

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

**DATE:** March 26, 2009

**TIME:** 6:00 p.m. Executive Closed Session  
7:00 p.m. Regular Session

**PLACE:** Woodley Island Marina Meeting Room

*The Meeting Room is wheelchair accessible. Accommodations and access to Harbor District meetings for people with other handicaps must be requested of the Director of Administrative Services at 443-0801 five (5) working days in advance of the meeting.*

1. **Call to Order at 6:00 p.m.**
  - a. **Move to Executive Closed Session pursuant to paragraph 9 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 Closed Session**
5. **Public Comment**

*Note: This portion of the Agenda allows the public to speak to the Board on 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 an 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 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**

*Note: All matters listed under the Consent Calendar are considered to be routine by the Board of Commissioners and will be enacted by one motion. There will be no separate discussion of these items. If discussion is required, that item will be removed from the Consent Calendar and considered separately.*

- a. Consideration of approval of minutes from the February 26, 2009 Board meeting
- b. Consideration of payment to SHN Engineering for services related to stormwater monitoring at the Shelter Cove Boat Launch facility \$684.55



**Agenda for March 26, 2009 Board Meeting**

**7. Communications and Reports**

- a. Chief Executive Officer's Report
- b. District Counsel's Report
- c. Staff Reports
- b. Commissioner Reports
- e. Advisory Committee Reports
- f. Other

**8. Non Agenda**

**9. Unfinished Business**

**10. New Business**

- a. Consideration of receiving and filing Permit Application No. 09-03 to Humboldt State University for the Humboldt Bay Aquatic Center Floating Dock Project.
- b. Consideration of Subaward grant agreement with the Southern California Coastal Water Research Project for programmatic and technical activities related to the development of a statewide network of reference wetlands in California.
- c. Consideration of 2009 Extension of Tide and Submerged Lands Lease with the Estate of G.A. Hunter for South Bay Marina.
- d. FY 2009/10 Budget Workshop.

**11. Administrative and Emergency Permits**

**12. EXECUTIVE CLOSED SESSION-PURSUANT TO AND INVOLVING THE PROVISIONS OF CALIFORNIA GOVERNMENT CODE SECTIONS 54956.5, 54953 et. Seq., 54956.8, 54956.9, 54956.95, 54957, 54957.1, 54957.6, and 54957.7 as follows:**

(a) With respect to a closed session held pursuant to Section 54956.7:

**LICENSE/PERMIT DETERMINATION**

Applicant(s):

(b) With respect to every item of business to be discussed in closed session pursuant to Section 54956.8:

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Property: The real property owned by the Humboldt Bay Harbor, Recreation, and Conservation District and leased or may be leased to third parties presently and in the future and subject to re-negotiation or amendments concerning price or payment or both including but not limited to the following: South Bay Marina; Fields Landing; Stanwood Murphy, Jr.; Woodley Island Marina Slip Rentals and Upland Rentals; Louisiana-Pacific Corporation; Nylander property; Simpson Timber Company; Coast Seafoods Company; Humboldt Yacht Club; Ted Kuiper Aquaculture Terminal tidelands lease; Ted Kuiper mariculture tideland leases; Humboldt Bay Oyster Company; Sera Group; Shelter Cove recreational property; Yomtob Shelter Cove property; Hungry U Restaurant, Inc. AKA Cafe Marina; Evergreen Pulp; Freshwater Pulp; Redwood

Dock property; potential sale/lease of Samoa Shops property; Marios Marina; Security National Corporation;  
Sequoia Investments; CUE IV; Santa Maria Shipping Company; and Simpson Samoa Company.

Negotiating parties: David Hull, Chief Executive Officer; Paul Brisso, District Counsel and Mark Wetzel, District Treasurer.

Under Negotiation:

(c) With respect to every item of business to be discussed in closed session pursuant to Section 54956.9:

**CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**

Pacific Coast Federation of Fishermen Association; Humboldt Bay Harbor, Recreation and Conservation District, et. al. Vs. United States Bureau of Reclamation, United States District Court Case No. C02-2006.

**CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

a. Claims of Manson/Bean Stuyvesant against US Army Corps of Engineers, (Humboldt Bay Harbor, Recreation and Conservation District contracting party with Corps of Engineers), Humboldt Bay Improvement Project dredge; District audit of US Army Corps of Engineers; Badgley – Yankee Girl tenancy/anchorage; Tab Bersuch.

