate Study and is seeking input from the Harbor District Board and public.

DISCUSSION:

Redwood Marine Terminal II has an ocean outfall with a capacity to discharge up to 40 million gallons of water per day (gpd). Currently, only approximately 170,000 gpd are discharged through the outfall. However, the District has entered leases with three future users and there is potential for further expansion. The purpose of the rate study is to determine the appropriate rate to charge dischargers for the Harbor District to maintain the outfall. Further details are provided in the draft rate study (Attachment A). The rate study is currently draft and District staff is seeking input from the Board and public.

Attachments

Attachment A. Draft Redwood Marine Terminal II Ocean Outfall Rate Study

Attachment A

Draft Redwood Marine Terminal II Ocean Outfall Rate Study

Redwood Marine Terminal II, Humboldt Bay, California
Ocean Outfall Discharge Rate Study
Draft – June 17, 2020

1. Introduction

The Humboldt Bay Harbor District (District) owns and operates an ocean outfall with a potential capacity to discharge up to 40 million gallons of water per day (gpd) through the 144 diffuser ports. Note that at 40 MGD, the average instantaneous flow rate would be equal to approximately 28,000 gallons per minute. Currently, the District has three leases to discharge wastewater: 1) DG Fairhaven, 2) Town of Samoa, and 3) Nordic Aquafarms. DG Fairhaven which is permitted by the North Coast Water Quality Control Board (NCWQCB) to discharge up to 350,000 gpd. DG Fairhaven is connected to the outfall pipe approximately 400 feet below the main pumping station and operated under gravity flow.

The Town of Samoa Wastewater Treatment Plant is permitted by NCWQCB to discharge 54,000 gpd. The Town of Samoa plant is currently under construction and will connect at the same location as DG Fairhaven and operate under gravity flow. The Nordic Aquafarms has not yet received their discharge permits, however, their lease agreement authorizes up to 6 million gpd. The Nordic Aquafarms discharge will require the use of the two large 350 horsepower discharge pumps, and therefore, they will required to connect at the main pumping facility which was historically utilized by the former pulp mill. There are other proposed users of the outfall and the District is developing this rate study to identify appropriate rates for commercial and government users.

The following is a description of (1) revenue requirements for ongoing outfall operations based on different levels of use and funding options; and (2) required rates to meet revenue requirements. The numbers presented are draft and likely to change as more information becomes available. For example, the District's outfall dive inspection company that has historically provided services has announced their retirement and new estimates are being gathered. The District has contracted for dive inspection and maintenance services in 2015, 2016, 2017, and 2019 and received cost estimates for a 2020 dive so the expenses estimated are based on historical costs. These were also compared against recent cost estimates to dive and inspect the Simpson outfall pipes at the former Fairhaven Pulp Mill. In addition, the District conducted flushing tests in November 2019 and January 2020 to test the capacity of the system to prepare for the Town of Samoa and Nordic Aquafarms discharges. As more information is received, more accurate cost estimate for ongoing outfall maintenance and numbers will be updated to reflect that estimate.

2. Revenue Requirements

Utility owners establish user fees to generate sufficient revenue to pay all operating costs, cover debt service on outstanding loans, provide cash to make ongoing capital improvements, provide a cash reserve for unexpected repairs and to meet all loan requirements, and provide cash reserves for increasing capacity as use increases. Revenue requirements will differ depending on the level of outfall use. Once discharge exceeds the gravity flow capacity of the system, funding will be required to rebuild the two existing pumps and for pumping operations. Table 1 presents revenue requirements without pumping (Phase 1). Table 2 presents revenue requirements with pumping, assuming that pump rebuilding will be paid for by a tenant using the outfall (Phase 2, Scenario 1). Table 3 presents revenue requirements with pumping, assuming that the District secures a loan to pay for pump rebuilding (Phase 2, Scenario 2).

2.1. Operation and Maintenance

Operations and maintenance (O&M) may be defined as the continuing activities required to keep the outfall facility and its components functioning in accordance with design objectives while maintaining compliance with discharge requirements.

More specifically for the purpose of establishing a user fee system, O&M requirements consist of those expenditures associated with the day-to-day operations of the outfall system and its components, and are made up of costs related to such items as personnel, other utility uses (power, telephone), supplies, training, equipment repair, permit requirements, requirements for State Lands Commission, etc.

O&M revenue requirements are established based on years of experience, and any unusual changes that may have been instituted in any particular year and are considered to be relatively inflexible when analyzing the overall revenue requirements of a utility.

2.2. Debt Service

The District has no existing debt service associated with the outfall. However, once the system exceeds gravity flow and the pumping station is required to be upgraded, the District may need to take on debt service to capitalize those expenditures. Table 3 presents revenue requirements with pumping, assuming that the District secures a loan to pay for pump rebuilding (Phase 2, Scenario 2).

2.3. System Replacement

Replacement costs include all expenditures required for a facility to operate for its design life. Replacement costs do not include costs associated with major, structural rehabilitations; or facility expansions or upgrades to meet future user demands or upgrade treatment. Replacement costs do include such items as pumps, motors, telemetry and electrical controls, vehicles, radios, etc. Items associated with replacement costs are often termed "Short-lived Assets." The primary short-lived asset associated with the outfall is the effluent pumps.

Replacement costs are typically based, at a minimum, on either: a five-year capital improvement planning (CIP) cycle or a replacement fund equal to the sum of the straight-line depreciation (based on current costs) of the assets (excluding structural facilities, such as, buildings, ponds, pipes, etc). The pumps are projected to have a ten year useful life.

Costs for cleaning and rehabilitation of the ocean outfall are based on diving company rates for a 10-hour day, operating from the HBHRCD's Fire 1 vessel. The daily rate has been averaged to include the weekend rate, due to the uncertain nature of daily conditions. The estimate includes three days for exposing the diffuser section; ten days for clearing the diffuser internally; and five days to inspect, take a cathodic protection reading, and install anodes for cathodic protection. An additional 30-percent contingency for inclement weather delays has been applied in order to hedge against the frequent unstable operating weather. As previously stated, the current diving company will not be able to service the outfall pipe after 2020 and the District is pursuing estimates from other companies. Figures will be updated to reflect more accurate estimates.

2.4. Reserves

In order to maintain financial stability and self-sufficiency and to achieve both long- and short-term capital and operational needs into the future, it is recommended that the District maintain financial-reserve funds. The financial reserve funds are typically used for the following:

- general operating reserves
- replacement reserves for short-lived capital improvements and emergency maintenance
- debt reserve fund required by most long-term debt, to provide a reserve that will ensure payment
- capital reserve fund (optional)General Operating Reserve Fund

An operating reserve compensates for cash flow variations. There can be a significant length of time between when a system provides a service and when a customer may pay for the service rendered. In addition to timing, the volume of cash flow can be affected by weather and seasonal demand patterns. Wastewater agencies in California normally operate with reserves of between 10 and 50 percent of annual revenue requirements. A 45-day (approximately 6 weeks) operating reserve is a frequently used industry norm. The operating reserve can also cover costs of unplanned expenses, other than emergencies, such as, increase in electrical or operational costs, costs caused by leaks, extra callouts, late payments, etc.

A 20% operating reserve, based upon the projected O&M budget, would be approximately \$20,900. For budgeting purposes, this reserve fund will be built up over a five-year period. The five-year annual contribution would be approximately \$4,200.

2.4.1. Replacement Reserve Fund

A capital improvement reserve is for short-lived capital improvements, including system rehabilitation, equipment replacement, as well as on-hand cash for emergency equipment replacement, if necessary. Short-lived assets for the purpose of this report are those assets that will require replacement prior to the end of the anticipated financing cycle for the project. For this report that period is 30 years.

2.4.2. Debt Reserve Fund

A debt reserve fund is required by most long-term debt, to provide a reserve that will ensure payment. If money was borrowed to build the system, money will have to be placed into a debt service reserve account until an agreed upon dollar amount is reached. A debt service reserve is in addition to a loan repayment. The debt service reserve helps ensure timely payments can be made even if there is a financial emergency. Debt service is considered in a scenario where the District secures a loan to rebuild the effluent pumps (Table 3).

2.4.3. Capital Reserve Fund

It is encouraged to establish a capital reserve fund. This fund is intended to provide funds for replacement of facilities after they serve their useful life. The capital reserve fund includes: connection fees, capacity charges, development charges, wastewater impact fees and any other charge imposed on new construction. Wastewater agencies in California normally operate with reserves of between 10 and 50 percent of annual revenue requirements.

