

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

DATE: July 11, 2013
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 24 hours in advance of the meeting.

1. Call to Order at 6:00 p.m.

- a. Move to Executive Closed Session pursuant to the provisions of the California Government Code Sections 54956.8 (Conference with Real Property Negotiator) and 54957.6 (Negotiations with Represented Employees)

1. Conference with Real Property Negotiator
Negotiating Parties: Paul Brisso, District Counsel; Mike Wilson, Board President; Richard Marks, Vice President; Jack Crider, Chief Executive Officer

Under Negotiation:

Freshwater Tissue Company property purchase negotiations

2. Conference with Labor Negotiator
Agency Negotiators: Chief Executive Officer, District Counsel, 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.

2. Adjourn Executive Closed Session

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

4. Pledge of Allegiance

5. Report on Executive Session

6. 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.

Agenda for July 11, 2013 Regular Board Meeting

7. Consent Calendar: None

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.

8. Communications and Reports

- a. Chief Executive Officers Report
- b. Staff Reports
- c. District Counsel's and District Treasurer's Reports
- d. Commissioner and Committee Reports
- e. Other

9. Non Agenda

10. Unfinished Business

- a. Consideration of adopting the Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program for the application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility.
- b. Consideration of adoption of Resolution 2013-08 which establishes findings relative to the application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility.
- c. Consideration of granting Permit 13-02 to Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility.
- d. Second Reading and Adoption of the FY 2013/14 Budget.

11. New Business

- a. Consideration of Resolution 2013-07, A Resolution Establishing Various Fees for Services.
- b. Consideration of extension of contract with Planwest Partners, Inc. for services relative to the Samoa Industrial Waterfront Transportation Access Plan.
- c. Consideration of approval of amendment to Permit No. 10-02 to the US Fish and Wildlife Service for the eradication of *Spartina densiflora*.at the Humboldt Bay National Wildlife Refuge.

12. Administrative and Emergency Permits

13. Adjournment

10a,b,c

Agenda Report

For Agenda of: January 26, 2012

Title:

10a. Consideration of adopting the Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program for the application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility

10b. Consideration of adoption of Resolution 2013-08 which establishes findings relative to the application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility

10c. Consideration of granting Permit 13-02 to Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility

Place on Agenda: Unfinished Business – 10 a,b,c

Summary of the Issue: Hog Island Oyster Company (**Applicant**) has applied to the Harbor District (**District**) for a permit to establish a shellfish mariculture facility at 1606 Fay Ave, Samoa, CA, and over the adjacent tidelands of the bay. The project location and footprint is presented in Figures 1 and 2 of the Draft Initial Study (IS).

Issuance of a permit requires the District to complete an environmental review of the project and to make findings relative to CEQA as well as the District's enabling legislation.

The upland property owner is Sequioa X LLC, who will be leasing the upland area to the applicant. The existing dock is on a tideland lease from the Harbor District to Sequioa X LLC., and is anticipated to be subleased to the applicant. A new tideland lease for the waters to the North of the existing dock is being developed between the District and the Applicant.

The proposed mariculture facility would support shellfish (i.e., Manila clam, and Pacific and Kumamoto oysters) seed cultivation operations. There would also be a small-scale larvae and microalgae production component in the facility, to ensure a regular supply of larvae and food. The operation takes free-swimming larvae and grows them to seed, which are 7 to 19 millimeters (mm) in size. After reaching this size, the shellfish seed are either transported to Hog Island's shellfish farms for further grow-out or are sold to other shellfish farms in Humboldt Bay or small shellfish farms elsewhere on the West Coast. Ultimately, the facility may grow up to 40 million seed, and supply 25 to 50 percent of the larvae needed for Hog Island company operations.

The proposed facility would also have the capability to accommodate offloading and processing activities in the event that Hog Island later seeks to establish a potential shellfish farm in Arcata Bay. If such a shellfish farm is approved, market-size oysters would be brought in to be cleaned, sorted and graded, and held in filtered seawater tanks and cold storage before being shipped to terminal markets.

The project involves marine and terrestrial components, including the installation of FLUPSYS and nursery rafts in the water to the north of the Sequoia X pier, installation of an associated gangplank and a small cable crane, and construction of an upland facility to serve as a shellfish hatchery, seed setting, and seed washing facility, a small greenhouse, and installation of an infiltration system for seed wash water, and a septic system to serve the facility.

The major site modifications are summarized below, and more detail is available in the permit application and the Draft Initial Study.

Upland Facilities

The upland site is approximately 3.5 acres, and currently has no improvements. The planned additions are:

- Construction of an approximately 6,400- to 7,200-ft² mariculture building. This building would be pre-engineered on a mat slab foundation to house:
 - a shellfish hatchery,
 - a seed setting facility,
 - wet storage tanks, and
 - appropriately configured area of building used for market product sorting area, office, and employee restroom and break room;
- Construction of a 20- by 60-ft greenhouse for microalgae culture;
- Construction of a seed washing system, consisting of a 2,000-gallon water storage tank and a sloped-slab sump system for treating seed prior to shipment off site;
- Construction of a 25- by 60-ft covered work area over concrete slab;
- Piping from the bay via PVC lines, attached to underside of pier deck. Most water will be discharged into an upland gravel infiltration area, with some water discharged directly back to bay;
- Site upgrades including improvements to the existing electrical service and access road and creation of an employee parking area; and

- Equipment storage

Marine Facilities

- Securing up to three 30- by 50-ft nursery rafts within the Harbor District lease area adjacent to existing pier;
- Securing up to six 80-ft-long, 25-ft-wide, and 5-ft-deep FLUPSYs within the Harbor District lease area adjacent to existing pier; and
- Securing access and loading features including:
 - An approximately 40-ft by 5-ft walkway/gangway to the pier for access to the FLUPSYs and nursery rafts, and to support pumps for the upland facility;
 - A 2,000-pound (lb) capacity crane on the existing pier.

Consistency with Harbor District Policies and Priorities:

Support for the responsible and sustainable expansion of the aquaculture industry was identified as a priority of the District in its most recent Economic Development Planning effort, as well as in the Humboldt Bay Management Plan. This area of the Bay is designated in the Humboldt Bay Management Plan for 'Harbor' uses, where aquaculture is allowed, but is secondary to more industrial uses. However the pier in question has been largely vacant, with the exception of other aquaculture raft operations, since the former Simpson Pulp Mill was closed in the 1990's, and efforts to improve facilities for shipping have focused on other larger pier facilities including the Harbor District owned properties making up the Redwood Marine Terminal (Berths 1 and 2). The proposed project is also consistent with the primary uses allowed under the Coastal Dependent Industrial zoning of the upland parcel.

Comments Received and Responses:

The three comments received and staff responses are included as Attachments to the MND. Some minor text changes to the Initial Study were made, but no substantial issues were identified.

Attached for your information are:

- a) A final Mitigated Negative Declaration for your consideration of adoption, including:

- a. The Mitigation and Monitoring Reporting Program describing the final mitigation measures required of the applicant (Attachment A to the MND).
 - b. The comment letters received on the project (Attachment B to the MND); and
 - c. Responses to Comments (Attachment C to the MND)
- b) Draft Resolution 2013-08 making findings associated with issuing a permit; and
 - c) Draft Permit 13-02 for your consideration of approval

A number of the comment letters request additional information and/or revisions to the Initial Study. Rather than modify the already released document, staff has elected instead to generate a separate 'response to comments' document, which is included as Attachment C to the Final MND and is hereby included in the project record.

As part of considering the proposed MND, the Harbor District is required to consider the comments received during the public review process. Approval of the MND requires the finding that there is no substantial evidence the project, including mitigation measures, will have a significant effect on the environment.

Fiscal Impact: There are no fiscal impacts for permit issuance. The project is expected to generate revenue to the District through the new tideland lease, once that lease is finalized.

Staff Recommendation:

Staff recommends that the Board of Commissioners:

1. Adopt the Mitigated Negative Declaration for the application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility;
2. Adopt Resolution 2013-08 which establishes findings relative to the application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility; and
3. Grant Permit 13-02 to Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility.

Staff makes these recommendations on the following basis:

- This project is consistent with the Humboldt Bay Management Plan and with the District's tidelands trust responsibility;

- The CEQA process has been completed, the possible environmental impacts of the project have been thoroughly evaluated, and there is no substantial evidence the project, including mitigation measures, will have a significant effect on the environment;
- The permit conditions include, among other things, completion of all other required permitting for the project, and completion of a tideland lease agreement with the District.

10a

Mitigated Negative Declaration

for the

Arcata Bay Shellfish Mariculture Facility

The Humboldt Bay Harbor, Recreation and Conservation District (District), as the lead agency pursuant to the California Environmental Quality Act (CEQA), prepared a Draft Mitigated Negative Declaration (Draft MND) for an application by Hog Island Oyster Company for the Arcata Bay Shellfish Mariculture Facility in and adjacent to Humboldt Bay (State Clearinghouse Number 2013052063). The Draft MND was published for a 30-day public and agency review period pursuant to CEQA and the CEQA Guidelines (particularly Section 15073), which ended July 6 2013. The Draft MND included an Initial Study for the proposed project, incorporated as a part of the Draft MND. The contents of the Draft MND and IS, as amended by the Responses to comments (Attachment C) are incorporated into this Mitigated Negative Declaration by reference, as if fully set forth. The District received three comments during the review period concerning the content of the Draft MND and IS. These comment letters are included in Attachment B to this Mitigated Negative Declaration. The District developed responses to the comment letters and these responses are included in Attachment C.

This final MND, and the included Mitigation Monitoring and Reporting Program (Attachment A) was developed based upon the content of the Initial Study and Draft MND, considered together with the comments received during the review process. The District finds that there is no substantial evidence that the proposed project will have a significant effect on the environment, when implemented together with the Mitigation Monitoring and Reporting Program, or measures as modified or substituted during further lead agency consideration.

Name of Project:	Arcata Bay Shellfish Mariculture Facility
Lead Agency Name and Address:	Humboldt Bay Harbor, Recreation and Conservation District P.O. Box 1030 Eureka, CA 95502-1030
Contact Person and Phone Number:	Dan Berman, Director of Conservation (707) 443-0801
State Clearinghouse Number:	2013052063

Copies of the Initial Study documents, including attachments, the Draft MND, and other information pertinent to this environmental review may be obtained from the District; there may be document-production costs associated with the documents.

Signed:

Name: Jack Crider
Title: Chief Executive Officer, HBHRCD

Adopted on:

Attachment A

Mitigation Monitoring and Reporting Program for the Arcata Bay Shellfish Mariculture Facility Mitigated Negative Declaration

The Humboldt Bay Harbor, Conservation and Recreation District (District) has adopted a Mitigated Negative Declaration (MND) as an environmental assessment document pursuant to the California Environmental Quality Act (CEQA) for the Arcata Bay Shellfish Mariculture Facility in and adjacent to Humboldt Bay by Hog Island Oyster Company (State Clearinghouse No. 2013052063).

As part of the MND, the District required mitigation measures that have the effect of reducing the proposed project's potential environmental effects to less-than-significant levels. These mitigation measures are identified below. Changes or additions from the mitigation measures included in the Draft MND and IS are highlighted in italic font.

The District requires that all of the following mitigation measures be incorporated into the proposed project. Each mitigation measure will be adopted as a condition of the District's approval of the permit for the proposed project.

The District assigns the responsibility to District staff to verify that each element of all mitigation measures are carried out by the applicant. This assignment of implementation monitoring shall serve as the mitigation monitoring or reporting program required by CEQA, as summarized in CEQA Guidelines section 15074(d).