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: Initiation of litigation pursuant to subdivision (c) of Section 94596.9: One or more.

(d) With respect to every item of business to be discussed in closed session pursuant to Section 54956.95:

**LIABILITY CLAIMS**

(e) With respect to every item of business to be discussed in closed session pursuant to Section 54957:

**THREAT TO PUBLIC SERVICES OR FACILITIES**

Consultation with:

**PUBLIC EMPLOYEE APPOINTMENT**

Title:

**PUBLIC EMPLOYMENT**

Title:

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title:

**PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**

(f) With respect to every item of business to be discussed in closed session pursuant to Section 54957.6:

CONFERENCE WITH LABOR NEGOTIATOR

Agency negotiator: Chief Executive Officer, District Counsel, District Treasurer, two (2) or less of the members of the Board of Commissioners.

Employee organization: As recognized by the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District, including International Longshore and Warehouse Union, Local #14A.

Unrepresented employee:

(g) With respect to closed session called pursuant to Section 54957.8:

CASE REVIEW/PLANNING

REPORT INVOLVING TRADE SECRET

Discussion will concern: Proposed new service, program or facility

Estimated date of public disclosure:

HEARINGS

Subject matter:

**13. ADJOURNMENT**



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

**March 26, 2009**

**PRESENT:**

Commissioner Curless  
Commissioner Wilson  
Commissioner Higgins  
Commissioner Hunter

**ABSENT:**

Commissioner Pellegrini

President Hunter called the regular meeting of the Board of Commissioners to order at 7:00 p.m.

President Hunter stated Commissioner Pellegrini was absent due to several recent family tragedies and asked everyone to keep her in their thoughts.

President Hunter led those present in the Pledge of Allegiance.

District Counsel reported on the items discussed during Closed Session: Status of negotiations with the Harbor District employee union and the Real Property Negotiations potential purchase of Mario's Marina property in Shelter Cove. No action was taken on these items during Closed Session. Also during Closed Session, Commissioner Hunter recused himself and the rest of the Board discussed the South Bay Marina lease renewal. No action was taken on this item; consideration will take place later in the agenda for the open meeting.

**PUBLIC COMMENT**

David Elsebusch said the Planning Commission is considering revisiting the County Redevelopment proposal, which would have an effect on the Harbor District as well as others.

Lawrence LaBranche thanked the Board of Commissioners for working with the Timber Heritage Association. He said this summer they hope to get the speeder working between Manila and Samoa.

**CONSENT CALENDAR**

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

**CEO REPORT**

- ❖ 3/18-19: Attended CAPA meeting. Met with the new secretary of State's new Emergency Management agency (OHS and OES). State security grants are being held up (along with essentially all other bond-related grants from the State) until after the May 19th election. Even if the tax increase passes, the State may still be \$7-8 Billion in the hole. Also discussed new legislation that has been introduced this year (State). Also learned that all CA ports are in same boat as Humboldt is, i.e., cargo down, freezing positions, cutting where they can, continuing to rebuild infrastructure.
- ❖ 3/23-26: Chaired CMANC's 50<sup>th</sup> anniversary Washington Week visit. Conducted 14 meetings over 2 solid days. Met with new OMB director and staff; Corps of Engineers, RAMP coalition, MARAD, House and Senate Energy and Water appropriators, Assistant administrator for NOAA NOS, House Chair of the NR Subcommittee on fisheries, wildlife and oceans as well as with Senators Boxer and Feinstein's staff. Will Edington and CEO met with Boxer, Feinstein and Thompson's staff and worked on Harbor Maintenance Tax and our MARAD issues. Issues covered included the FY09 funding; FY10 appropriations; Stimulus (now America's Recovery and Reinvestment Act); marine sanctuaries, Marine highway, maritime education

program, shipyard grant program and our legislative priorities. Since CEO was Chair, we engaged Congressman Mike Thompson to do the welcoming at the 50<sup>th</sup> CMANC Golden State Reception. Good meetings overall. CEO thanked office staff for the great job they did to help CEO get the materials for the event organized and shipped.

- ❖ 3/16-19: Director of Maritime Commerce participated in the annual SeaTrade convention regarding cruise ships. This year he made good progress toward assembling the team of the other ports for the Cruise Californias itinerary. Met with various lines throughout the week and got good feedback.
- ❖ Director of Facility Maintenance, Director of Conservation Division and the Pilots are continuing to work with HSU to install a ADCP that will not only track currents, but also will record any tsunami currents.
- ❖ 3/22: Dredge Yaquina arrived to begin its 30 days of channel maintenance.