2.5. Total Revenue Requirements

Total revenue costs are shown in Tables 1-3 and are dependent on the rate of discharge and the funding source used to rebuild the pumps. Depending on these factors, total revenue requirements during year 1 range from \$147,870 to \$385,450 per year. It is assumed that the revenue requirement will increase by 2% annually.

Table 1. Revenue requirement for discharge under gravity flow without utilizing the pumping station (Phase 1).

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Personal Services					
Attorney	\$500	\$510	\$520	\$531	\$541
Auditor (Portion of Dist. Cost for Annual Audit)	\$250	\$255	\$260	\$265	\$271
Bookkeeping/CPA Consult	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
Engineering	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
O&M Staff (Salaries & Benefits, 10% FTE)	\$6,250	\$6,375	\$6,503	\$6,633	\$6,765
TOTAL PERSONAL SERVICES	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Materials and Services					
Bond, Dues, Publications	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
General Supplies, Lab, Permitting & Monitoring	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
Training, Transportation, Travel	\$0	\$0	\$0	\$0	\$0
Periodic Inspection	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
Liability Insurance	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
State Lands Commission Rent	\$450	\$459	\$468	\$478	\$487
Electrical	\$0	\$0	\$0	\$0	\$0
Contracted Maintenance Services	\$3,000	\$3,060	\$3,121	\$3,184	\$3,247
TOTAL MATERIALS AND SERVICES	\$19,450	\$19,839	\$20,236	\$20,640	\$21,053
Reserves					
General Operating Reserve	\$4,200	\$4,284	\$4,370	\$4,457	\$4,546
Replacement Reserve Dive Inspections	\$81,220	\$82,844	\$84,501	\$86,191	\$87,915
Replacement Reserve Pumping Station	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0
Capital Reserve	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473
TOTAL RESERVES	\$115,420	\$117,728	\$120,083	\$122,485	\$124,934
Total Estimated Annual Revenue Requirement					
Personal Services	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Materials and Services	\$19,450	\$19,839	\$20,236	\$20,640	\$21,053
Reserves	\$115,420	\$117,728	\$120,083	\$122,485	\$124,934
TOTAL	\$147,870	\$150,827	\$153,844	\$156,921	\$160,059

Table 2. Revenue requirement for discharge requiring the use of the pumping station assuming a tenant pays all costs to rebuild the pumps, controls and other systems. (Phase II, Scenario 1).

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Personal Services					
Attorney	\$500	\$510	\$520	\$531	\$541
Auditor (Portion of Dist. Cost for Annual Audit)	\$250	\$255	\$260	\$265	\$271
Bookkeeping/CPA Consult	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
Engineering	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
O&M Staff (Salaries & Benefits, 10% FTE)	\$6,250	\$6,375	\$6,503	\$6,633	\$6,765
TOTAL PERSONAL SERVICES	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Materials and Services					
Bond, Dues, Publications	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
General Supplies, Lab, Permitting & Monitoring	\$25,000	\$25,500	\$26,010	\$26,530	\$27,061
Training, Transportation, Travel	\$500	\$510	\$520	\$531	\$541
Periodic Inspection	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649
Liability Insurance	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
State Lands Commission Rent	\$450	\$459	\$468	\$478	\$487
Electrical	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649
Contracted Maintenance Services	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
TOTAL MATERIALS AND SERVICES	\$76,950	\$78,489	\$80,059	\$81,660	\$83,293
Reserves					
General Operating Reserve	\$4,200	\$4,284	\$4,370	\$4,457	\$4,546
Replacement Reserve Dive Inspections	\$81,220	\$82,844	\$84,501	\$86,191	\$87,915
Replacement Reserve Pumping Station	\$79,100	\$80,682	\$82,296	\$83,942	\$85,620
Debt Service	\$0	\$0	\$0	\$0	\$0
Capital Reserve	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473
TOTAL RESERVES	\$194,520	\$198,410	\$202,379	\$206,426	\$210,555
Total Estimated Annual Revenue Requirement					
Personal Services	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Materials and Services	\$76,950	\$78,489	\$80,059	\$81,660	\$83,293
Reserves	\$194,520	\$198,410	\$202,379	\$206,426	\$210,555
TOTAL	\$284,470	\$290,159	\$295,963	\$301,882	\$307,919

Table 3. Revenue requirement for discharge requiring the use of the pumping station assuming the District borrows funds to pay all costs to rebuild the pumps, controls and other systems. (Phase II, Scenario 2).

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Personal Services					
Attorney	\$500	\$510	\$520	\$531	\$541
Auditor (Portion of Dist. Cost for Annual Audit)	\$250	\$255	\$260	\$265	\$271
Bookkeeping/CPA Consult	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
Engineering	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
O&M Staff (Salaries & Benefits, 10% FTE)	\$6,250	\$6,375	\$6,503	\$6,633	\$6,765
TOTAL PERSONAL SERVICES	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Materials and Services					
Bond, Dues, Publications	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
General Supplies, Lab, Permitting & Monitoring	\$25,000	\$25,500	\$26,010	\$26,530	\$27,061
Training, Transportation, Travel	\$500	\$510	\$520	\$531	\$541
Periodic Inspection	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649
Liability Insurance	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
State Lands Commission Rent	\$450	\$459	\$468	\$478	\$487
Electrical	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649
Contracted Maintenance Services	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412
TOTAL MATERIALS AND SERVICES	\$76,950	\$78,489	\$80,059	\$81,660	\$83,293
Reserves					
General Operating Reserve	\$4,200	\$4,284	\$4,370	\$4,457	\$4,546
Replacement Reserve Dive Inspections	\$81,220	\$82,844	\$84,501	\$86,191	\$87,915
Replacement Reserve Pumping Station	\$79,100	\$80,682	\$82,296	\$83,942	\$85,620
Debt Service (\$812,000 @ 4.5% for 10 years)	\$100,980	\$103,000	\$105,060	\$107,161	\$109,304
Capital Reserve	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473
TOTAL RESERVES	\$295,500	\$301,410	\$307,438	\$313,587	\$319,859
Total Estimated Annual Revenue Requirement					
Personal Services	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Materials and Services	\$76,950	\$78,489	\$80,059	\$81,660	\$83,293
Reserves	\$295,500	\$301,410	\$307,438	\$313,587	\$319,859
TOTAL	\$385,450	\$393,159	\$401,022	\$409,043	\$417,223

3. Rates Analysis

3.1. Existing Revenue

Currently, the only user of the outfall is DG Fairhaven, which discharges approximately 170,000 gallons per day and pays approximately \$82,000 per year. This payment equates to a cost of \$1.32 per thousand gallons of water discharged.

3.2. Recommended Fees

The future use levels of the Districts' ocean outfall are uncertain. Speculation related to future use of the outfall is limited to entities that have seriously considered its use. Potential users of the outfall would discharge aquaculture and domestic wastewater. Because of the large disparity in discharge quantities between anticipated and current users, and considering the current rate being paid by DG Fairhaven, we recommend a rate system based on a base fee along with declining block rates. We propose different rates for commercial and governmental entities. Depending on the scenario, the Harbor District would start to break even on an annual basis in year 5 or 6.

3.2.1. Declining Block Rates

A declining block rate structure is recommended, as shown in Tables 4-6.

Table 4. Rate structure for commercial organizations.

Source	Max GPD	Projected GPD FY 2020-21	Base up to 7,500 GPD (\$/1000 GPD)	7,001 - 350,000 GPD (\$/1000 GPD)	350,001 - 1,000,000 GPD (\$/1000 GPD)	1,000,001 - 3,000,000 GPD (\$/1000 GPD)	3,000,001 - 6,000,000 GPD (\$/1000 GPD)	Greater than 6,000,001 GPD (\$/1000 GPD)							
DAILY			\$17	\$1	\$0.22	\$0.03	\$0.01	\$0.01							
MONTH			\$500	\$40	\$7	\$1	\$0.30	\$0.30							
ANNUAL			\$6,000	\$482	\$80	\$11	\$4	\$4	TOTAL	1	2	3	4	5	6+
DG Fairhaven	350,000	170,000	\$6,000	\$78,293					\$84,293	\$85,978	\$87,698	\$89,452	\$91,241	\$93,066	
Leachfield Taylor and Coast	7,350	7,350	\$6,000						\$6,000	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	
Nordic Aquafarms	6,000,000	3,000,000	\$6,000	\$165,017	\$52,195	\$21,900	\$10,950		\$256,062					\$245,112	\$250,014
Total	6,357,350	3,177,350	\$18,000	\$243,309	\$52,195	\$21,900	\$10,950	\$0	\$346,354	\$84,293	\$91,978	\$93,818	\$95,694	\$342,720	\$349,574

Table 5. Rate structure for governmental organizations.