Mitigation Measures for the Arcata Bay Shellfish Mariculture Facility

Mitigation Measure Aesthetics-1. If additional exterior lighting is required, new sources of light shall be directed downward on structures and/or the parking lot area and properly shielded to minimize impacts to nighttime views and prevent light spillover onto adjacent residential properties, while maintaining a safe level of exterior lighting during nighttime work.

Mitigation Measure Air Quality-1. To prevent a potentially significant contribution to the regional non-attainment for PM10, contractor shall comply with the NCUAQMD's "Air Quality Control Rule 104 – Prohibitions."

Mitigation Measure Biological Resources-1. While use of the proposed structures by birds and mammals is not anticipated, if any marine mammals or more than 10 pelicans are observed on Hog Island's FLUPSYs or nursery rafts for more than two continuous weeks, Hog Island shall notify the Department of Fish and

Wildlife within 10 days and within 30 days of such notification shall submit a plan to install passive deterrent devices (such as exclusionary fencing or netting) to prevent the future use of such structures by marine mammals and seabirds, for the Department's review and approval, and shall install the devices pursuant to the approved plan.

Mitigation Measure Cultural Resources -1. Should any historical or cultural resources be unearthed during site preparation and construction, work in that area will immediately halt, the District shall be notified, and a qualified professional shall be contacted to determine the significance and make recommendations to the District for appropriate mitigation measures in compliance with the guidelines of the California Environmental Quality Act. In addition, in the event of an inadvertent discovery of artifacts the THPOs for the Blue Lake Rancheria, Wiyot Tribe and Bear River Band of Rohnerville Rancheria, shall be contacted and consulted about significance and treatment of the discover.

Mitigation Measure Cultural Resources -2. If human remains of any kind are found during project activities, all activities must cease immediately and the Humboldt County Coroner, the District, and a qualified archaeologist must be notified. The Coroner will examine the remains and determine the next appropriate action based on his or her findings. If the coroner determines the remains to be of Native American origin, he or she will notify the Native American Heritage Commission and the THPOs for the Blue Lake Rancheria, Wiyot Tribe and Bear River Band of Rohnerville Rancheria 1.

Mitigation Measure – Hazards and Hazardous Materials-1. The hull of the nursery rafts shall only be painted with an epoxy (SDR 235, Devon Products) that is approved for drinking water holding tanks. Because bivalves are susceptible to heavy metal contaminants such as copper oxide and tributyl tin found in some bottom paints, the company's vessels shall not utilize commercial bottom paints. The nursery rafts shall be moored at the industrial dock such that there will be no impact on navigation safety.

Attachment B

Comments Received

for the

Arcata Bay Shellfish Mariculture Facility

Mitigated Negative Declaration and Draft Initial Study

Dan Berman
Director of Conservation
Humboldt Bay Harbor, Recreation and Conservation District
601 Startare Drive, Eureka, CA 95502
Office: (707) 443-0801
Cell: (707) 834-4943
Fax: (707) 443-0800

From: Lisa Shikany [<mailto:lshikany@ci.eureka.ca.gov>]
Sent: Wednesday, June 26, 2013 12:08 PM
To: Dan Berman
Cc: Rob Wall; Sheila Parrott
Subject: IS and Draft MND for the Arcata Bay Shellfish Mariculture Facility

Dan,

We have reviewed the above referenced Initial Study and have the following comment:

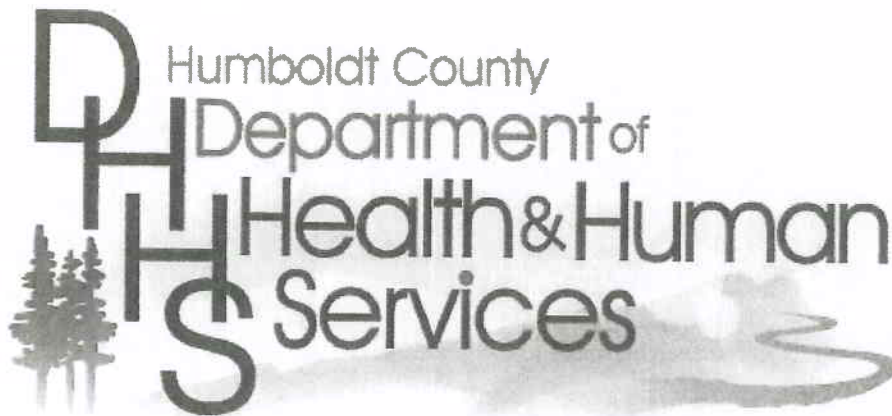
There is insufficient information and analysis in the Transportation and Circulation discussion to support the "No Impact" conclusion. In fact, based on the information that is provided, there will be some impact since the project will result in an increase in vehicular trips to and from the project site. However, absent information and analysis regarding anticipated traffic volumes, direction of travel, types of vehicles (e.g. large trucks, if any), etc. that could result from the project, it is not possible to determine the degree of impact. The City has potential concerns anytime additional traffic is introduced into the City. We therefore request this traffic information be provided so we can determine what the level of impact will be, and whether mitigation would be required.

Thank you for the opportunity to comment on this initial study. Please let me know if you have any questions.