**DISTRICT COUNSEL REPORT:** None

**STAFF REPORT:** None

### **COMMISSIONERS REPORTS**

Commissioner Higgins:

- ❖ Attended the Salmonid Restoration Federation Conference. The State's budget was discussed and there is a perception the State is incapable of fulfilling its financial obligations.
- ❖ Reported the MLPA Committee will be convened within 60 days.
- ❖ Said the Economic Development Committee is getting close to being a reality. He said there will be 6-10 focus meetings.

Commissioner Hunter:

- ❖ Stated he met with a Eureka City Councilperson who stated a manufacturer of solar panels may be interested in some Samoa Peninsula property.

**ADVISORY COMMITTEE REPORTS:** None

**OTHER**

**NON-AGENDA:** None

### **NEW BUSINESS**

#### **A. CONSIDERATION OF RECEIVING AND FILING PERMIT APPLICATION NO. 09-03 TO HUMBOLDT STATE UNIVERSITY FOR THE HUMBOLDT BAY AQUATIC CENTER FLOATING DOCK PROJECT.**

CEO reported the Humboldt Bay Aquatic Center was built initially with no dock. Due to the narrowness of the channel, Dave Nakamura of HSU and the City of Eureka met with the Harbor Safety Committee to get feedback to develop a plan for the floating dock which would be agreeable to all parties involved.

COMMISSIONER HIGGINS MOVED TO RECEIVE AND FILE PERMIT APPLICATION NO. 09-03 TO HUMBOLDT STATE UNIVERSITY FOR THE HUMBOLDT BAY AQUATIC CENTER FLOATING DOCK PROJECT. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.



**B. CONSIDERATION FOR SUBAWARD GRANT AGREEMENT WITH THE SOUTHERN CALIFORNIA COASTAL WATER RESEARCH PROJECT FOR PROGRAMMATIC AND TECHNICAL ACTIVITIES RELATED TO THE DEVELOPEMHT OF A STATEWIDE NETWORK OF REFERENCE WETLANDS IN CALIFORNIA.**

CEO reported this is an amendment to the current SCCWRP agreement.

COMMISSIONER HIGGINS MOVED FOR THE APPROVAL OF THE SUBAWARD GRANT AGREEMENT WITH THE SOUTHERN CALIFORNIA COASTAL WATER RESEARCH PROJECT FOR PROGRAMMATIC AND TECHNICAL ACTIVITIES RELATED TO THE DEVELOPMENT OF A STATEWIDE NETWORK OF REFERENCE WETLANDS IN CALIFORNIA. COMMISSIONER CURLESS SECONDED.

**C. CONSIDERATION OF 2009 EXTENSION OF TIDE AND SUBMERGED LANDS LEASE WITH THE ESTATE OF G.A. HUNTER FOR SOUTH BAY MARINA.**

Commissioner Hunter recused himself and left the room during the discussion. He did not participate in either the discussion or the vote.

COMMISSIONER WILSON MOVED FOR THE APPROVAL OF THE 2009 EXTENSION OF TIDE AND SUBMERGED LANDS LEASE WITH THE ESTATE OF G.A. HUNTER FOR SOUTH BAY MARINA. COMMISSIONER HIGGINS SECONDED. MOTION CARRIED WITHOUT DISSENT.

**D. FY 2009/10 BUDGET WORKSHOP.**

CEO gave a PowerPoint presentation to the Board of Commissioners highlighting potential revenue enhancements and expense reductions. A 12.5% increase to Woodley Island slip fees and storage fees for Harbor District properties was included.

Commissioner Wilson said even if the pulp mill does start up, there is no guarantee of any shipping, which would bring in more revenue to the District. CEO responded the option recommended by staff does not count on the pulp mill returning to production. He said talks with the pulp mill owners about short sea shipping opportunities continue.

Commissioner Wilson asked if pilots were required on smaller barges – those that would be involved in the short sea shipping. CEO stated bar pilots can be required by the Board of Commissioners and a revision to the tariff ordinance would be required.

Commissioner Wilson said the revenue received from Captain Petrusha training pilots would not cover the current pilot salary and would therefore not be a money-maker. CEO stated it would be a cost deferment.