Source	Max GPD	Projected GPD FY 2020-21	Base up to 7,500 GPD (\$/1000 GPD)	7,001 - 350,000 GPD (\$/1000 GPD)	350,001 - 1,000,000 GPD (\$/1000 GPD)	1,000,001 - 3,000,000 GPD (\$/1000 GPD)	3,000,001 - 6,000,000 GPD (\$/1000 GPD)	Greater than 6,000,001 GPD (\$/1000 GPD)							
DAILY			\$17	\$1	\$0.11	\$0.02	\$0.01	\$0.01							
MONTH			\$500	\$20	\$3	\$0.45	\$0.15	\$0.15							
ANNUAL			\$6,000	\$241	\$40	\$5	\$2	\$2	TOTAL	1	2	3	4	5	6+
Town of Samoa WWTP	350,000	26,000	\$6,000	\$4,457					\$10,457	\$10,666	\$10,879	\$11,097	\$11,319	\$11,545	
Samoa WWTP	85,000	85,000		\$14,213					\$14,213						\$14,213
Other Government User ¹	30,000,000	15,000,000	\$6,000	\$82,508	\$26,098	\$10,950	\$10,950	\$16,425	\$152,931						\$168,847
Total	30,435,000	15,111,000	\$12,000	\$101,178	\$26,098	\$10,950	\$10,950	\$16,425	\$177,601	\$10,457	\$10,666	\$10,879	\$11,097	\$11,319	\$194,605

¹The City of Eureka wastewater plant or another user may tie in to the system.

Total User Fee	\$94,749	\$102,644	\$104,697	\$106,791	\$354,038	\$544,179
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Table 6. Comparison of total user fees (commercial and governmental) and revenue requirements.

		Year					
		1	2	3	4	5	6
	Total User Fee	\$94,749	\$102,644	\$104,697	\$106,791	\$354,038	\$544,179
Revenue Requirement	Phase 1	\$147,870	\$150,827	\$153,844	\$156,921	N/A	N/A
	Phase 2, Scenario 1	\$284,470	\$290,159	\$295,963	\$301,882	\$307,919	\$314,078
	Phase 2, Scenario 2	\$385,450	\$393,159	\$401,022	\$409,043	\$417,223	\$425,568

COMMISSIONERS

- 1st Division
Larry Doss
- 2nd Division
Greg Dale
- 3rd Division
Stephen Kullmann
- 4th Division
Richard Marks
- 5th Division
Patrick Higgins

Humboldt Bay
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 (707) 443-0801
 P.O. Box 1030
 Eureka, California 95502-1030



STAFF REPORT - HARBOR DISTRICT MEETING

June 25, 2020

TO: Honorable Board President and Harbor District Board Members

FROM: Larry Oetker, Executive Director

DATE: June 19, 2020

TITLE: Humboldt Bay Oyster Company Lease Amendment and Approval of Sublease from Humboldt Bay Oyster Company to Hog Island Oyster Company.

RECOMMENDATION: It is recommended that the Board:

Item 1. Approve proposed amendments to Humboldt Bay Oyster Company Parcel A Tideland Lease and Parcel B Tideland Lease.

Item 2. Approve a sublease from Humboldt Bay Oyster Company to Hog Island Oyster Company within the area of Humboldt Bay Oyster Company's Parcel A Tideland Lease and Parcel B Tideland Lease.

INTRODUCTION:

Item 1. District staff recommends the Board approve amendments to Humboldt Bay Oyster Company's existing Parcel A Tideland Lease and Parcel B Tideland Lease that would increase allowed shellfish culture methods. Allowed methods would be controlled by regulatory approvals, not the lease.

Item 2. District staff recommends that the Board approve a sublease of a portion of Humboldt Bay Oyster Company's Parcel A Tideland Lease and Parcel B Tideland Lease to Hog Island Oyster Company.

DISCUSSION:

Item 1. Humboldt Bay Oyster Company's existing Parcel A Tideland Lease and Parcel B Tideland Lease (Attachment B) were originally between the Harbor District and Kuiper Mariculture Inc. The leases have been assigned to Humboldt Bay Oyster Company and subject to multiple extensions and amendments.

The leases contain language that limits shellfish cultivation to methods involving rafts and oyster stakes. However, through time, cultivation methods have evolved and the use of rafts or oyster stakes at the site is not ideal for production or to minimize environmental impacts. District staff recommends amending the leases, so they do not restrict culture methods. The allowed methods would be based on regulatory approvals, not the lease. Specifically, District staff recommends amending the language of both leases as shown in "underline/strikeout form" below:

Leases Page 1, Paragraph 3

Purpose. The purpose of this Lease is to confirm unto Lessee the right and privilege to ~~moor and maintain rafts and/or oyster stakes and associated equipment for the purpose of conducting~~ conduct a commercial operation for the cultivation of shellfish upon tide and submerged lands on that property described in Exhibit A.

Leases Page 2, Paragraph 2

Use of Property. It is the intention of this Lease to grant the Lessee exclusive privilege of cultivation and harvesting shellfish in the herein described property ~~and for the placement of rafts and/or oyster stakes~~ for the purpose of said cultivation of shellfish. Lessee shall use said property for no other purpose.

Item 2. Humboldt Bay Oyster Company has requested that the Harbor District approve a sub-lease for a portion of their Parcel A Tideland Lease and Parcel B Tideland Lease (Attachment B) to Hog Island Oyster Company. The area of the proposed sublease is shown in Attachment A. Shellfish cultivation does not

currently occur in the proposed sublease area and Hog Island Oyster Company would be responsible for obtaining regulatory approvals for cultivation at the site, including from the Harbor District.

California Environmental Quality Act (CEQA). Staff has determined that Items 1 and 2 qualify for a CEQA Class 1 Categorical Exemption. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. Neither Item 1 or 2 would involve expansion of existing or former uses. Future uses will be controlled by regulatory approvals not the leases and the leased area will not change.

Attachments

- A Proposed boundaries of sublease from Humboldt Bay Oyster Company to Hog Island Oyster Company.
- B Humboldt Bay Oyster Company Parcel A Tideland Lease and Parcel B Tideland Lease

Attachment A

Proposed boundaries of sublease from Humboldt Bay Oyster Company to Hog Island Oyster Company

EXHIBIT 'A'

LEGAL DESCRIPTION

Page 1 of 3

A Parcel of tide land situated in the Southwest one-quarter of Section 35, Township 6 North, Range 1 West, Humboldt Meridian, County of Humboldt, State of California, being a portion of Parcel A and Parcel B of Mariculture Lease Agreement between Kuiper Mariculture, Inc., and Humboldt Bay Harbor Recreation and Conservation District, dated July 29, 1988, being more particularly described as follows:

Beginning at the Northeast corner of State Tide Land Survey #122 on file with Humboldt County Records, also being Tract A per Special Warranty Deed recorded January 18, 2005 at Instrument # 2005-1828-5, Humboldt County Records, from which the West one-quarter corner of said Section 35 bears N 81°52'15" W, 4953.38 feet;

Thence, South 33°14'33" West, along the east line of said Tract A for a **Basis of Bearing**, 524.83 feet;

Thence, South 54°33'09" East, 94.14 feet;

Thence, North 46°19'20" East, 741.40 feet;

Thence, North 32°25'31" West, 692.01 feet;

Thence, North 57°58'48" West, 1410.64 feet, to the west line of said lease Parcel B;

Thence, South 33°23'59" West, 373.90 feet, along the west line of said Parcel B to the north line of said Tract A;

Thence, South 33°14'33" East, 1781.60 feet, more or less, to the **Point of Beginning**;

The parcel described herein containing 20.14 acres of land, more or less, also being subject to easements of record if any.

LEGAL DESCRIPTION
Page 2 of 3

The bearings and distances described herein are based on the California Coordinate System (CCS83) NAD 83, Zone 1 (Epoch 2010) Grid, multiply the distances herein by the combination scale factor 1.00010110322 to achieve ground level distances.