Sincerely,

Lisa

~~~~~  
Lisa D. Shikany  
Principal/Environmental Planner  
City of Eureka  
Community Development Department  
531 "K" Street  
Eureka, CA 95501  
(707) 268-5265 office  
(707) 601-8524 cell  
(707) 441-4202 fax  
[lshikany@ci.eureka.ca.gov](mailto:lshikany@ci.eureka.ca.gov)



## Memorandum

**To:** Dan Berman, Director of Conservation  
Humboldt Bay Harbor, Recreation, and Conservation District

**From:** David Spinosa, Senior Environmental Health Specialist

**Date:** June 12, 2013

**Subject:** Initial Study and Draft Mitigated Negative Declaration  
Arcata Bay Shellfish Mariculture Facility

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The Humboldt County Division of Environmental Health (DEH) must review and approve an Onsite Wastewater Treatment System (OWTS) design to accommodate wastewater generated from employee restrooms prior to issuance of any building permits for the proposed facility. The design review will begin once an application package is submitted and will be completed in conjunction with the North Coast Regional Water Quality Control Board.

If you have any further questions regarding this matter you can contact me by phone at (707)268-2209 or email [Dspinosa@co.humboldt.ca.us](mailto:Dspinosa@co.humboldt.ca.us)



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
NATIONAL MARINE FISHERIES SERVICE  
Southwest Region  
1655 Heindon Road  
Arcata, CA 95521-4573

JUN 25 2013

In response refer to:  
SWR-2013-9642

Mr. Daniel Berman  
Director of Conservation  
Humboldt Bay Harbor, Recreation, and Conservation District  
P.O. Box 1030  
Eureka, California 95502-1030

Dear Mr. Berman:

This letter constitutes NOAA's National Marine Fisheries Service (NMFS) response to your May 22, 2013, letter requesting review and comment on the accompanying Draft Initial Study (DIS) for the Arcata Bay Shellfish Mariculture Facility (Project). Mr. John Finger (Hog Island Oyster Company) has applied for a Humboldt Bay Harbor, Recreation, and Conservation District (HBHRCD) permit to establish a shellfish mariculture operation at an existing pier facility and on an adjacent upland site. Mr. Finger will lease the upland site and the pier from Sequoia X, LLC; and obtain a tideland lease from HBHRCD. The HBHRCD, the state lead agency responsible for complying with the California Environmental Quality Act (CEQA), will use the DIS to evaluate the environmental effects of the Project and to identify any mitigation measures required to reduce the Project's effects to less-than significant levels as part of the decision-making process of approving the Project and issuing a permit to the applicant. In addition this letter reiterates NMFS comments voiced during the June 5, 2013, interagency site visit.

In addition to the HBHRCD permit, the Project will require a U.S. Army Corps of Engineers (Corps) permit. During consultation with the Corps, NMFS will consider potential effects of the Project on the following threatened species listed under the federal Endangered Species Act (ESA) under NMFS jurisdiction : (1) Southern Oregon/Northern California Coast (SONCC) coho salmon (*Oncorhynchus kisutch*) Evolutionarily Significant Unit (ESU), listed on June 28, 2005 (70 FR 37160); (2) California Coastal (CC) Chinook salmon (*O. tshawytscha*) ESU, listed on June 28, 2005 (70 FR 37160); (3) Northern California (NC) steelhead (*O. mykiss*) Distinct Population Segment (DPS), listed on January 5, 2006 (71 FR 834); and (4) Southern DPS of North American green sturgeon (*Acipenser medirostris*), listed on April 7, 2009 (71 FR 17757); and critical habitat for SONCC coho salmon (64 FR 24049, May 5, 1999); CC Chinook salmon (70 FR 52488, September 2, 2005); NC steelhead (70 FR 52488, September 2, 2005); and Southern DPS of North American green sturgeon (74 FR 52300, October 9, 2009).



details of Taylor Shellfish structures and operations (e.g., lease area and duration, dimensions of nursery rafts and FLUPSYs, number and size of anchors, number of animals) to describe the existing infrastructure in the Project Area. This information will be helpful when comparing potential effects of the Project to current conditions at the Project site.

**2. Project Description: Anchors (p.5, 6).** NMFS suggests the DIS describe the number, dimensions, and configuration of 500-lb Danforth anchors that will be used to anchor each new raft and FUPSY; and the effects of these new anchors on the substrate.

**3. Project Description: Intake and Discharge Pipes (p.9).** NMFS suggests the DIS describe the location (distance from the shore, position relative to each other, and position in the water column relative to the substrate) of the two intake pipes. Describe the number size and location (distance from the shore, position in the water column relative to the substrate) of the discharge pipes. According to Table 1, approximately 72,800 gallon will be withdrawn and discharged to the bay each day. NMFS suggests the DIS describe the expected discharge rate of the water into Humboldt Bay, and the expected distance of dissipation of the plume of heated water discharged from the seed setting facility.

**4. Project Description: Table 1. Summary of System Water Use (p.9).** NMFS suggests inclusion of the estimates of water filtered by the oyster and clam seed in the nursery rafts and FLUPSYs (p.22), as well as the volume of water used for daily washing of wells and bins (p.23) in Table 1.

**5. Project Description: Construction and Operations (p.10).** NMFS suggests inclusion of specific Best Management Practices (BMPs) that will be employed to minimize potential delivery of pollutants to Humboldt Bay. Specific BMPs for construction, industrial, municipal, and new development and redevelopment activities are identified in the California Stormwater Quality Association BMP handbooks ( <http://www.cabmphandbooks.com/> ).

**6. Environmental Effects: Aesthetics (p.15).** The DIS states that additional lighting may be required to maintain safe working condition during nighttime work. NMFS suggests the DIS clarify whether nighttime work and additional lighting will be required on the pier, and include, if necessary, a discussion of effects of artificial light on aquatic organisms and mitigation measures.

**7. Environmental I Effects: Biological Resources (p. 24).** The DIS states that if any marine mammals or more than 10 pelicans are observed on Hog Island's FLUPSYs or nursery rafts for more than two continuous weeks, CDFW will be notified and a plan submitted for passive deterrent system in place. NMFS is available to provide recommendations on structural methods to deter haul-out of marine mammals onto aquaculture structures.

**8. Environmental Effects: Hydrology and Water Quality (p.30).** NMFS suggests the DIS discuss the potential effects of the nursery rafts and FLUPSYs on the movement of the water flowing through and around the structures.

# Attachment C

## Responses to Comments for the Arcata Bay Shellfish Mariculture Facility Mitigated Negative Declaration and Draft Initial Study

### 1. INTRODUCTION

This response to comments received on the Draft Initial Study for the Arcata Bay Shellfish Mariculture Facility (“Initial Study”) has been prepared in accordance with the California Environmental Quality Act (CEQA) as amended (Public Resources Code Section 21000 *et seq.*) and CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*). This document represents the independent judgment of the Lead Agency. Changes to the Initial Study text are shown in underline for additions and ~~strikeout~~ for deletions.

### 2. CEQA REQUIREMENTS REGARDING COMMENTS AND RESPONSES

CEQA Guidelines Section 15204(b) outlines parameters for submitting comments, and reminds persons and public agencies that the focus of review and comment on a proposed negative declaration should be on “the proposed finding that the project will not have a significant effect on the environment” and that any comment alleging a significant impact should (1) identify the specific effect, (2) explain why they believe the effect would occur, and (3) explain why they believe the effect would be significant.

CEQA Guidelines Section 15204(c) further advises, “Reviewers should explain the basis for their comments, and should submit data or references offering facts, reasonable assumptions based on facts, or expert opinion supported by facts in support of the comments. Pursuant to Section 15064, an effect shall not be considered significant in the absence of substantial evidence.” Section 15204(d) also states “Each responsible agency and trustee agency shall focus its comments on environmental information germane to that agency’s statutory responsibility.”

### 3. RESPONSES TO COMMENTS

#### 3.1 Humboldt County, Department of Health and Human Services, David Spinosa, Senior Environmental Health Specialist, June 12, 2013

- 3.1.1. “The Humboldt County Division of Environmental Health (DEH) must review and approve an Onsite Wastewater Treatment System (OWTS) design to accommodate wastewater generated from employee restrooms prior to issuance of any building permits for the proposed facility. The design review will begin once an application package is submitted and will be completed in conjunction with the North Coast Regional Water Quality Control Board. If you have further questions regarding this matter you can contact me by phone at (707) 268-2209 or email [Dspinosa@co.humboldt.ca.us](mailto:Dspinosa@co.humboldt.ca.us).”



**Response:** The County's comment is noted. The applicant will need to secure design approval from the County for its proposed septic system in conjunction with review from the North Coast Regional Water Quality Control Board. This is consistent with the standard Harbor District Permit Conditions which require that all other relevant and necessary permits, approvals and authorizations must be obtained by the applicant.

**3.2 City of Eureka, Community Development Department, Lisa D. Shikany, Environmental Planner, June 26, 2013**

**3.2.1.** "We have reviewed the above referenced Initial Study and have the following comment:

There is insufficient information and analysis in the Transportation and Circulation discussion to support the "No Impact" conclusion. In fact, based on the information that is provided, there will be some impact since the project will result in an increase in vehicular trips to and from the project site. However, absent information and analysis regarding anticipated traffic volumes, direction of travel, types of vehicles (e.g. large trucks, if any), etc. that could result from the project, it is not possible to determine the degree of impact. The City has potential concerns anytime additional traffic is introduced into the City. We therefore request this traffic information be provided so we can determine what the level of impact will be, and whether mitigation would be required.

Thank you for the opportunity to comment on this initial study. Please let me know if you have any questions."

**Response:** The Initial Study notes that deliveries and pickups associated with the project will be approximately 3 to 4 times per week (IS-38) and that the project will have 8 employees (IS-8). No other regular visitors are anticipated at the site. Further, the project site is in Samoa, across Humboldt Bay from Eureka; therefore, it is reasonable to assume that some of the employee and delivery/pickup trips will not utilize routes through the City. However, in response to the comment, the following clarifying information was provided to City of Eureka and incorporated into the Initial Study language:

1. Impact XVI(b), concerning whether the project would conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency or designated roads or roadways, has been changed from **No Impact** to **Less Than Significant Impact**. (IS-38)
2. The discussion of that impact has been revised as follows:

"XVI.a-b) The project will generate light volumes of traffic both from employees (8 total employees) as well as deliveries and pickups (about 3-4 times/week). Using very conservative assumptions that all employees will not carpool or use public transportation and all employees would work 5 days/week with 2 employees on the weekend, employees would generate a maximum total of 16 daily trips and 88 total weekly trips. Deliveries and pickups would add less than 2 total daily trips and a total of 8 weekly trips. This is significantly less trips than an average retail, commercial, or industrial use. The roads used to access the site are used regularly to access other

businesses and residences nearby; therefore the capacity of the roads greatly exceeds the traffic volume that will be generated by the project.” (IS-38)

Upon being provided with this clarifying information, City of Eureka staff agreed that the potential traffic impacts were less than significant.

### **3.3 National Marine Fisheries Service, Southwest Region, Irma Lagomarsino, Northern California Office Supervisor, June 25, 2013**

- 3.3.1.** “This letter constitutes NOAA’s National Marine Fisheries Service (NMFS) response to your May 22, 2013, letter requesting review and comment on the accompanying Draft Initial Study (DIS) for the Arcata Bay Shellfish Mariculture Facility (Project). Mr. John Finger (Hog Island Oyster Company) has applied for a Humboldt Bay Harbor, Recreation, and Conservation District (HBHRCD) permit to establish a shellfish mariculture operation at an existing pier facility and on an adjacent upland site. Mr. Finger will lease the upland site and the pier from Sequoia X, LLC; and obtain a tideland lease from HBHRCD. The HBHRCD, the state lead agency responsible for complying with the California Environmental Quality Act (CEQA), will use the DIS to evaluate the environmental effects of the Project and to identify any mitigation measures required to reduce the Project’s effects to less-than significant levels as part of the decision-making process of approving the Project and issuing a permit to the applicant. In addition this letter reiterates NMFS comments voiced during the June 5, 2013, interagency visit.”

**Response:** This comment contains introductory, opinion, general information, and/or a general description of the project and is not a direct comment on environmental issues or the content or adequacy of the Initial Study. The comment will be forwarded to the decision makers for their required review and consideration prior to any approval or denial action being taken on the project.

- 3.3.2.** “In addition to the HBHRCD permit, the Project will require a U.S. Army Corps of Engineers (Corps) permit. During consultation with the Corps, NMFS will consider the potential effects of the Project on the following threatened species listed under the federal Endangered Species Act (ESA) under NMFS jurisdiction: (1) Southern Oregon/Northern California Coast (SONCC) coho salmon (*Oncorhynchus kisutch*) Evolutionary Significant Unit (ESU), listed on June 28, 2005 (70 FR 37160); (2) California Coastal Chinook salmon (*O. tshawytscha*) ESU, listed on June 28, 2005 (70 FR 37160); (3) Northern California (NC) steelhead (*O. mykiss*) Distinct Population Segment (DPS), listed on January 5, 2006 (71 FR 834); and (4) Southern DPS of North American green sturgeon (*Acipenser medirostris*), listed on April 7, 2009 (71 FR 17757); and critical habitat for SONCC coho salmon (64 FR 24049, May 5, 1999); CC Chinook salmon (70 FR 52488, September 2, 2005); NC steelhead (70 FR 52488, September 2, 2005); and Southern DPS of North American green sturgeon (74 FR 52300, October 9, 2009).

NMFS will also consider the potential effects of the Project on the quality and quantity of Essential Fish Habitat (EFH) for species managed under the Pacific Coast Salmon, Pacific Coast Groundfish, and Coastal Pelagics Fishery Management Plans, pursuant to the Magnuson-Stevens Fishery Conservation and Management Act.”