Commissioner Wilson asked what would happen if the District's cash reserves fell below the \$1 million required by the bonding company. CEO stated that is something we are trying to avoid.

Commissioner Wilson said the budget is being portrayed as an "either or" situation – harbor development or none. He said there will be some serious discussion in the next couple of months. It is a bullish position that ports are going to grow on the West Coast. He said the District does not have the five years it will take to realize such growth and he would like to reevaluate this situation before everything collapses.

CEO said if the Board of Commissioners desires to take this as incentive and push hard towards port development staff will put together some milestones so the progress can be tracked. On the other hand if the Board of Commissioners decides to be done with harbor development then that is a different path.

Commissioner Higgins said he differs with CEO on trade projections – The New York Times states sales, shipping, etc is dropping – it is an economic tsunami. He said the Board of Commissioners should look to



restructure/reorganize. He suggested there be a discussion of options with the pilots. The District will not have vitality if reserves get down to \$1 million. It is time to be resourceful.

Commissioner Curless recounted the story of when the property was sold to the Weather Service. By the time the debts were paid and the State took its piece, there was not much money left over. It would be the same if the boat yard or the marina were sold.

Commissioner Higgins said he does not believe the Board of Commissioners will end shipping in Humboldt Bay with moves that are made to put the District in a clearly sound position.

Jay Wright (ret. Coast Guard) said assumptions on West Coast trade rebounding are rosy. Cargo capacity would be absorbed by other Southern California ports before it comes here. There is no infrastructure in place to realize short-term rebound.

Dave Spreen: Other ports are already geared up – would like to see new economic development direction. Use the Redwood Marine Terminal property for green port technology/industrial park.

David Elsebusch suggested the Board “rent-a-pilot”. He asked if it was impossible to acquire pilots on a temporary basis.

Susan Penn said the Board should hurry with the Economic Development committee. She asked if the fishing community is considered when the US Army Corps of Engineers is looking at safety issues to determine the priority of dredging Humboldt Bay’s bar and entrance. CEO replied tonnage is the determining factor, not safety.

Ms. Penn commented on the TranSystems report inferring the success of the Redwood Marine Terminal is contingent on the railroad. Commissioner Curless stated the Humboldt Redwood Lumber Company at Scotia hopes the railroad between South Fork and Eureka opens soon because they have plans to move lumber from Scotia to Eureka to ship out of Humboldt Bay.

Penny Elsebusch also stated the Economic Development Committee needs to be organized soon. She said if the Harbor District cannot sell properties, then leasing should be considered. Commissioner Hunter said staff has tried to find lessees in the past for the Boat Yard, but to no avail.

Dave Spreen asked if more grant writers could help bring in revenue. CEO replied grants are short-term by nature and would require more employees to do the work of the grant.

Penny Hickey asked the Commissioners if they have any suggestions for options for the pilot situation. Commissioner Higgins said he wants to maintain Humboldt Bay’s capacity for shipping and there needs to be dedicated discussion with creative solutions. Commissioner Wilson said he was not prepared to provide options since this Board meeting was for the staff to give options.

Rich Trygar saluted the Board and their thoughts concerning revenue enhancement and minimizing costs. He said there will be several meetings to discuss all options. No lives have been lost since the deepening of the bar and entrance; prior to that an average of one death per season. Mr. Trygar fears that if the Board opts to take actions that would minimize or eliminate shipping that dredging could stop and lives will again be lost. Mr. Trygar said this is still spring training; it is too early in the game to forfeit.

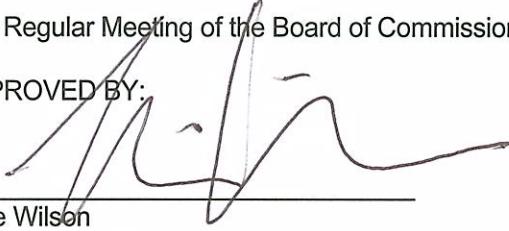
The next budget workshop will be held on April 9<sup>th</sup>.



**ADMINISTRATIVE AND EMERGENCY PERMITS: None**

The Regular Meeting of the Board of Commissioners adjourned at 9:30 p.m.

APPROVED BY:



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Mike Wilson  
Secretary

RECORDED BY:



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Patricia L. Tyson  
Director of Administrative Services