END OF DESCRIPTION

This Legal description prepared on February 20, 2020 by:

Stephen K. Drake, PLS #9244



'EXHIBIT B' LEGAL DESCRIPTION MAP

SHEET 3 OF 3



WEST ONE-QUARTER
CORNER SECTION 35

SECTION 35

TRACT A (R)

A PART OF
TIDE LAND SURVEY #122

P.O.B. TRACT A
N 53°28'26" E 2617.41'
FROM USGLO MEANDER POST
[24.38 CHAINS NORTH, 31.28 CHAINS EAST] (R)

PARCEL B
1988 LEASE

PARCEL A
1988 LEASE

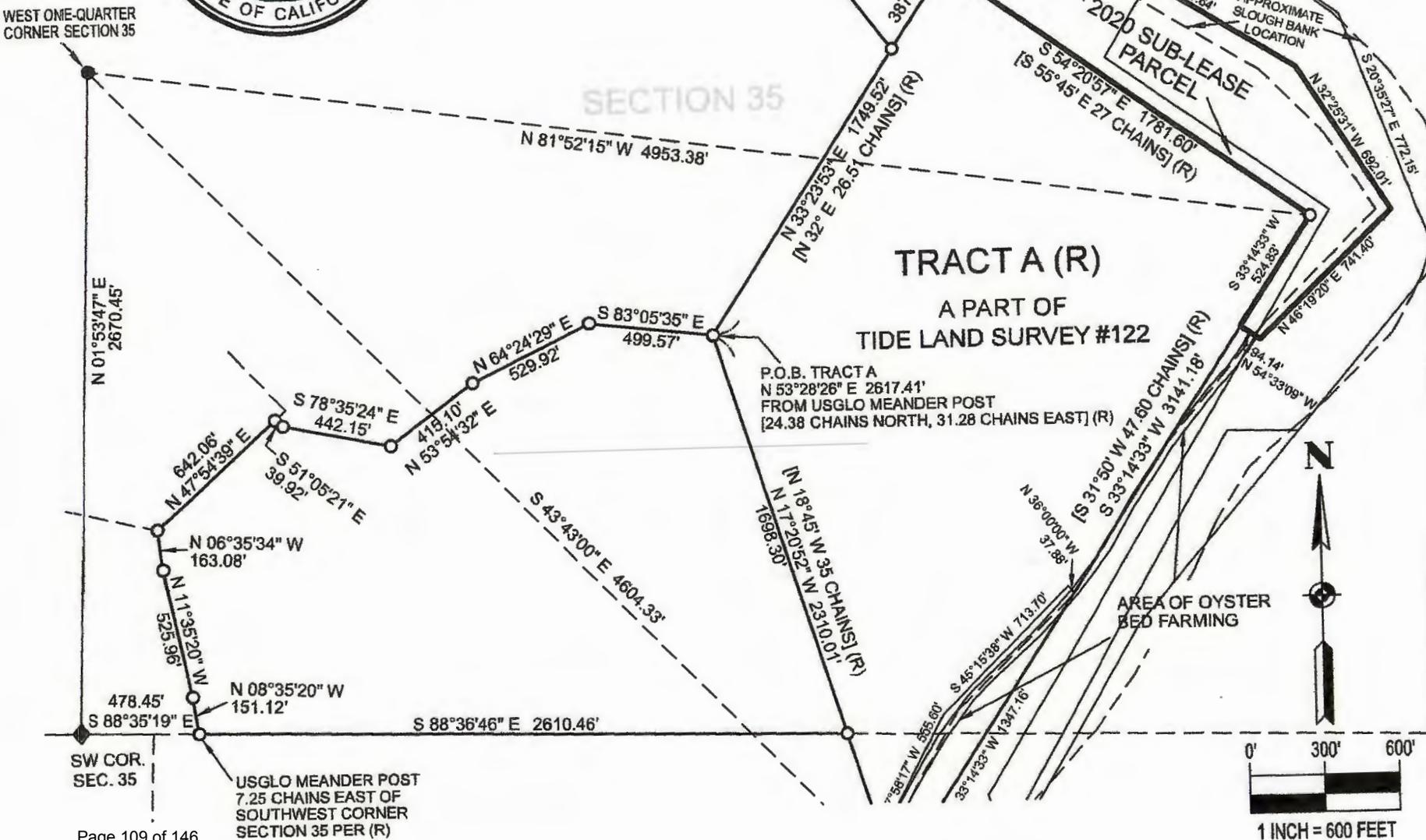
2020 SUB-LEASE
PARCEL

APPROXIMATE
SLOUGH BANK
LOCATION

AREA OF OYSTER
BED FARMING



1 INCH = 600 FEET



Attachment B

Humboldt Bay Oyster Company Parcel A Tideland Lease and Parcel B Tideland Lease

MARICULTURE LEASE
(PARCEL A)

THIS AGREEMENT made this 29th day of July, 1988, by and between HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT, a Public Entity, hereinafter referred to as "District", and KUIPER MARICULTURE, INC., a corporation, hereinafter referred to as "Lessee";

W I T N E S S E T H

In consideration of the mutual covenants, conditions, and agreements contained herein, THE PARTIES AGREE AS FOLLOWS:

1. PURPOSE: The purpose of this Lease is to confirm unto Lessee the right and privilege to moor and maintain rafts and/or oyster stakes and associated equipment for the purpose of conducting a commercial operation for the cultivation of shellfish upon tide and submerged lands on that property described in Exhibit "A" attached hereto and incorporated herein by reference as if fully set forth. The property to be utilized by Lessee consists of approximately Twenty Eight (28) acres of tide and submerged lands below the mean high water mark, excluding island areas, and excluding tide and submerged lands that may be found not to be held in trust by District, in that area of Humboldt Bay, California, known as Mad River Slough Channel.

2. DEFINITIONS: As used herein the following definitions shall apply:

(a) SHELLFISH: For the purpose of this lease, shellfish includes shellfish, clams, mussels, and scallops

(b) SEED: Seed are those juvenile shellfish that have not reached a mature size for human consumption.

(c) ADULTS: Adults are those shellfish that have reached maturity and are of a size and health quality that can be sold for human consumption.

3. USE OF PROPERTY: It is the intention of this Lease to grant the Lessee exclusive privilege of cultivating and harvesting shellfish in the herein described property and for the placement of rafts and/or oyster stakes for the purpose of said cultivation of shellfish. Lessee shall use said property for no other purpose whatsoever.

4. OTHER PERMITS: As an express condition precedent to the issuance and subsequent renewal of this Lease, and before Lessee shall have any rights or privileges hereunder Lessee shall secure a Permit from the Humboldt Bay Harbor, Recreation, and Conservation District and shall secure all necessary permits, including, but not limited to, a Permit from the Northcoast Regional Commission of the California Coastal Zone Conservation Commission, or an exemption therefrom, for the project referred to herein, and shall provide District with

satisfactory proof of the issuance of all such permits and/or exemptions.

5. WARNING DEVICES: During the term of this Lease, or any renewal or extension thereof, Lessee shall install and maintain at its sole cost and expense such lights, signals, or warning devices for navigation purposes in order to give adequate notice to mariners of the presence of Lessee's improvements, structures or personal property as required by the District, or any governmental agencies, including, but not limited to the United States Coast Guard and the United States Army Corps of Engineers.

6. REQUIRED PERFORMANCE: The Lessee is required to perform at the level of operation required by all permitting agencies.

7. COMPLIANCE WITH LAWS: Lessee shall not do or permit to be done, or keep or permit to be kept, in or about the property hereinabove described anything which shall be a nuisance or which shall be in violation of any law, ordinance, rule, or regulation of any governmental authority, including District. Lessee further agrees that it will comply with all lawful orders and directions of any governmental authority, including, but not limited to, District, Humboldt County Health Department, State Department of Health, and the United States Food and Drug Administration.

8. WASTE, CONSTRUCTION, AND IMPROVEMENTS:

Lessee shall not commit, or allow to be committed, any waste of, in or about the property hereinabove described, and shall not make or allow to be made, any construction or improvements on said tide or submerged lands without the prior written consent of District. Lessee shall at no time conduct any act or maintain any facility or equipment in any manner that will constitute an impediment to navigation in the Mad River Slough.

9. ASSIGNMENT, ENCUMBRANCE, OR SUBLETTING:

Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate, or encumber this Lease and shall not sublet the premises, in whole or in part, or allow any person other than the Lessee's employees, agents, servants, and invitees to occupy or use all or any portion of the leased premises without the prior written approval of District. All assignments, transfers and subleases of this Lease, and each of them, shall be subject to all the covenants, terms, conditions, reservations, restrictions, time limitations, and other provisions of this Lease.

This Lease shall be appurtenant to littoral or riparian land and any ownership interest or use rights of Lessee in such lands and it shall not be severed from such rights or interests without the prior written consent

of Lessor.

10. TERM OF LEASE: The term of this Lease shall be for a period of five (5) years beginning June 1, 1988, and terminating May 31, 1993.