**Response:** The Initial Study acknowledges that the project will require a Section 10 permit from the Army Corps of Engineers. (IS-12). The Initial Study considered impacts to the identified threatened species in Section 3.IV (Biological Resources), including impacts to Coho salmon, Chinook salmon, steelhead, and green sturgeon (amongst others), and found that the project would have a less than significant impact on the identified sensitive fish species and habitats. (IS 20-23). .

3.3.3. “Under the Marine Mammal Protection Act of 1972 (MMPA), NMFS is also charged with protecting whales, dolphins, porpoises, seals, and sea lions. Under section 118 of the MMPA, NMFS is required to categorize all U.S. Commercial Fisheries into one of three categories based on the level of incidental serious injury and mortality of marine mammals occurring in each fishery, and publish a List of Fisheries (LOF) each year. Shellfish aquaculture is considered a Category III fishery, and operators are not required to register with NMFS or obtain a marine mammal authorization (76 FR 73912, November 29, 2011). However, any operator participating in a fishery listed on the LOF must report to NMFS all incidental injuries and mortalities of marine mammals that occur during commercial fishing operations, regardless of the category.”

**Response:** As noted in the Initial Study, “Although sea lions, harbor seals, and river otters are residents/visitors of North Bay Channel, no seal haul out or pupping areas exist in the vicinity of the project site . . . Hog Island’s personnel do not undertake any activity that would be defined as take or harassment of any protected species, including marine mammals.” (IS-23). Should any incidental injury or mortality of marine mammals be observed due to the proposed project, the applicant will report such observation to NMFS.

3.3.4. “The Project Description is a good starting point, and helps NMFS better understand the Project goals. During consultation with the Corps, NMFS will use the Project description provided by the Corps as the basis for evaluation potential impacts from the Project on protected species and habitats. In our continued collaboration and with a goal of facilitating both the HBHRCD and the Corps process for permitting the Project, NMFS provides the following comments and suggestions to further refine the Project description.”

**Response:** The District accepts and appreciates NMFS’ comments. No further response is required.

3.3.5. “The proposed Project is located on the west side of the North Bay Channel, not on the west side of the entrance channel of Arcata Bay (p.3) or the Samoa Channel (p.23,24). The project location within Humboldt Bay is important for the discussion of potential effects to listed species and habitats (p.22), as well as to describe the potential effects of tidal circulation on physical and biological characteristics of the habitat in the Project area. NMFS suggests the DIS reflect an accurate Project location, and include a spatially appropriate analysis of impacts to biological resources in the water column and the benthic substrate (*e.g.*, phytoplankton and zooplankton; epifauna and infauna) in North Bay Channel.”

**Response:** The commenter is correct that the project is in the northernmost portion of the North Bay Channel, immediately south of Samoa Channel, which begins south of Indian Island. However, this distinction does not impact the environmental analysis in the Initial Study. The environmental analysis was based on the location of the project site, shown in Figure 1 of the Initial Study, which accurately depicted the location of the site. Further, the project site is located less than a half mile south of the Samoa Channel; therefore any differences between the North Bay Channel and Samoa Channel in this area concerning migratory fish and marine mammals would be negligible. See NOAA Nautical Chart 18622, attached as Exhibit A. The following changes have been made to the Initial Study in response to this comment:

1. “The project site is located north of the Eureka Municipal Airport near the town of Samoa on the west side of the ~~entrance channel of Arcata Bay~~ North Bay Channel immediately south of the Samoa Channel (Figure 1).” (IS-3).
  2. “North American Green sturgeon (green sturgeon) may be in the vicinity. Green sturgeon adults and sub-adults are temporary residents in Humboldt Bay from June through October, utilizing Arcata Bay as summer-fall holding or feeding habitat, and the deeper waters of the North Bay channel as a migratory corridor between the Pacific Ocean and Arcata Bay (Pinnix 2008). Green sturgeon would likely swim through ~~Samoa North Bay Channel~~, past the project site, en route to Arcata Bay, as they move from the Pacific Ocean into Humboldt Bay. Because the proposed action will occur in deeper water ~~adjacent to the Samoa Channel in the middle of the Channel east of the project site~~ and because the project is far from the holding area in Arcata Bay, the potential adverse effects of the proposed action on the epibenthic and benthic prey resources in Arcata Bay are likely negligible.” (IS-20).
  3. “Although sea lions, harbor seals, and river otters are residents/visitors of ~~Samoa North Bay Channel~~, no seal haul out or pupping areas exist in the vicinity of the project site.” (IS-23).
  4. “The project site is located at an industrial dock adjacent to the ~~Samoa North Bay Channel~~ which is periodically dredged to a depth of 38 ft to maintain navigation safety.” (IS-24).
- 3.3.6. “The DIS does not reflect current conditions of the pier. The DIS states (p.4) “Several ancillary structures will be secured to the existing pier; the pier will not require any improvements to support these structures. However, the existing pier adjacent to proposed marine facilities (figure 2) is currently fenced off, and the physical condition of the pier contains rotten and broken boards. During the site visit, HBHRC staff and others indicated that the pier was going to be repaired by Sequoia X, LLC (pier owner) and the dock repair activity was not part of the project. NMFS suggests the DIS reflect the repairs necessary before implementation of the proposed project.”

**Response:** The District is aware that dock maintenance efforts are being considered by Sequoia X LLC. As the District understands it, the repair project would be limited to replacing the dock boarding and stringers on the farthest 146 feet of the existing dock, with like

materials. The repair will not alter the existing pilings, foundation, or other in-water structures. The dock repairs would be conducted by a different applicant (Sequoia X, LLC) under a different permit process than the proposed project, which will be completed prior to the applicant's leasing of the project site. Further, the dock repairs would not change the project's environmental impacts under CEQA, as the repairs would be categorically exempt from CEQA review pursuant to 14 CCR § 15302 (standard repairs and maintenance of existing facilities).

- 3.3.7. "The DIS (p.3) states that the dock is currently used to access Taylor Mariculture, LLC, shellfish nursery rafts; and, in the near future, these rafts will be moved to the Berth 2 facility, north of the project site. The DIS further states that the proposed Project is superior to Berth 2 (one of the two alternative sites considered) because the proposed site already has an existing shellfish operation that the Hog Island operation would replace. NMFS suggests the DIS include the details of Taylor Shellfish structures and operations (e.g., lease area and duration, dimensions of nursery rafts and FLUPSYs, number and size of anchors, number of animals) to describe the existing infrastructure in the Project Area. This information will be helpful when comparing the potential effects of the Project to the current conditions at the Project Site."

**Response:** As described in the Initial Study, Taylor Mariculture will likely move its rafts to the Berth 2 location before Hog Island constructs its proposed facilities on the project site. However, to provide the most conservative environmental analysis possible, the Initial Study does not take any credit for the relocation of the existing Taylor rafts and evaluates the proposed project independently of any other operations. As noted by the commenter, this likely results in a *more* conservative analysis, as it uses an environmental baseline of "no development" as opposed to a baseline including the Taylor project.

- 3.3.8. "NMFS suggests the DIS describe the number, dimensions, and configuration of 500-lb Danforth anchors that will be used to anchor each new raft and FLUPSY; and the effects of these new anchors on the substrate."

**Response:** The nursery rafts and FLUPSYs will each be organized into arrays secured to the bottom by cables attached to steel anchors placed on the rafts. *See* Exhibit B. The nursery raft array will use 3 anchors and the FLUPSY array will use 6 anchors, for a total of 9 anchors. Each anchor weighs a maximum of 500 pounds; measures 26.25 inches (in.) wide by 34 in. long by 16.25 in. deep; and will occupy a surface area of 6.2 ft<sup>2</sup> and a water volume of 8.4 ft<sup>3</sup>. The hard substrate created by the anchors will quickly colonize with epibenthic fauna.

- 3.3.9. "NMFS suggests the DIS describe the location (distance from the shore, position relative to each other, and position in the water column relative to the substrate) of the two intake pipes. Describe the number and size and location (distance from shore, position in the water column relative to the substrate) of the discharge pipes. According to Table 1, approximately 72,800 gallons will be withdrawn and discharged into the bay each day. NMFS suggests the DIS describe the expected discharge rate of the water into Humboldt Bay, and the expected distance of dissipation of the plume of heated water discharged from the seed setting facility."

**Response:** The specific details regarding the location, distance, and position in the water column of the intake and discharge pipes will be determined upon approval of final building plans, Humboldt County approval of grading plans and septic plans, and consultation and approval by the North Coast Regional Water Quality Control Board (“NCRWQCB”). Therefore, limited additional detail is available at this time. The location of the discharge pipe will be such that it is always submerged and that the discharge water will not interact with the seafloor (*i.e.* mid water-column).

As noted in the Initial Study, the water used in the seed setting facility would be cooled after use and would be no more than 1.8 to 2.7 degrees Fahrenheit (1 to 1.5 degrees Celsius) above ambient temperature. (IS-31). A discharge of 72,800 gallons per day is an average of approximately 50 gallons per minute (gpm). Mixing in bi-directional tidal flow is fairly complex and robust models (*e.g.*, Cormix) have been developed to attempt to describe these conditions. However, no detailed modeling calculations were undertaken to address this issue because the maximum 2.7 degree Fahrenheit difference between intake water and discharge water is well within the range of natural variability of water temperatures experienced in the project area and substantially less than the thresholds that the State Water Resources Control Board and NCRWQCB use to define a significant water temperature impact. *See* State Water Resources Control Board, *Water Quality Control Plan for Control of Temperatures in the Coastal and Interstate Waters and Enclosed Bays and Estuaries of California* § 5 (defining an increase of 20 degrees Fahrenheit as significant); NCRWQCB, *Water Quality Control Plan for the North Coast Region*, at 3-4 (defining an increase of 5 degrees Fahrenheit as significant). Water temperatures in Humboldt Bay range from 9 to 20 degrees Celsius (Barnhardt 1992) and therefore the species present in the Bay are adapted to tolerate this temperature range. Further, the discharge pipe will never discharge into the warmest water of the Bay. The discharge pipe will be submerged and will discharge into the mid-water column. Because warmer water is less dense than colder water, the warmest water is typically on the surface. Because the discharge pipe will discharge below the surface, it will never come in contact with surface water.

3.3.10. “NMFS suggests inclusion of the estimates of water filtered by oyster and clam seed in the nursery rafts and FLUPSYs (p.22), as well as the volume of water used for daily washing of wells and bins (p.23) in Table 1.”

**Response:** The wells and bins will be washed by pressure washer. The Initial Study states that 100 gallons/day from the municipal water supply will be used for pressure washing and this information is included in Table 1 as requested by the commenter. (IS-9). Table 1 has not been updated to include the estimates of water passing through the nursery rafts and FLUPSYs because water is merely circulated through the structures and never taken out of the Bay. *See* Response to Comment 3.3.14 for additional information. The volumes regarding the amount of water filtered by oysters are described and discussed in detail in the IS (IS-22). To make the calculation as clear as possible, the Initial Study is revised as follows, to show that oysters would filter 192,000 m<sup>3</sup> per day.

$$“40,000,000 * 0.0048 = 192,000 m^3”$$

$$192,000 \text{ m}^3 / 84,318,181 = 0.00227 = 0.227\% \text{ (IS-22)}$$

**3.3.11.** “NMFS suggests inclusion of specific Best Management Practices (BMPs) that will be employed to minimize potential delivery of pollutants in Humboldt Bay. Specific BMPs for construction, industrial, municipal, and new development and redevelopment activities are identified in the California Stormwater Quality Association BMP handbooks (<http://www.cabmphandbooks.com/>).”

**Response:** Staff agrees that the use of stormwater BMPs is appropriate for the project. However the level of construction design detail needed to identify the specific BMPs and their locations for the upland construction is neither available nor necessary at this point in the process. That level of design detail will be necessary for the issuance of the County Building Permit(s), for which Construction and Stormwater BMPs are a mandatory component. Similarly the proposed infiltration system will include all BMPs required by the County and NCRQCB upon review and approval.

**3.3.12.** “The DIS states that additional lighting may be required to maintain safe working condition during nighttime work. NMFS suggests the DIS clarify whether nighttime work and additional lighting will be required on the pier, and include, if necessary, a discussion of effects of artificial light on aquatic organisms and mitigation measures.”

**Response:** No lighting is currently planned for the pier as part of the proposed project and no lighting is required to maintain the nursery rafts and FLUPSYs. Therefore, no mitigation measures are required. The Initial Study and MND include the following mitigation measure associated with the proposed upland lighting:

**Mitigation Measure Aesthetics-1.** If additional exterior lighting is required, new sources of light shall be directed downward on structures and/or the parking lot area and properly shielded to minimize impacts to nighttime views and prevent light spillover onto adjacent residential properties, while maintaining a safe level of exterior lighting during nighttime work.

**3.3.13.** “The DIS states that if any marine mammals or more than 10 pelicans are observed on Hog Island’s FLUPSYs or nursery rafts for more than two continuous weeks, CDFW will be notified and a plan submitted for passive deterrent system in place. NMFS is available to provide recommendations on structural methods to deter haul-out of marine mammals onto aquaculture structures.”

**Response:** The comment is noted and NMFS’ offer to assist is appreciated.

**3.3.14.** “NMFS suggests the DIS discuss the potential effects of the nursery rafts and FLUPSYs on the movement of the water flowing through and around the structures.”

**Response:** The nursery rafts and FLUPSYs float in the upper few feet of the water column. The regular tidal exchange of the Bay moving past this site is significant; thus the need for the proposed anchor system. However the submerged component of the proposed rafts and FLUPSYs is tiny relative to the cross section of the Eureka Channel at this point, and the structures are not close enough to shore or to the bottom such that any

scouring from redirected tidal flow can be reasonably expected. The proposed structures are well out of the deeper navigation channel, and inside (closer to shore) than nearby piers, further reducing current velocities in the project area.