11. CONSIDERATION: For the rights and privileges conferred hereby during the term of this Lease, Lessee shall pay to the District such sum of money as hereinbelow enumerated:

(a) The rent for each year of the Lease commencing June 1, 1988, shall be the sum of ONE THOUSAND DOLLARS (\$1,000.00), herein called "Minimum Base Rent", payable annually in advance beginning on June 1, 1988.

(b) The minimum yearly rent provided for in paragraph 11(a) of this Agreement (Consideration) shall be subject to adjustment at the commencement of the SECOND YEAR of the term of this Amendment to Lease, to wit: June 1, 1989, and each year thereafter including any renewal periods of this Lease as follows:

In addition to the provisions hereof, the minimum base rent of ONE THOUSAND DOLLARS (\$1,000.00) as referred to in paragraph 11(a) of this Agreement (Consideration) shall be automatically adjusted as herein provided. Such adjustment shall be based on the increase in the general cost of living index, which, as of the commencement date of this Agreement, is agreed to be one entitled "Consumers'

Price Indexes, Pacific Cities and U. S. City Average, All Items Indexes, (1982-84=100 unless otherwise noted), All Urban Consumers, San Francisco-Oakland-San Jose" herein called "Index", published by the Bureau of Labor Statistics, U. S. Department of Labor. The Index for the month of April, 1987, shall determine the base figure and is herein called the "Base Figure." The Index published for the month of April immediately preceding the adjustment date in question ("Current Figure") is to be used in determining the amount of adjustment. At the end of each one (1) year period of the Agreement term, the yearly rental for the ensuing one (1) year period will be increased as follows:

If the Index on the date of adjustment of rent herein called the "Current Figure" shall be found to be greater than the Base Figure, then the yearly rental for the ensuing period of the term of the Agreement shall be set at an amount which bears the same relationship to the yearly amount payable during the initial period of the Agreement as the Current Figure bears to the Base Figure.

EXAMPLE: The adjustment on June 1, 1989, shall be based on the percentage increase in the consumer price index category from April 1988 to April 1989.

On adjustment of the minimum yearly rent as provided in this Agreement, the parties shall immediately

execute an amendment to this Agreement stating the new minimum yearly rent. In no case shall the minimum yearly rent be less than the yearly rent set forth in paragraph 11(a) of this Agreement (Consideration). Upon the establishment of the new minimum yearly rent, in no case shall the future yearly rent be less than the newly established yearly rent.

If the Index is changed so that the base year differs from that in effect when the term commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

12. EXTENSION OF LEASE: So long as Lessee is not in default of any of the terms, covenants, or conditions herein contained, Lessee shall be entitled to extend this Lease for Two (2) additional periods of Five (5) years each, from June 1, 1993, to May 31, 1998, and June 1, 1998, to May 31, 2003, upon any terms, conditions, covenants, or rental consideration that may be required or imposed by District, except that if District

does not require any changes for rental consideration, the rent shall continue to be increased by the annual increase in the Consumer Price Index as set forth in paragraph 11(b) hereinabove. To be entitled to the extension of this Lease, Lessee shall give District written notice of desire to extend this Lease not later than ninety (90) days prior to its expiration.

13. RECORDS: Lessee, at District's request, shall provide to District copies of all records relating to quantity and quality of seed planted and/or shellfish production and sales that Lessee is required to provide to the State of California, Department of Fish and Game, or to the State of California relating to Lessee's mariculture operations on District's premises.

14. CONDITION OF PREMISES UPON EXPIRATION OF LEASE: Upon expiration or sooner termination of this Lease, or any renewal or extension thereof, Lessee agrees to remove from all or any portion of the premises Lessee's personal property, (including, but not limited to: rafts and raft anchors) and improvements from the real property hereinabove described and restore the same as nearly as reasonably possible to its natural condition and otherwise leave the same in good state of repair. District may, at District election, demand removal from the premises of all fixtures, personal property, and improvements,

or certain fixtures, personal property, and improvements, or both, as specified in the notice provided for below. The demand to take effect at the normal expiration of the terms shall be effected by notice given at any time within three (3) months before the expiration date. The demand to take effect on any other termination of Lease shall be effected by notice given in or concurrently with notice of such termination or within thirty (30) days after such termination. Lessee shall comply with the notice before the expiration date of the normal termination and within thirty (30) days after notice or other termination. In the event Lessee fails to comply with District's demand for removal from the premises of all fixtures, personal property, and improvements or of certain fixtures, personal property, and improvements as specified in the notice within sixty (60) days from the date of the notice, District may remove or cause to be removed the designated fixtures, personal property, and improvements, and restore the premises to the condition that existed at the commencement of the Lease. In this event, Lessee shall reimburse District for all costs and expenses of such removal.

All improvements on the premises at the expiration of the term or sooner termination of this Lease not required to be removed by District's election shall,

without compensation to Lessee, then become District's property free and clear of all claims to or against them by Lessee or any third person and Lessee shall defend and indemnify District against all liability and loss arising from such claims or from District's exercise of the rights conferred by this sentence.

Lessee shall provide, at its sole expense, an annual surety bond in the sum of TEN THOUSAND DOLLARS (\$10,000.00) to ensure the faithful performance by Lessee of all provisions of this Lease and any and all other leases in existence on the date of the execution of this Lease between District and Lessee, including the payment of rent, and that the described premises are fully restored to its pre-existing physical condition.

15. INSPECTION: District shall have the right to enter the property hereinabove described, or any part thereof, or any adjacent areas controlled by District and utilized by Lessee, at any reasonable time for the purpose of inspecting the same, or for any other lawful purpose.

16. BREACH OF LEASE CONDITIONS: In the event Lessee breaches any term, covenant, or condition of this Lease, or any term, covenant, or condition required by District on any extension of this Lease, including payment of the annual rent, District shall give Lessee notice

in writing thereof. If the breach is subject to correction and Lessee corrects the same within thirty (30) days after delivery or mailing of written notice, it shall not be penalized on account thereof. If such breach is not subject to correction, or if it is not corrected within thirty (30) days after such written notice thereof to Lessee, any and all rights of Lessee under this Lease, or any renewal or extension thereof, shall forthwith terminate, and Lessee shall immediately comply with the provisions of paragraph 14 hereof.

17. REMOVAL: It is the purpose of this Lease to permit Lessee to grow shellfish seed or adults. If, due to health or disease considerations, the Mad River Slough Channel is determined to be either impossible or economically impractical for said purpose, then Lessee may terminate this Lease and shall be allowed a reasonable amount of time, not exceeding twelve (12) months from termination, to remove all of its property and shellfish from the channel.

If renewal permits for mariculture activity on Mad River Slough, including any Coastal Development Permit and United States Army Corps of Engineers Permit, are not obtained, Lessee shall have twelve (12) months to remove its equipment and shellfish from the slough.

In the event of the occurrence of either of

the above described situations, Lessee shall, in any event, be liable to District for the basic annual rent of ONE THOUSAND DOLLARS (\$1,000.00), plus the increased rent provided for in paragraph 11(b) of this Lease. The annual rent shall be prorated according to the actual number of months Lessee occupies District's premises for the purpose of removal of its property pursuant to the provisions of this paragraph.

18. BINDING EFFECT: Subject to the provisions of paragraph 9 hereof, and all terms, covenants, and conditions required upon any renewal or extension hereof, shall be binding upon, and shall inure to the benefit of the heirs, executors, administrators, representatives, successors, and assigns of the parties hereto.

18. NOTICE: Any notice required by this Lease, or by law, shall be sufficient if directed by certified mail, postage prepaid, return receipt requested, as follows:

LESSEE:

KUIPER MARICULTURE, INC.
TED KUIPER
3025 Plunkett Road
Bayside, CA 95524

LESSOR:

HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT
P. O. Box 1030
Eureka, CA 95502-1030

19. CANCELLATION: This Lease may be canceled and terminated by District at any time when:

(a) Lessee fails to perform any covenant, term, or condition set forth in this Lease and subject to paragraph 16 above;

(b) In the event Lessee fails to pay rent when the same is due;

(c) Lessee fails to possess a valid shellfish cultivator's license issued by the State of California. In the event Lessee's license is revoked, this Lease shall, at the option of the District, be either terminated or suspended.

This Lease may be amended or canceled at any time by mutual agreement of the Lessee and the District when reduced to writing and executed by the parties.

20. HOLD HARMLESS: The Lessee hereby agrees to indemnify and hold harmless District, its officers, commissioners, agents, and employees, against any and all claims, demands of any kind and nature whatsoever, arising out of, or in any way connected with, the use by the Lessee of said premises, or the exercise of the privilege herein granted.

21. INSURANCE: Lessee, at its own cost and expense, upon execution of this Lease, shall purchase and maintain comprehensive broad form general public liability and property damage insurance policy with a combined single liability limits of THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000.00) or more per occurrence against all liability of District and Lessee and its authorized representatives arising out of and in connection with Lessee's use or occupancy of the premises, and/or third parties. District shall be named as an additional

insured on Lessee's policy and Lessee shall provide District with a copy of the endorsement of the insurance policy naming District as an additional insured on Lessee's policy.

Lessee, at its own cost, shall cover or insure under applicable laws relating to workers compensation or employers disability insurance, their employees, working on or about the premises, regardless of whether such coverage or insurance is mandatory or merely elective under the law. The Lessee shall defend, protect, and save harmless District from and against all claims, suits, and actions arising from failure of the Lessee to maintain such insurance.

22. THIRD PARTIES: It is understood and agreed that District may lease all or a portion of the herein described premises to third parties for mariculture use or purposes that are compatible with the Lessee's use of the premises, except the cultivation of shellfish. Lessee shall be consulted in determining the compatibility of its use of premises and any other proposed uses.

23. TAXES: Lessee shall pay any and all taxes due any local, state, or federal entity as the result of its operation in the leased premises.

Lessee shall pay before delinquency all taxes, assessments, license fees, and other charges (hereinafter

called "taxes") that are levied, and assessed against Lessee's personal property installed or located in or on the premises, and that become payable during the term. On demand by the CEO, Lessee shall furnish to District satisfactory evidence of these payments.

This Agreement may create a possessory interest, as described in Sections 107 and 107.4 of the Revenue and Taxation Code of the State of California, on tax exempt property. If such an interest is created, it may be subject to property taxation, and the party in whom the possessory interest is vested may be subject to payment of taxes on such interest.

The payment of any such taxes, fees, or charges shall not constitute cause for modification of rent payable by Lessee.

If the imposition of any tax, fee, charge, duty, or assessment shall be deemed by Lessee to be improper, illegal, or excessive, Lessee may, at its sole cost and expense, dispute and contest the same in any manner provided by law, provided, however, any such taxes, fees, charges, duties, or assessments shall have first been paid.

24. Nothing contained herein shall preclude the general public from the free use and enjoyment of the premises described in Exhibit "A" for recreational

and navigational purposes.

IN WITNESS WHEREOF, we have hereunto set our hands on the day and year first hereinabove written.

HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT

BY 
ROBERT E. DAVENPORT, PRESIDENT
Board of Commissioners

"LESSOR"

KUIPER MARICULTURE, INC.
A Corporation

BY 
TEE KUIPER, PRESIDENT

"LESSEE"

PARCEL A

That parcel of land situated in the County of Humboldt, State of California and located in Section 35, Township 6 North, Range 1 West, and Section 2, Township 5 North, Range 1 West, and more particularly described as follows:

BEGINNING at the most Northerly Corner of that Parcel of land described as Parcel B, leased to Kuiper Mariculture by the Humboldt Bay Harbor, Recreation, and Conservation District on Mad River Slough Channel proceed South 55 degrees 45 minutes East 721 feet to the Point of Beginning for Parcel A. From the Point of Beginning, thence South 32 degrees West 676 feet;

Thence South 55 degrees 45 minutes East 1125 feet;

Thence South 31 degrees 50 minutes West 2512 feet;

Thence South 16 degrees East 187.5 feet;

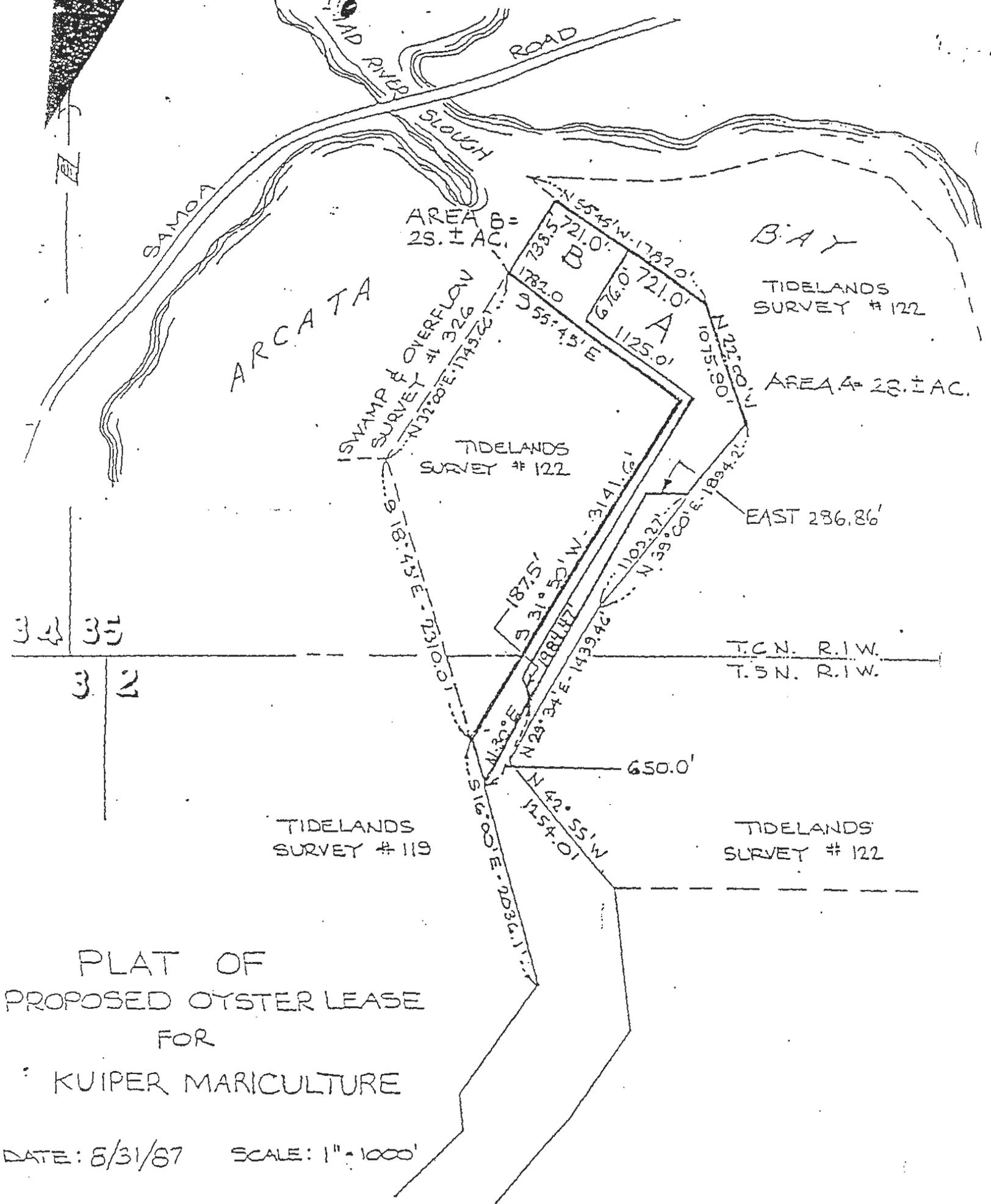
Thence North 30 degrees East 1984 feet on the Boundary of the Coast Oyster lease from the Humboldt Bay Harbor, Recreation, and Conservation District (CDFG Lease dated 25 Sept. 1972);

Thence East 286 feet;

Thence North 29 degrees 34 minutes East 745 feet;

Thence North 22 degrees West 1075 feet;

Thence North 55 degrees 45 minutes West 721 feet to the Point of Beginning.



PLAT OF
 PROPOSED OYSTER LEASE
 FOR
 KUIPER MARICULTURE

DATE: 8/31/87 SCALE: 1" = 1000'

MARICULTURE LEASE
(PARCEL B)

THIS AGREEMENT made this 29th day of July, 1988, by and between HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT, a Public Entity, hereinafter referred to as "District", and KUIPER MARICULTURE, INC., a corporation, hereinafter referred to as "Lessee";

W I T N E S S E T H

In consideration of the mutual covenants, conditions, and agreements contained herein, THE PARTIES AGREE AS FOLLOWS:

1. PURPOSE: The purpose of this Lease is to confirm unto Lessee the right and privilege to moor and maintain rafts and/or oyster stakes and associated equipment for the purpose of conducting a commercial operation for the cultivation of shellfish upon tide and submerged lands on that property described in Exhibit "A" attached hereto and incorporated herein by reference as if fully set forth. The property to be utilized by Lessee consists of approximately Twenty Eight (28) acres of tide and submerged lands below the mean high water mark, excluding island areas, and excluding tide and submerged lands that may be found not to be held in trust by District, in that area of Humboldt Bay, California, known as Mad River Slough Channel.