In addition to the passive movement of water within the rafts and FLUPSYS from the tidal currents, both rafts and FLUPSYS use small motors to increase water movement, albeit at low levels. For the nursery rafts, water will flow through the rafts propelled by a 10 hp electric pump at a rate of less than 0.33 ft/second and move through the upwell tanks through a gravity-fed, single-pass system. For FLUPSYSs, water will be circulated through a paddle wheel or propeller which moves the water out of the trough and through the upwelling bins containing seed at a similar rate. Further, the FLUPSYSs and nursery rafts will be located adjacent to an existing dock structure, which already impacts the natural movement of water in the immediate area. Given the low flow rate of the structures, their location next to an existing dock, and the small footprint of the nursery rafts and FLUPSYSs, the structures are not likely to have a significant impact on water movement.



RESOLUTION NO. 2013-08

**A RESOLUTION ESTABLISHING FINDINGS RELATIVE TO THE PERMIT APPLICATION BY HOG ISLAND OYSTER COMPANY FOR THE ARCATA BAY SHELLFISH MARICULTURE FACILITY, SAMOA, CALIFORNIA**

**WHEREAS**, the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District is empowered by Appendix II of the Harbors and Navigation Code, and its own ordinances and resolutions, to grant permits, leases, rights, and privileges; and,

**WHEREAS**, no permits, rights, leases, and privileges may be granted without first having considered certain potential impacts and without first having made findings relative to said impacts; and,

**WHEREAS**, the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District has been presented with certain evidence relating to the Arcata Bay Shellfish Mariculture Facility proposed by Hog Island Oyster Company upon the air, land, environment, and ecology of the land under the jurisdiction of the Humboldt Bay Harbor, Recreation, and Conservation District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District as follows:

The Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District has found the following to be true and adopts the following findings with respect to the proposed use contemplated by Hog Island Oyster Company in Application 13-02 and supplements and amendments thereto:

1. The use proposed by Hog Island Oyster Company is necessary to promote the safety, health, comfort, and convenience of the public; and
2. The proposed use, as conditioned by the adopted Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program, is consistent with CEQA and there is no substantial evidence the project will have a significant effect on the environment; and
3. The proposed use is consistent with the Humboldt Bay Management Plan; with special relevance to policies HFA-3, HFA-5, CEP-1,2,5-9, HTM-3, CAE-2, CAE-3; and
4. The proposed use is required by the public convenience and necessity; and
5. The proposed use is reasonably required to promote growth, and to meet area demands, and does not adversely effect the environment or ecology of the area to any substantial degree; and,

6. The proposed use will not produce an unreasonable burden on the natural resources and aesthetics of the area, on the public health and safety, and air and water quality in the vicinity of Humboldt Bay, or on the parks, recreation and scenic area, historic sites and buildings, or archeological sites in the area.

**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 11th day of July 2013, by the following polled vote:

**AYES:**

**NOES:**

**ABSENT:**

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**MIKE WILSON, President  
Board of Commissioners**

**ATTEST:**

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**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. 2013-08 entitled,

**A RESOLUTION ESTABLISHING FINDINGS RELATIVE TO THE PERMIT APPLICATION BY HOG ISLAND OYSTER COMPANY FOR THE ARCATA BAY SHELLFISH MARICULTURE FACILITY, SAMOA, CALIFORNIA**

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 11th day of July 2013; 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 11<sup>th</sup> day of July 2013.

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**PATRICK HIGGINS**, Secretary  
Board of Commissioners

HUMBOLDT BAY HARBOR, RECREATION  
AND CONSERVATION DISTRICT

10c

PERMIT

Permit No. 13-02

601 Startare Drive  
Woodley Island Marina  
P O Box 1030  
Eureka, CA 95502-1030

Permittee:

Hog Island Oyster Company  
PO Box 829  
Marshall, CA 94940

Project:

**Arcata Bay Shellfish Mariculture Facility**

The Board of Commissioners of the **Humboldt Bay Harbor, Recreation and Conservation District** hereinafter referred to as "**District**", having considered the Application herein, number 13-02, received by the **District** on April 12<sup>th</sup>, 2013, and **Hog Island Oyster Company** hereinafter referred to as "**Permittee**", and the **District** as the lead agency, pursuant to the California Environmental Quality Act of 1970, as amended, having made a determination of a Mitigated Negative Declaration dated July 11<sup>th</sup>, 2013 and the Board of Commissioners of the **District** having on July 11<sup>th</sup>, 2013 passed Resolution No. 2013-08 establishing findings relative to the Application by **Permittee** for the development of the Arcata Bay Shellfish Mariculture Facility provided for in this Permit, the Permittee is hereby authorized to implement the Arcata Bay Shellfish Mariculture Facility as more particularly described in the Application filed with the **District** and the Mitigated Negative Declaration referred to above.

You are hereby authorized to implement the **Arcata Bay Shellfish Mariculture Facility** as described in the Permit Application of **Permittee** consisting of:

Establishing and operating a mariculture facility at 1606 Fay Ave, Samoa, CA including placement of FLUPSYS and nursery rafts in the water to the north of the Sequoia X pier, installation of an associated gangplank and a small cable crane, upland construction of a shellfish hatchery, seed setting, and seed washing facility, installation of an infiltration system for seed wash water, installation of a septic system, and associated components, all as more particularly described in the Application filed by **Permittee**, and the approved MND.

That the location of the proposed work of improvement shall be located at Parcel Nos. 40116126, 40116123, 40116122, 40130109, 40130105, and 40130107; in Humboldt County, CA, on property leased or subleased by the **Permittee** from Sequoia X LLC (upland and pier) or leased from the **District** (tidelands).

SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. That **Permittee** promptly report the dates when you start and finish the work authorized by this Permit. If **Permittee** cannot complete the work within the time granted by this Permit, **Permittee** shall request an extension before the Permit expires. If there are material changes to the plan and scope of the work, it will be necessary for **Permittee** to submit a detailed explanation and request a revision of the Application and plans.
2. That the **Permittee** shall fully implement all mitigation measures provided in the adopted Mitigated Negative Declaration and the associated Mitigation Monitoring and Reporting Program for the project.
3. That all work authorized by this Permit shall further be subject to the approval of the following public agencies:
  - A. United States Army Corps of Engineers San Francisco District
  - B. State of California Coastal Commission
  - C. State of California Regional Water Quality Control Board, North Coast Region
  - D. North Coast Unified Air Quality Management District
  - E. Humboldt County

and **Permittee** shall fully comply with all regulations and conditions affecting such work as imposed by the above agencies.

4. That this Permit shall not take effect and **Permittee** shall not commence any part of this work until a Tideland Lease Agreement between the **Permittee** and the **District** is finalized.
5. That no attempt shall be made by the **Permittee** to interfere or forbid the full and free use by the public of all navigable waters at or adjacent to the work;
6. That the **Humboldt Bay Harbor, Recreation and Conservation District**, its Commissioners, or any officer or employee of the **Humboldt Bay Harbor, Recreation and Conservation District** shall in no case be liable for any damages or injury of the work herein authorized which may be caused by or result from future operations undertaken by the **Humboldt Bay Harbor, Recreation and Conservation District** for the conservation or improvement of navigation, or for other purposes, and no claim or right to compensation shall accrue from any such damage.
7. That the construction of the facilities herein authorized shall be completed on or before the 11<sup>th</sup> day of July 2014, and this Permit, if not previously revoked or specifically extended, shall cease and be null and void and terminate on the 12 day of July 2014.
8. That the Board of Commissioners of the **District** may revoke this Permit at any time upon a finding by the **District** of a violation by the **Permittee** of

any condition of this Permit, or a finding of substantial new information regarding the effect of the Permitted activities.

9. 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 damage to any person or property or for the work authorized by this Permit, and the **Permittee** shall indemnify and hold harmless the **District**, its Commissioners and officers free and harmless from any liability for any such injury, death or damage.
10. That **Permittee** shall furnish to the **Humboldt Bay Harbor, Recreation and Conservation District** a written annual progress report and upon completion, a written completion report describing the completion of the project. **Permittee** shall at all times notify the **Humboldt Bay Harbor, Recreation and Conservation District** in writing of all locations, including new locations, in Humboldt Bay, that **Permittee** proposes to install the uses permitted herein, prior to said installation.
11. That as a condition to the issuance of this Permit, **Permittee** agrees to indemnify and hold harmless **Humboldt Bay Harbor, Recreation and Conservation District** from an against any and all liability, loss, or damage **Humboldt Bay Harbor, Recreation and Conservation District** may suffer from claims and demands for attorneys' fees, costs of suit, and costs of administrative records made against **Humboldt Bay Harbor, Recreation and Conservation District** by any and all third parties as a result of third party environmental actions against **Humboldt Bay Harbor, Recreation and Conservation District** arising out of the subject matter of this Permit, including, but not limited to attorneys' fees, costs of suit, and costs of administrative records pursuant to the California Code of Civil Procedure §1021.5 or any other applicable local, state or federal laws, whether such attorneys' fees, costs of suit, and costs of administrative records are direct or indirect, or incurred in the compromise, attempted compromise, trial appeal or arbitration of claims for attorneys' fees, costs of suit, and costs of administrative records in connection with the subject matter of this Permit.
12. That this Permit is valid as of the 11<sup>th</sup> day of July 2013, and is made subject to the **Permittee** approving and agreeing to the conditions above set forth and executing said approval as hereinafter provided.

EXECUTED on this 11<sup>th</sup> day of July 2013 by authority of the Board of Commissioners of the **Humboldt Bay Harbor, Recreation and Conservation District**.

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**MIKE WILSON, President**  
**Board of Commissioners**  
**Humboldt Bay Harbor, Recreation and**  
**Conservation District**

**Hog Island Shellfish Company, Permittee**, in the above Permit, hereby accepts and agrees to all of the conditions hereinabove set forth. **Permittee** shall indemnify and hold harmless the **Humboldt Bay Harbor, Recreation and Conservation District**, its Board of Commissioners, officers and employees from any and all claims of any nature arising from the performance of and work of improvement contained in the Application for injury, death or damage to any person or property.

**Hog Island Shellfish Company, Permittee**, in the above Permit, agrees to indemnify and hold harmless **Humboldt Bay Harbor, Recreation and Conservation District**, its Board of Commissioners, officers and employees from and against any and all liability, loss or damage **District** may suffer from claims and demands from attorneys' fees; costs of suit and costs of administrative records made against **District** by any and all third parties as a result of third party environmental actions against **District** arising out of the subject matter of this Permit including, but not limited to, attorneys' fees, costs of suit and costs of administrative records pursuant to the California Code of Civil Procedure §1021.5 or any other applicable local, state or federal laws, whether such attorneys fees, costs of suit and costs of administrative records are direct or indirect, or incurred in the compromise, attempted compromise, trial, appeal or arbitration of claims for attorneys' fees, costs of suit and costs of administrative records in connection with the subject matter of this Permit.

**Hog Island Shellfish Company**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

# Humboldt Bay Harbor,

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## Recreation and Conservation

### District

# SECOND READING AND ADOPTION FY 2013/14 BUDGET

|                                                              | SUMMARY OF 2013-14 BUDGET |             |             |
|--------------------------------------------------------------|---------------------------|-------------|-------------|
|                                                              | GENERAL                   | MARINA      | TOTAL       |
| REVENUE                                                      | \$5,214,794               | \$1,001,016 | \$6,215,810 |
| OPERATING EXPENSES                                           | \$2,133,410               | \$794,979   | \$2,928,389 |
| NON-OPERATING EXPENSES (Capital Expenses, Debt Pmt)          | \$2,880,803               | \$155,866   | \$3,036,669 |
| EXCESS REVENUES OVER(UNDER) EXPENSES                         | \$200,582                 | \$50,171    | \$250,753   |
| DEDUCT SINGLE-USE REVENUES (WIM Dredge Surchg/Float Replace) | \$0                       | (\$173,870) | (\$173,870) |
| TOTAL BUDGET BALANCE                                         | \$200,582                 | (\$123,699) | \$76,883    |



# REVENUE

|                              | 2013-14 Proposed Budget      |                    |                      |                    |                    | % of<br>Total      |               |
|------------------------------|------------------------------|--------------------|----------------------|--------------------|--------------------|--------------------|---------------|
|                              | 2011-12<br>Actual<br>Audited | 2012-13<br>Budget  | 2012-13<br>Projected | General            | Marina             |                    | TOTAL         |
| <b>Revenue</b>               |                              |                    |                      |                    |                    |                    |               |