2. DEFINITIONS: As used herein the following definitions shall apply:

(a) SHELLFISH: For the purpose of this lease, shellfish includes shellfish, clams, mussels, and scallops

(b) SEED: Seed are those juvenile shellfish that have not reached a mature size for human consumption.

(c) ADULTS: Adults are those shellfish that have reached maturity and are of a size and health quality that can be sold for human consumption.

3. USE OF PROPERTY: It is the intention of this Lease to grant the Lessee exclusive privilege of ~~cultivating and harvesting~~ shellfish in the herein described property and for the placement of rafts and/or oyster stakes for the purpose of said cultivation of shellfish. Lessee shall use said property for no other purpose whatsoever.

4. OTHER PERMITS: As an express condition precedent to the issuance and subsequent renewal of this Lease, and before Lessee shall have any rights or privileges hereunder Lessee shall secure a Permit from the Humboldt Bay Harbor, Recreation, and Conservation District and shall secure all necessary permits, including, but not limited to, a Permit from the Northcoast Regional Commission of the California Coastal Zone Conservation Commission, or an exemption therefrom, for the project referred to herein, and shall provide District with

satisfactory proof of the issuance of all such permits and/or exemptions.

5. WARNING DEVICES: During the term of this Lease, or any renewal or extension thereof, Lessee shall install and maintain at its sole cost and expense such lights, signals, or warning devices for navigation purposes in order to give adequate notice to mariners of the presence of Lessee's improvements, structures or personal property as required by the District, or any governmental agencies, including, but not limited to the United States Coast Guard and the United States Army Corps of Engineers.

6. REQUIRED PERFORMANCE: The Lessee is required to perform at the level of operation required by all permitting agencies.

7. COMPLIANCE WITH LAWS: Lessee shall not do or permit to be done, or keep or permit to be kept, in or about the property hereinabove described anything which shall be a nuisance or which shall be in violation of any law, ordinance, rule, or regulation of any governmental authority, including District. Lessee further agrees that it will comply with all lawful orders and directions of any governmental authority, including, but not limited to, District, Humboldt County Health Department, State Department of Health, and the United States Food and Drug Administration.

8. WASTE, CONSTRUCTION, AND IMPROVEMENTS:

Lessee shall not commit, or allow to be committed, any waste of, in or about the property hereinabove described, and shall not make or allow to be made, any construction or improvements on said tide or submerged lands without the prior written consent of District. Lessee shall at no time conduct any act or maintain any facility or equipment in any manner that will constitute an impediment to navigation in the Mad River Slough.

9. ASSIGNMENT, ENCUMBRANCE, OR SUBLETTING:

Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate, or encumber this Lease and shall not sublet the premises, in whole or in part, or allow any person other than the Lessee's employees, agents, servants, and invitees to occupy or use all or any portion of the leased premises without the prior written approval of District. All assignments, transfers and subleases of this Lease, and each of them, shall be subject to all the covenants, terms, conditions, reservations, restrictions, time limitations, and other provisions of this Lease.

This Lease shall be appurtenant to littoral or riparian land and any ownership interest or use rights of Lessee in such lands and it shall not be severed from such rights or interests without the prior written consent

of Lessor.

10. TERM OF LEASE: The term of this Lease shall be for a period of five (5) years beginning June 1, 1988, and terminating May 31, 1993.

11. CONSIDERATION: For the rights and privileges conferred hereby during the term of this Lease, Lessee shall pay to the District such sum of money as hereinbelow enumerated:

(a) The rent for each year of the Lease commencing June 1, 1988, shall be the sum of ONE THOUSAND DOLLARS (\$1,000.00), herein called "Minimum Base Rent", payable annually in advance beginning on June 1, 1988.

(b) The minimum yearly rent provided for in paragraph 11(a) of this Agreement (Consideration) shall be subject to adjustment at the commencement of the SECOND YEAR of the term of this Amendment to Lease, to wit: June 1, 1989, and each year thereafter including any renewal periods of this Lease as follows:

In addition to the provisions hereof, the minimum base rent of ONE THOUSAND DOLLARS (\$1,000.00) as referred to in paragraph 11(a) of this Agreement (Consideration) shall be automatically adjusted as herein provided. Such adjustment shall be based on the increase in the general cost of living index, which, as of the commencement date of this Agreement, is agreed to be one entitled "Consumers'

Price Indexes, Pacific Cities and U. S. City Average, All Items Indexes, (1982-84=100 unless otherwise noted), All Urban Consumers, San Francisco-Oakland-San Jose" herein called "Index", published by the Bureau of Labor Statistics, U. S. Department of Labor. The Index for the month of April, 1987, shall determine the base figure and is herein called the "Base Figure." The Index published for the month of April immediately preceding the adjustment date in question ("Current Figure") is to be used in determining the amount of adjustment. At the end of each one (1) year period of the Agreement term, the yearly rental for the ensuing one (1) year period will be increased as follows:

If the Index on the date of adjustment of rent herein called the "Current Figure" shall be found to be greater than the Base Figure, then the yearly rental for the ensuing period of the term of the Agreement shall be set at an amount which bears the same relationship to the yearly amount payable during the initial period of the Agreement as the Current Figure bears to the Base Figure.

EXAMPLE: The adjustment on June 1, 1989, shall be based on the percentage increase in the consumer price index category from April 1988 to April 1989.

On adjustment of the minimum yearly rent as provided in this Agreement, the parties shall immediately

execute an amendment to this Agreement stating the new minimum yearly rent. In no case shall the minimum yearly rent be less than the yearly rent set forth in paragraph 11(a) of this Agreement (Consideration). Upon the establishment of the new minimum yearly rent, in no case shall the future yearly rent be less than the newly established yearly rent.

If the Index is changed so that the base year differs from that in effect when the term commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

12. EXTENSION OF LEASE: So long as Lessee is not in default of any of the terms, covenants, or conditions herein contained, Lessee shall be entitled to extend this Lease for Two (2) additional periods of Five (5) years each, from June 1, 1993, to May 31, 1998, and June 1, 1998, to May 31, 2003, upon any terms, conditions, covenants, or rental consideration that may be required or imposed by District, except that if District

does not require any changes for rental consideration, the rent shall continue to be increased by the annual increase in the Consumer Price Index as set forth in paragraph 11(b) hereinabove. To be entitled to the extension of this Lease, Lessee shall give District written notice of desire to extend this Lease not later than ninety (90) days prior to its expiration.

13. RECORDS: Lessee, at District's request, shall provide to District copies of all records relating to quantity and quality of seed planted and/or shellfish production and sales that Lessee is required to provide to the State of California, Department of Fish and Game, or to the State of California relating to Lessee's mariculture operations on District's premises.

14. CONDITION OF PREMISES UPON EXPIRATION OF LEASE: Upon expiration or sooner termination of this Lease, or any renewal or extension thereof, Lessee agrees to remove from all or any portion of the premises Lessee's personal property, (including, but not limited to: rafts and raft anchors) and improvements from the real property hereinabove described and restore the same as nearly as reasonably possible to its natural condition and otherwise leave the same in good state of repair. District may, at District election, demand removal from the premises of all fixtures, personal property, and improvements,

or certain fixtures, personal property, and improvements, or both, as specified in the notice provided for below. The demand to take effect at the normal expiration of the terms shall be effected by notice given at any time within three (3) months before the expiration date. The demand to take effect on any other termination of Lease shall be effected by notice given in or concurrently with notice of such termination or within thirty (30) days after such termination. Lessee shall comply with the notice before the expiration date of the normal termination and within thirty (30) days after notice or other termination. In the event Lessee fails to comply with District's demand for removal from the premises of all fixtures, personal property, and improvements or of certain fixtures, personal property, and improvements as specified in the notice within sixty (60) days from the date of the notice, District may remove or cause to be removed the designated fixtures, personal property, and improvements, and restore the premises to the condition that existed at the commencement of the Lease. In this event, Lessee shall reimburse District for all costs and expenses of such removal.

All improvements on the premises at the expiration of the term or sooner termination of this Lease not required to be removed by District's election shall,

without compensation to Lessee, then become District's property free and clear of all claims to or against them by Lessee or any third person and Lessee shall defend and indemnify District against all liability and loss arising from such claims or from District's exercise of the rights conferred by this sentence.