| Tax Revenue                  | \$848,045                    | \$840,000          | \$840,000            | \$792,000          | \$88,000           | \$880,000          | 14.2%         |
| Sales & Permits              | \$12,788                     | \$13,000           | \$16,000             | \$1,000            | \$14,000           | \$15,000           | 0.2%          |
| Harbor Surchg                | \$84,373                     | \$120,000          | \$52,270             | \$97,028           | \$0                | \$97,028           | 1.6%          |
| Pilotage Tariff              | \$53,299                     | \$90,000           | \$79,595             | \$61,294           | \$0                | \$61,294           | 1.0%          |
| Slip Rents                   | \$432,795                    | \$446,028          | \$486,751            | \$0                | \$533,222          | \$533,222          | 8.6%          |
| Trans Rental                 | \$53,146                     | \$57,288           | \$68,574             | \$0                | \$76,424           | \$76,424           | 1.2%          |
| Liveabrd Srchg               | \$12,438                     | \$13,299           | \$13,805             | \$0                | \$0                | \$0                | 0.0%          |
| WIM Dredge Srchg             | \$63,658                     | \$64,000           | \$69,548             | \$0                | \$104,322          | \$104,322          | 1.7%          |
| WIM Float Replace            | \$0                          | \$0                | \$0                  | \$0                | \$69,548           | \$69,548           | 1.1%          |
| WIM Electrical               | \$0                          | \$50,000           | \$0                  | \$0                | \$80,000           | \$80,000           | 1.3%          |
| Fields Landing               | \$113,715                    | \$135,000          | \$117,000            | \$159,300          | \$0                | \$159,300          | 2.6%          |
| Redwood Dock                 | \$16,398                     | \$20,600           | \$25,156             | \$50,000           | \$0                | \$50,000           | 0.8%          |
| Freshwater Issue<br>Property | \$0                          | \$0                | \$0                  | \$227,600          | \$0                | \$227,600          | 3.7%          |
| Rents                        | \$154,056                    | \$165,000          | \$159,114            | \$150,000          | \$10,000           | \$160,000          | 2.6%          |
| Tideland Leases              | \$134,198                    | \$164,823          | \$164,823            | \$175,572          | \$0                | \$175,572          | 2.8%          |
| Late Fees/Int                | \$7,491                      | \$11,900           | \$11,768             | \$1,500            | \$10,500           | \$12,000           | 0.2%          |
| Other Rev                    | \$77,405                     | \$51,838           | \$47,762             | \$40,000           | \$15,000           | \$55,000           | 0.9%          |
| Interest                     | \$4,126                      | \$20,000           | \$20,187             | \$20,000           | \$0                | \$20,000           | 0.3%          |
| Grant Revenue                | \$2,329,199                  | \$796,411          | \$715,767            | \$2,739,500        | \$0                | \$2,739,500        | 44.1%         |
| Cap. Exp. Loan               | \$0                          | \$200,000          | \$200,000            | \$0                | \$0                | \$0                | 0.0%          |
| Equity Line Loan             | \$0                          | \$600,000          | \$0                  | \$700,000          | \$0                | \$700,000          | 11.3%         |
| <b>Total Revenue</b>         | <b>\$4,397,130</b>           | <b>\$3,859,187</b> | <b>\$3,088,120</b>   | <b>\$5,214,794</b> | <b>\$1,001,016</b> | <b>\$6,215,810</b> | <b>100.0%</b> |

# OPERATING EXPENSES

|                           | 2013-14 Proposed Budget      |                   |                      |             |           | % of Total  |         |
|---------------------------|------------------------------|-------------------|----------------------|-------------|-----------|-------------|---------|
|                           | 2011-12<br>Actual<br>Audited | 2012-13<br>Budget | 2012-13<br>Projected | General     | Marina    |             | TOTAL   |
| <b>EXPENSES</b>           |                              |                   |                      |             |           |             |         |
| Salaries/Wages            | \$709,461                    | \$715,355         | \$715,355            | \$442,452   | \$307,467 | \$749,919   | 25.6%   |
| Commish Fees              | \$25,200                     | \$25,200          | \$25,200             | \$25,200    | \$0       | \$25,200    | 0.9%    |
| Cntrct Temp Serv          | \$483                        | \$3,000           | \$16,000             | \$0         | \$3,000   | \$3,000     | 0.1%    |
| Auto Value                | \$798                        | \$700             | \$700                | \$560       | \$140     | \$700       | 0.0%    |
| Payroll Burden            | \$408,915                    | \$359,305         | \$359,305            | \$217,064   | \$150,841 | \$367,905   | 12.6%   |
| Advert/Promotion          | \$12,888                     | \$7,000           | \$3,191              | \$3,500     | \$3,500   | \$7,000     | 0.2%    |
| Automotive                | \$19,852                     | \$17,000          | \$27,063             | \$20,000    | \$7,000   | \$27,000    | 0.9%    |
| Communications            | \$12,510                     | \$14,000          | \$10,783             | \$5,460     | \$8,540   | \$14,000    | 0.5%    |
| Conference/Mtgs           | \$20,606                     | \$20,000          | \$20,000             | \$21,000    | \$3,000   | \$24,000    | 0.8%    |
| Dues/Subs                 | \$28,626                     | \$29,000          | \$29,000             | \$24,000    | \$5,000   | \$29,000    | 1.0%    |
| Elect/Gov. Fees           | \$24,467                     | \$21,000          | \$21,000             | \$31,500    | \$13,500  | \$45,000    | 1.5%    |
| Insurance                 | \$32,574                     | \$54,000          | \$54,000             | \$72,274    | \$12,091  | \$84,365    | 2.9%    |
| Office Expense            | \$41,590                     | \$28,000          | \$51,000             | \$25,000    | \$16,000  | \$41,000    | 1.4%    |
| Oper Supplies             | \$5,927                      | \$7,000           | \$6,568              | \$1,500     | \$5,500   | \$7,000     | 0.2%    |
| Security Guards           | \$109,183                    | \$102,847         | \$81,163             | \$0         | \$40,000  | \$40,000    | 1.4%    |
| Legal Services            | \$32,592                     | \$25,000          | \$25,000             | \$40,000    | \$10,000  | \$50,000    | 1.7%    |
| Accounting/Audit          | \$42,202                     | \$30,750          | \$30,750             | \$25,000    | \$6,000   | \$31,000    | 1.1%    |
| Prof/Outsd Servs          | \$115,788                    | \$76,000          | \$46,024             | \$60,000    | \$0       | \$60,000    | 2.0%    |
| Utilities                 | \$206,788                    | \$190,000         | \$197,878            | \$20,000    | \$105,000 | \$125,000   | 4.3%    |
| Maintenance Exp           | \$76,851                     | \$105,000         | \$73,919             | \$20,000    | \$60,000  | \$80,000    | 2.7%    |
| Fields Lndng Exp.         | \$62,117                     | \$60,350          | \$32,736             | \$35,000    | \$0       | \$35,000    | 1.2%    |
| Shelter Cove Exp          | \$18,516                     | \$25,000          | \$23,547             | \$25,000    | \$0       | \$25,000    | 0.9%    |
| King Salmon Exp           | \$958                        | \$2,000           | \$1,000              | \$2,000     | \$0       | \$2,000     | 0.1%    |
| Rdwd Dock Exp             | \$7,664                      | \$15,000          | \$148,410            | \$22,000    | \$0       | \$22,000    | 0.8%    |
| Samoa Shops               | \$0                          | \$2,000           | \$0                  | \$0         | \$0       | \$0         | 0.0%    |
| Freshwater                | \$0                          | \$0               | \$0                  | \$215,400   | \$0       | \$215,400   | 7.4%    |
| Tissue Property           | \$0                          | \$1,000           | \$0                  | \$0         | \$0       | \$0         | 0.0%    |
| HBMP                      | \$10,000                     | \$10,000          | \$10,000             | \$10,000    | \$0       | \$10,000    | 0.3%    |
| Int/FeeExpense            | \$600,373                    | \$796,411         | \$325,974            | \$739,500   | \$0       | \$739,500   | 25.3%   |
| Grant Expense             | \$0                          | \$30,000          | \$11,580             | \$0         | \$38,400  | \$38,400    | 1.3%    |
| Cap Exp Loan Pm           | \$0                          | \$600,000         | \$0                  | \$30,000    | \$0       | \$30,000    | 1.0%    |
| Equity Loan               | \$0                          | \$0               | \$0                  | \$0         | \$0       | \$0         | 0.0%    |
| <b>TOTAL</b>              |                              |                   |                      |             |           |             |         |
| <b>OPERATING EXPENSES</b> | \$2,016,556                  | \$3,371,918       | \$2,347,146          | \$2,133,410 | \$794,979 | \$2,928,389 | 100.00% |

# NON-OPERATING EXPENSES

## CAPITAL EXPENDITURES

| CAPITAL EXPENDITURES              | 2013-14 Proposed Budget |                  |                  |                    |
|-----------------------------------|-------------------------|------------------|------------------|--------------------|
|                                   | 2011-12                 | 2012-13          | 2012-13          | 2012-13            |
|                                   | Actual Audited          | Budget           | Projected        | General            |
| WI Facility Improvmt              | \$10,078                | \$219,928        | \$210,000        | \$0                |
| WI Marina Dredging                | \$11,684                | \$0              |                  | \$0                |
| FL Boat Yard                      | \$10,390                | \$0              |                  | \$45,500           |
| Marine Term Impr                  | \$69,677                | \$0              | \$11,270         | \$35,000           |
| Harbor Improvmt                   | \$0                     | \$0              |                  | \$0                |
| Property Acquisition              |                         |                  | \$350,000        | \$350,000          |
| Property Improvement              |                         |                  |                  | \$2,220,000        |
| Rec Enhance                       | \$0                     | \$0              |                  | \$10,000           |
| Cons Enhance                      | \$0                     | \$0              |                  | \$0                |
| Auto/Operating Equip              | \$0                     | \$4,000          | \$3,627          | \$6,000            |
| Office Equipment                  | \$0                     | \$0              | \$14,304         | \$0                |
| <b>TOTAL CAPITAL EXPENDITURES</b> | <b>\$101,829</b>        | <b>\$223,928</b> | <b>\$589,201</b> | <b>\$2,666,500</b> |
|                                   |                         |                  |                  | <b>\$56,500</b>    |
|                                   |                         |                  |                  | <b>\$2,723,000</b> |

## DEBT PAYMENTS

| DEBT PAYMENTS              | 2013-14 Proposed Budget |                  |                  |                  |
|----------------------------|-------------------------|------------------|------------------|------------------|
|                            | 2011-12                 | 2012-13          | 2012-13          | 2012-13          |
|                            | Actual Audited          | Budget           | Projected        | General          |
| Cal Boating Loan           | \$0                     |                  | \$0              | \$0              |
| Deepening Loan             | \$215,167               | \$213,213        | \$213,213        | \$214,303        |
| <b>TOTAL DEBT PAYMENTS</b> | <b>\$215,167</b>        | <b>\$213,213</b> | <b>\$213,213</b> | <b>\$214,303</b> |
|                            |                         |                  |                  | <b>\$99,366</b>  |
|                            |                         |                  |                  | <b>\$214,303</b> |
|                            |                         |                  |                  | <b>\$313,669</b> |

## NARRATIVE FOR FY 2013/14 BUDGET

### REVENUE

#### Tax Revenue

Estimated income received from County of Humboldt - District's portion of property taxes paid to County. **Estimated additional \$40,000.00 to be received FY 2013/14.**

#### Sales and Permits

General - Estimated income from permit fees.

Marina - Estimated income from coin-operated showers, washers, and dryers, vending machines, ice machine, liveaboard inspection fees, and forklift fees.

#### Harbor Surcharge

Anticipated revenues to be generated by Harbor Improvement Surcharge.

#### Pilotage Tariff

Anticipated revenues to be generated by Bar Pilot services.

#### Slip Rentals

Marina - Estimated income from the rental of slips at the Marina. **No "per foot" increase – decrease of annual discounted rate to 10%.**

#### Transient Rentals

Marina - Estimated income from the rental of transient slips at the Marina. **Per foot increase proposed: \$0.60/ft/day, which will include the pro-rated Woodley Island Marina dredge surcharge, float replacement fee and electrical usage fee. Eliminate the "weekly" transient rate.**

#### Liveaboard Surcharge

Marina - Estimated income from the monthly charge for liveaboard tenants. **This fee will be eliminated as of July 1, 2013.**

#### WIM Maintenance Dredging Surcharge

**Increase to \$0.75/per foot charge assessed toward future maintenance dredging of Woodley Island Marina. Revenue from this fee transferred directly to Woodley Island Marina Maintenance Dredge Cash Designation.**

#### WIM Float Replace

**Proposed \$0.50/per foot charge for all tenants/transients of Woodley Island Marina to create a fund designated specifically for dock/float replacement. Revenue from this fee will be transferred directly to Woodley Island Marina Float Replacement Cash Designation.**

#### WIM Electrical

Revenue received from the metering of electrical use by tenants through the installation of dock electrical boxes to be installed during FY2012/13.

#### Fields Landing

Revenue received from storage (boats and trailers) utilities, forklift, and equipment rentals, building space rent, and Travelift haul out fees and usage. New revenue sources are: cell tower use, power washing of boats, marine mechanic and to maximize trailer slip rentals.

#### Redwood Dock

Revenue received from building space rent/terminal lease/wharfage and dockage.

**Freshwater Tissue Company Property**

Revenue estimated to be received from the tenants of this property: Myrtle town Lumber, Freshwater Tissue Company, Taylor Mariculture, DG Power and others. See Profit & Loss Report from February 2013.

**Rents**

Money to be received by the District for rents and concessions as follows: Café Marina Restaurant; Office Space; kayak storage fees; and work yard rent on Woodley Island. Additionally, a storage area on Woodley Island for trailers has been designated and will be available from May 1 – September 30.