Lessee shall provide, at its sole expense, an annual surety bond in the sum of TEN THOUSAND DOLLARS (\$10,000.00) to ensure the faithful performance by Lessee of all provisions of this Lease and any and all other leases in existence on the date of the execution of this Lease between District and Lessee, including the payment of rent, and that the described premises are fully restored to its pre-existing physical condition.

15. INSPECTION: District shall have the right to enter the property hereinabove described, or any part thereof, or any adjacent areas controlled by District and utilized by Lessee, at any reasonable time for the purpose of inspecting the same, or for any other lawful purpose.

16. BREACH OF LEASE CONDITIONS: In the event Lessee breaches any term, covenant, or condition of this Lease, or any term, covenant, or condition required by District on any extension of this Lease, including payment of the annual rent, District shall give Lessee notice

in writing thereof. If the breach is subject to correction and Lessee corrects the same within thirty (30) days after delivery or mailing of written notice, it shall not be penalized on account thereof. If such breach is not subject to correction, or if it is not corrected within thirty (30) days after such written notice thereof to Lessee, any and all rights of Lessee under this Lease, or any renewal or extension thereof, shall forthwith terminate, and Lessee shall immediately comply with the provisions of paragraph 14 hereof.

17. REMOVAL: It is the purpose of this Lease to permit Lessee to grow shellfish seed or adults. If, due to health or disease considerations, the Mad River Slough Channel is determined to be either impossible or economically impractical for said purpose, then Lessee may terminate this Lease and shall be allowed a reasonable amount of time, not exceeding twelve (12) months from termination, to remove all of its property and shellfish from the channel.

If renewal permits for mariculture activity on Mad River Slough, including any Coastal Development Permit and United States Army Corps of Engineers Permit, are not obtained, Lessee shall have twelve (12) months to remove its equipment and shellfish from the slough.

In the event of the occurrence of either of

the above described situations, Lessee shall, in any event, be liable to District for the basic annual rent of ONE THOUSAND DOLLARS (\$1,000.00), plus the increased rent provided for in paragraph 11(b) of this Lease. The annual rent shall be prorated according to the actual number of months Lessee occupies District's premises for the purpose of removal of its property pursuant to the provisions of this paragraph.

18. BINDING EFFECT: Subject to the provisions of paragraph 9 hereof, and all terms, covenants, and conditions required upon any renewal or extension hereof, shall be binding upon, and shall inure to the benefit of the heirs, executors, administrators, representatives, successors, and assigns of the parties hereto.

18. NOTICE: Any notice required by this Lease, or by law, shall be sufficient if directed by certified mail, postage prepaid, return receipt requested, as follows:

LESSEE:

KUIPER MARICULTURE, INC.
TED KUIPER
3025 Plunkett Road
Bayside, CA 95524

LESSOR:

HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT
P. O. Box 1030
Eureka, CA 95502-1030

19. CANCELLATION: This Lease may be canceled and terminated by District at any time when:

(a) Lessee fails to perform any covenant, term, or condition set forth in this Lease and subject to paragraph 16 above;

(b) In the event Lessee fails to pay rent when the same is due;

(c) Lessee fails to possess a valid shellfish cultivator's license issued by the State of California. In the event Lessee's license is revoked, this Lease shall, at the option of the District, be either terminated or suspended.

This Lease may be amended or canceled at any time by mutual agreement of the Lessee and the District when reduced to writing and executed by the parties.

20. HOLD HARMLESS: The Lessee hereby agrees to indemnify and hold harmless District, its officers, commissioners, agents, and employees, against any and all claims, demands of any kind and nature whatsoever, arising out of, or in any way connected with, the use by the Lessee of said premises, or the exercise of the privilege herein granted.

21. INSURANCE: Lessee, at its own cost and expense, upon execution of this Lease, shall purchase and maintain comprehensive broad form general public liability and property damage insurance policy with a combined single liability limits of THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000.00) or more per occurrence against all liability of District and Lessee and its authorized representatives arising out of and in connection with Lessee's use or occupancy of the premises, and/or third parties. District shall be named as an additional

insured on Lessee's policy and Lessee shall provide District with a copy of the endorsement of the insurance policy naming District as an additional insured on Lessee's policy.

Lessee, at its own cost, shall cover or insure under applicable laws relating to workers compensation or employers disability insurance, their employees, working on or about the premises, regardless of whether such coverage or insurance is mandatory or merely elective under the law. The Lessee shall defend, protect, and save harmless District from and against all claims, suits, and actions arising from failure of the Lessee to maintain such insurance.

22. THIRD PARTIES: It is understood and agreed that District may lease all or a portion of the herein described premises to third parties for mariculture use or purposes that are compatible with the Lessee's use of the premises, except the cultivation of shellfish. Lessee shall be consulted in determining the compatibility of its use of premises and any other proposed uses.

23. TAXES: Lessee shall pay any and all taxes due any local, state, or federal entity as the result of its operation in the leased premises.

Lessee shall pay before delinquency all taxes, assessments, license fees, and other charges (hereinafter

called "taxes") that are levied and assessed against Lessee's personal property installed or located in or on the premises, and that become payable during the term. On demand by the CEO, Lessee shall furnish to District satisfactory evidence of these payments.

This Agreement may create a possessory interest, as described in Sections 107 and 107.4 of the Revenue and Taxation Code of the State of California, on tax exempt property. If such an interest is created, it may be subject to property taxation, and the party in whom the possessory interest is vested may be subject to payment of taxes on such interest.

The payment of any such taxes, fees, or charges shall not constitute cause for modification of rent payable by Lessee.

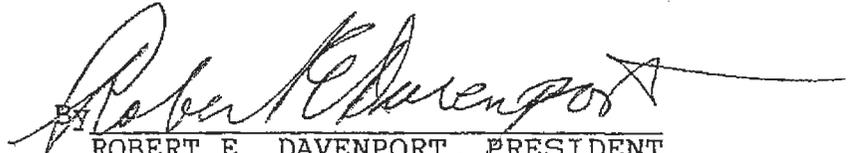
If the imposition of any tax, fee, charge, duty, or assessment shall be deemed by Lessee to be improper, illegal, or excessive, Lessee may, at its sole cost and expense, dispute and contest the same in any manner provided by law, provided, however, any such taxes, fees, charges, duties, or assessments shall have first been paid.

24. Nothing contained herein shall preclude the general public from the free use and enjoyment of the premises described in Exhibit "A" for recreational

and navigational purposes.

IN WITNESS WHEREOF, we have hereunto set our hands on the day and year first hereinabove written.

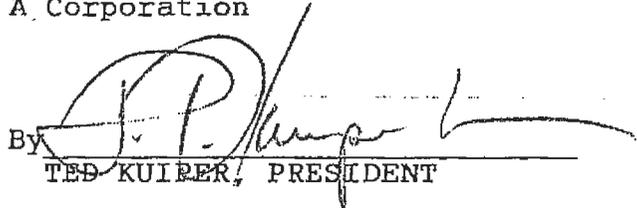
HUMBOLDT BAY HARBOR, RECREATION,
AND CONSERVATION DISTRICT



BY ROBERT E. DAVENPORT, PRESIDENT
Board of Commissioners

"LESSOR"

KUIPER MARICULTURE, INC.
A Corporation



BY TED KUIPER, PRESIDENT

"LESSEE"

PARCEL B

That parcel of land situated in the County of Humboldt, State of California, and located in Section 35, Township 6 North, Range 1 West, and Section 2, Township 5 North, Range 1 West, and more particularly described as follows:

BEGINNING at the most Northerly Corner of that parcel of land described in the Deed from Del Monte Devel. Co. to Western Centenials, Inc., recorded August 2, 1974, in Volume 1250 of Official Records, Page 261;

Thence along the Northerly and Easterly lines of said parcel and of Tideland Survey No. 122 South 55 degrees 45 minutes East 1782 feet;

Thence South 31 degrees 50 minutes West 3141.66 feet to the most Southerly Corner of said parcel, said point being an angle point common to Tideland Survey 119 and 122;

Thence along the East line of Tideland Survey No. 119 South 16 degrees East 421.04 feet to an angle point on the West line of the Coast Oyster Co. Lease from the Humboldt Bay Harbor, Recreation, and Conservation District (From CDFG dated 25 Sept. 1972);

Thence North 30 degrees East along the West line of said lease 650 feet;

Thence North 22 degrees West 187.5 feet;

Thence North 30 degrees East 2953.5 feet;

Thence North 55 degrees 45 minutes West 1125 feet;

Thence North 30 degrees East 676 feet;

Thence North 55 degrees 45 minutes West 721 feet;

Thence South 32 degrees West 738.5 feet along said extension and across the Mad River Slough Channel to the Point of Beginning.