**Tideland Leases**

Money to be received by the District for tidelands leases held throughout the Humboldt Bay area. Taylor Mariculture is new for FY 2013/14.

**Late Fees and Interest on Delinquent Accounts**

Late fees and interest collected on delinquent accounts.

**Other Revenue**

Revenue received from Coast Seafoods for gallonage fees as a condition of their tideland lease, Secretariat Services for Harbor Safety Committee, Chevron's payment for the PORTS O&M costs, other government agencies and miscellaneous operating and non-operating revenue.

**Interest**

Interest earned by the District on monies presently deposited in the Humboldt County Treasury.

**Grant Revenue**

Monies received from grant-funded projects expected to be received in FY 2013/14.

**Capital Expenditure Loan**

Monies borrowed in FY 2012/13 to finance the dock electrical meters for Woodley Island Marina.

**Equity Line Loan**

Loans from Headwaters Fund and Humboldt Area Foundation used to purchase the Freshwater Tissue Company property.

**EXPENSES**

**Salaries and Wages**

Salaries and wages paid to Harbor District employees. Includes an additional Harbor Maintenance Worker !! and a part-time marina assistant. *This expense is estimated until the negotiations have been completed with the District employee union.*

**Commissioners Fees**

Fees paid for the service of Commissioners on the Board.

**Contract Temporary Services**

Expenses paid for weekend Custodian on Woodley Island.

### **Auto Value**

Imputed commuting value of District auto to Director of Facility Maintenance, which is treated as additional compensation in accordance with current IRS regulations.

### **Payroll Burden**

Payroll Burden consists of employer-paid taxes and employer-paid benefits and insurances provided for in the District's Personnel Policy. The contribution rate for PERS for FY 13/14 is 9.875%. *This expense is estimated until the negotiations have been completed with the District employee union.*

### **Advertising and Promotion**

General - Allocation for the printing of legal notices in the local newspapers required by laws and permit procedures of the State and the District. This line item also funds the printing and distribution of notices to inform the public of special interest items concerning the District's meeting and projects. There is also an amount included for the publication and for additional port, Marina and District marketing and promotional materials.

Marina – Allocation for the printing of notices, newsletters, Marina advertisements etc. to inform the Marina tenants and/or the general public of items which may be of special interest to them.

### **Automotive Expense**

Cost of maintaining and fueling the District's automobiles, vessels, electric trucks, security vehicles, forklift, and other operating equipment.

### **Communications**

Telephones and Cell Phones - Based on the average cost of telephone service for the last six months to include an increase in rates and usage. The Marina portion includes charges for a direct line to the police department. This amount includes the costs for the FAX, modem, E-mail and Website hosting, offsite Web link and cell phones.

### **Conferences & Meetings**

Approves travel expenses for attendance at the following up to the total budget amount: (4) CMANC conferences; (4) AAPA conference/training; (3) CAPA conferences; (1) California Maritime Leadership Symposium; (3) legislative trips to Sacramento and Washington DC; (1) CSDA training conference, (4) Pacific Coast Congress of Harbor Masters, (2) Northern Area Port Security meetings, (4) Conservation-related meetings (Estuarine Research Foundation (ERF), CalERF, (2) West Coast Corridor Coalition meetings for marine highway establishment; and (2) safety seminars in order to maintain discounted Workers Compensation premiums. Additional conferences or travel that would exceed the budget require individual approval by the Board.

### **Dues & Subscriptions**

This category includes dues for membership in the following organizations: California Marine Affairs and Navigation Conference, American Association of Port Authorities, California Association of Port Authorities, California Special District Association, Association of California Water Agencies, Pacific Coast Congress of Harbor Managers and Port Masters, California Association of Harbor Masters and Port Captains, Fishing News, Pacific Fishing, Costco and various other subscriptions. Dues/Subscription costs vary by a variety of factors and amounts shown are estimated. Dues and subscriptions expenses that would exceed the budget require individual approval by the Board of Commissioners.

### **Elections and Fees Paid to Other Governmental Entities**

There are two (2) Board seats slated for election for the District in FY 2013/14.

### **Insurance**

The Special Districts Risk Management Authority (SDRMA) policy combines several of the individual property, liability, bonds and other miscellaneous policies into one, plus the Marina Operator's Liability policy. SDRMA reported there will be no increase in the base rate for Property/Liability and Workers Compensation policies for FY 2013/14. There will be an increase in the Workers Comp experience modification from 121% to **173% for 2013/14, which equates to an approximate \$16,000 increase in annual premiums.** The CAPA excess insurance through AON Risk Services is still in

order. The District's Fireboat and Port Security/Work boat are insured through Poseidon Insurance. Insurance for the Freshwater Tissue Company property is also included. Insurance expenses that would exceed the budget require individual approval by the Board of Commissioners.

**Office Expense**

Expenses include office supplies and postage necessary for the operation of the office.

**Operating Supplies**

Expenses for janitorial supplies.

**Security Guards**

Security guard services for Woodley Island Marina – **decreased to one shift, 7 hours, 365 days.**

**Legal Services**

Fees paid to District Counsel Paul Brisso for work in connection with the Woodley Island Marina and to do District legal work to draw up ordinances, permits, agreements between the District and other agencies, attend Commissioner meetings and all other general legal and litigation work needed by the District. Also included are legal services associated with the purchase of the Freshwater Tissue Company property.

**Accounting/Auditing Services**

Fees paid for the services of District Treasurer Mark Wetzel for service in a controllership capacity, supervision of bookkeeping functions, statements and reports and monitoring all District cash transactions. Fees paid to independent accounting firm to perform the District's annual certified audit.

**Professional/Outside Services**

Funds paid for a maritime attorney (Lawrence G. Mallon, \$5,000) and a Washington DC representative (Edington, Peel and Assoc. \$24,000) to assist the District with harbor-related funding and legislation. This line item extends the retention of Larry Mallon and Edington, Peel and Assoc. to June 30, 2014 unless terminated prior to the end of the fiscal year. Excess Liability Insurance broker fees (\$10,000) split between CAPA ports. Administrative Fee costs for BNY Mellon loan for Harbor Deepening Project. This account also includes funds for website revision, appraisal services, engineering and environmental consultant services required that have not been covered in any other category.

**Utilities**

Expenses for electricity, gas, water, sewer and refuse for the District office, Marina docks, lights, office spaces, and buildings. This expense will realize a decrease due to the installation of water and electrical meters.

**Maintenance Expense**

Estimated expenses for repairs and maintenance to Marina docks, light fixtures, compressor, miscellaneous equipment, facilities and roof repairs to the main building, as well as other District facilities. Also includes all tools less than \$2,500 and annual maintenance agreements on office equipment.

**Fields Landing Expense**

This is to cover any expenses of the District for the repair and maintenance of the District's Fields Landing property including stormwater filters, repairs to buildings and yard lighting. Also included are insurance, utilities, water, sewer, refuse, and telephone service.

**Shelter Cove Expense**

Expenses/miscellaneous items needed for the repair and maintenance of the District's facilities at Shelter Cove (includes Insurance Expense). Also includes repairs to breakwater, roads, fencing and fish cleaning station.

**King Salmon Expense**

Estimated expenses for maintaining the King Salmon Beach area, including replacing signage and vegetation maintenance.

**Redwood Dock Expense**

Estimated expenses for maintaining the Redwood Dock property (planking, roadway upgrade, power) to be paid from Fund Reservations for Marine Terminal Improvements.

**Samoa Shops Planning Expense**

Planning expenses related to the Samoa Shops complex.

**Freshwater Tissue Company Property**

See expenses from February 2013 Profit and Loss Report.

**Humboldt Bay Management Plan**

Includes estimated expenses related to implementation of the Plan policies and data collection as necessary to achieve implementation for the Humboldt Bay Management Plan.

**Interest/Fee Expense**

Estimated interest and fee expense for short-term line of credit financing that may be incurred due to unavailable State Homeland Security grant funds to cover purchases of grant-funded equipment.

**Grant Expense**

Expenses associated with grant-funded projects expected to occur in FY 2013-14. Examples of grant expenses are: Shelter Cove fish cleaning station sewer upgrade and freezer for fish carcasses and spartina eradication.

**Capital Expense Loan Payment**

Monthly payments for repayment of loan for dock electrical meters.

**Equity Line Loan**

Monies repaid on the loans used to purchase Freshwater Tissue Company property.

**CAPITAL EXPENDITURES**

**Woodley Island Facility Improvement**

Estimated expense for the purchase of a fish carcass freezer, repairs to the tenants' restrooms, upgrade of the fire alarm system.

**Woodley Island Marina Dredging**

Estimated expenses in preparation of the next dredge cycle, which will occur in approximately 5-6 years.

**Fields Landing Boat Yard**

Estimated expenses for capital improvements to the Fields Landing Boat Yard, including the installation of a zero discharge system, purchase of a lathe and the replacement of the lower dock next to the Travelift pier.

**Marine Terminal Improvement**

Estimated expenses required for a forklift, backhoe and hoist to use at the Redwood Dock Terminal Berth 1.



**Harbor Improvement**

Payments for harbor improvement projects such as channel deepening, shoreline protection, shoal abatement and navigation aid improvement

**Property Acquisition**

Purchase of the Freshwater Tissue Company property.

**Property Improvement**

Expenses associated with the Freshwater Tissue Company property, including, but not limited to electrical upgrade, roof and fire system repairs and water repairs/outfall inspection.

**Recreational Enhancements**

Estimated expense to purchase a fish carcass freezer to use at the fish cleaning station in Shelter Cove.

**Conservation Enhancements**

Estimated expenses for capital improvements related to conservation enhancements at facilities other than Woodley Island.

**Auto/Operating Equipment**

Estimated expenses for the purchase of a plasma metal cutting machine and a metal band saw.

**Office Equipment**

Estimated expenses for Office Equipment capital expenses.

**CASH DESIGNATIONS**

**Woodley Island Facility Improvement**

Funds set aside for major Marina and upland construction, rehabilitation, improvement or expansion projects.

**Woodley Island Marina Dredging**

Funds set aside annually to pay for maintenance dredging of Woodley Island Marina every 7-10 years. In the FY 2010/11 budget, a \$0.50/ft/mo dredging surcharge was assessed to Woodley Island Marina slip rentals; FY 2013/14 will see an increase of \$0.25/ft.

**Woodley Island Marina Float Replacement**

Funds set aside annually to pay for marina float replacement. A \$0.50/ft increase will be assessed.

**Fields Landing Boat Yard**

Funds set aside for future maintenance projects on the Boat Building and Repair Facility in Fields Landing such as future repaving of the yard.

**Marine Terminal Improvements**

Funds set aside for construction, rehabilitation, improvement or expansion projects at the Redwood Dock Marine Terminal (including Berths 1 & 2 and warehouses and upland dredge disposal site), and Fields Landing Terminal.

**Harbor Improvements**

Funds set aside for harbor improvement projects such as channel deepening, shoreline protection, shoal abatement and navigation aid improvement.

**Recreational Enhancements**

Funds set aside for recreational facility construction, rehabilitation, improvement or expansion projects including funds set aside for acquisition of additional recreational facilities and for planning expenses related to the Samoa Shops complex.

**Conservation Enhancements**

Funds set aside for the acquisition, construction, restoration, rehabilitation or expansion of conservation areas.

**Mariculture Management Fund**

Each year the District shall reserve 25% of the tideland revenue from mariculture operations on tidelands leased as a part of the District's mariculture expansion project. These funds are reserved for future expenses related to permitting and environmental compliance for mariculture activities on District tidelands.

**Emergency**

Funds available for expenses related to recovery from emergencies.

**ADDITIONAL  
BUDGET  
INFORMATION**

**FY 2013/14**

**HUMBOLDT BAY HARBOR DISTRICT  
PROPOSED FEE AND RATE SCHEDULE  
for FY 2013/14**

effective 07/01/13

| FACILITY                     | SERVICE OR CHARGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | FEE OR RATE                                                                                                                                                                                                                                                                                                                                                                                                                       | OLD RATE                                                                                                                                                                       |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>ARBOR DISTRICT OFFICE</u> | <p><b>Requests for Copies of Public Documents</b></p> <p><u>Archival Research</u><br/> <i>Archival research, as used in this context, is defined as the process of collecting any Harbor District information not dated within 30 days of the request.</i></p> <p><u>Photocopy cost (no binding included):</u><br/>           ~ Request greater than 50 copies<br/>           ~ Photocopy cost (less than 50 copies) - b/w<br/>           ~ Photocopy cost - color (Per page)<br/>           ~ Photocopy cost - oversized up to 11"x17"<br/>           ~ Electronic media (disk, tape, etc)</p> <p><i>**Actual cost is the charge for the Harbor District cost for the actual time of the position reproducing any information (wage and payroll burden) plus the actual media cost (photocopy, computer disc, tape, etc) and any costs incurred for archival research.</i></p> <p><b>Board Meeting Agendas (paper copies)</b><br/> <b>Board Meeting Minutes (paper copies)</b></p> <p><b>Facsimiles</b></p> <p><b>Permit Process</b></p> <p><b>Notary Services</b></p> <p><b>Late Fees and Interest</b><br/>           Monthly moorage rent is due on the first of each month and considered late if not paid on or before the 10th of each month. Interest is applied at the end of the month on the balance due. Yearly rent is due by the 20th of the first month of the year.<br/>           Account balances between \$5.00-\$50.00<br/>           Account balances between \$50.01-\$100.00<br/>           Account balances over \$100.01</p> | <p>\$40.00 per hour*</p> <p>Actual Cost**<br/>           \$0.10 per side<br/>           \$1.00 per side<br/>           \$0.25 per side<br/>           Actual Cost**</p> <p>\$25.00 per calendar year<br/>           \$25.00 per calendar year</p> <p>\$1.00 per page</p> <p>\$100.00 filing fee, plus processing costs</p> <p>\$10.00 per signature per document</p> <p>\$10.00<br/>           \$15.00<br/>           \$25.00</p> |                                                                                                                                                                                |
| <u>WOODLEY ISLAND MARINA</u> | <p><b>Slip Rates</b></p> <p><b>Daily</b> (inc. Maintenance Dredge Surcharge and Float Replacement fee)</p> <p><b>Monthly*</b></p> <p><b>Yearly*</b> (10% savings over monthly rate)</p> <p>*Plus Maintenance Dredge Surcharge</p> <p>*Plus Float Replacement</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>\$0.60 per foot/per day</p> <p>\$4.15* per foot/per month</p> <p>\$3.74* per ft/per mo/per yr</p> <p>\$0.75 per foot per month</p> <p>\$0.50 per foot per month</p>                                                                                                                                                                                                                                                            | <p>\$0.43* per foot/per day</p> <p>\$4.15 per foot/per mo.</p> <p>\$3.46* per ft/per mo/per yr</p> <p>\$0.50* per ft/per mo/per year</p> <p>\$0.00* per ft/per mo/per year</p> |

| FACILITY                            | SERVICE OR CHARGE                                              | FEE OR RATE                                                          |                                   |
|-------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------|
| <b>VOODLEY ISLAND MARINA Cont'd</b> | <b>Liveaboard</b>                                              |                                                                      |                                   |
|                                     | Inspection (30 day inspection period)                          | \$50 non-refundable one time charge                                  |                                   |
|                                     | Up to 2 people                                                 | No Charge                                                            | \$138.30 per month plus slip rent |
|                                     | Each additional liveaboard person                              | No Charge                                                            | \$90.45 per month                 |
|                                     | <b>Restroom Key Deposit</b>                                    | \$20 each                                                            |                                   |
|                                     | <b>Electrical Plug Deposit</b>                                 | \$100 each                                                           |                                   |
|                                     | <b>Forklift Fee</b>                                            | \$30 per hour, one hr min. per month; thereafter 1/2 hr.. increments |                                   |
|                                     | <b>Storage Areas</b>                                           |                                                                      |                                   |
|                                     | North Lot                                                      | \$0.30 per sq ft/per mo; \$0.27 per sq ft/per mo/per yr              |                                   |
|                                     | Work Yard                                                      | \$1.25 per marked square/per day                                     |                                   |
|                                     | Temporary Storage: May 1- September 30. For boat trailers only | \$0.30 per sq ft/per mo                                              |                                   |
|                                     | <b>Work Dock/Hoist Use</b>                                     | \$30 per hr (tenants free) - 1 hr min.                               |                                   |
|                                     | <b>Pump Outs (by District Personnel)</b>                       |                                                                      |                                   |
|                                     | Bilge - maximum 50 gallons                                     | \$20 per pump out of less than 50 gals (tenants and govt free)       |                                   |
|                                     | <b>Kayak Rack Rentals</b>                                      | \$200 per year                                                       |                                   |
| <b>Late Fees /Holdover Fee</b>      | \$2.20/day                                                     |                                                                      |                                   |
| Sewage                              | Free                                                           |                                                                      |                                   |
| <b>Showers</b>                      | \$0.50 for six minutes                                         |                                                                      |                                   |
| <b>Washers</b>                      | \$2.00 per load                                                |                                                                      |                                   |
| <b>Dryers</b>                       | \$0.25 for 7 minutes                                           |                                                                      |                                   |
| <b>Soap Dispenser</b>               | \$0.75 per box                                                 |                                                                      |                                   |

| FACILITY                                                                                                                                          | SERVICE OR CHARGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | FEE OR RATE                                                                                                                                                                                                                                                                                                                                                              |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <u>FIELDS LANDING BOAT YARD</u>                                                                                                                   | <b>Travelift</b><br>Round Trip<br>One Way<br>Emergency Haul - One Way<br>Yard Rent<br>Building Rent<br>Hourly Travelift Charge<br><br><b>Storage</b><br>In Main Yard<br><br>In Side Yard for trailerable boat/trailers<br><br><b>Pressure Washer rental</b><br><br><b>Forklift</b>                                                                                                                                                                                                                        | \$8.19 per foot - \$273 min.<br>\$4.10 per foot - \$164 min.<br>\$16.35 per foot<br>\$1.04 per foot/per day<br>\$3.05 per foot/per day<br>\$126.00 per hour - 1hr min.<br><br>\$0.30 per sq ft/per mo; \$0.27 per sq ft/per mo/per yr<br><br>\$50.00 per slip/per month<br><br>\$35 per 4.0 hours<br>\$30 per hour, one hr min. per month; thereafter 1/2 hr. increments |  |
| <u>REDWOOD MARINE TERMINAL</u>                                                                                                                    | <b>Storage</b><br><br><b>Dockage</b><br><br><b>Wharfage</b>                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$0.30 per sq ft/per mo; \$0.27 per sq ft/per mo/per yr<br><br>\$0.42 per foot/per day<br><br>See Port of Humboldt Bay Terminals Tariff                                                                                                                                                                                                                                  |  |
| <u>ADDITIONAL HARBOR DISTRICT SERVICES</u><br><br><i>Harbor District Equipment is not available for use without District Personnel operation.</i> | <b>Harbor Distict Boats (plus personnel costs)</b><br><br><b>Pontoon Boat (plus personnel costs)</b><br><br><b>Pump Outs (dewatering)</b><br><br><b>Electric submersible Bilge Pump</b><br><b>35 KW Generator</b><br><b>Whacker Light Stand</b><br><b>Containment Boom</b><br><br><b>Absorbant Pad (includes disposal cost)</b><br><b>Absorbant Boom</b><br><b>Bag of Sweep</b><br><b>Personnel (salary plus benefits times actual time)</b><br><b>VideoRay Explorer Micro-submersible ROV 130' depth</b> | \$100/hr - 3 hr min.<br><br>\$50/hr - 1 hr min.<br><br>\$50/day - 1 day min.<br><br>\$10/day - 1 day min.<br>\$215/day - 1 day min. plus fuel<br>\$112/day - 1 day min. plus fuel<br>Actual cost of deployment and cleaning<br><br>\$1.75 per pad<br>\$45/8' section<br>\$120<br>Actual Cost<br>\$250/day + personnel cost                                               |  |

| FACILITY                                              | SERVICE OR CHARGE                                                                                                                                                                                            | FEE OR RATE                                                               |  |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--|
| <u>ADDITIONAL HARBOR<br/>DISTRICT SERVICES Cont'd</u> | <b>Oil Spill Trailer</b>                                                                                                                                                                                     | \$200/day + replacement of consummables plus decontamination              |  |
|                                                       | <b>Side Scan Sonar</b>                                                                                                                                                                                       | \$500/day + personnel cost                                                |  |
|                                                       | <b>Security Zone Buoy System</b>                                                                                                                                                                             | \$1,000 per 24 hr period (installed)                                      |  |
| <u>PILOTAGE CHARGES</u>                               | Outbound/Inbound                                                                                                                                                                                             | \$0.179 cents per Gross Registered Ton. Plus \$30.87 per ft of deep draft |  |
|                                                       | Minimum Charge                                                                                                                                                                                               |                                                                           |  |
|                                                       | 1. Less than 300 ft LOA (Round Trip):                                                                                                                                                                        | \$3,000                                                                   |  |
|                                                       | 2. Every 100 ft LOA thereafter (Add'l)                                                                                                                                                                       | \$850                                                                     |  |
|                                                       | Shift Rates                                                                                                                                                                                                  |                                                                           |  |
|                                                       | a. Wharf to wharf, wharf to anchor, or anchor to wharf                                                                                                                                                       | \$2,000                                                                   |  |
|                                                       | b. From No. Bay to So. Bay, or So. Bay to No. Bay                                                                                                                                                            | \$2,500                                                                   |  |
|                                                       | Pilot carried away from Station                                                                                                                                                                              |                                                                           |  |
|                                                       | a. Actual expenses and per diem of:                                                                                                                                                                          | \$750 per day                                                             |  |
|                                                       | Uncorrected Orders                                                                                                                                                                                           |                                                                           |  |
|                                                       | a. When vessel's owner or agents do not correct their ETA within four (4) hours of last ETA given, compensation will be charged and applied starting at the last ETA given until arrival                     | \$500 per hour                                                            |  |
|                                                       | Standing-By                                                                                                                                                                                                  |                                                                           |  |
|                                                       | When a pilot is onboard a Ship, Tug or Pilot Boat standing -by for a vessel to arrive, shift or sail and the movement is delayed, a charge of \$500 per hour will be incurred: (1/4 hour charges thereafter) | \$500 per hour                                                            |  |
|                                                       | All vessels, their tackle, apparel, furniture, their master, owners and Agents are jointly and severally liable for pilotage fees, which may be recovered in any court of competent jurisdiction             |                                                                           |  |
| <u>GENERAL CHARGES</u>                                | <b>Back Flow Preventor Inspection</b>                                                                                                                                                                        | actual cost                                                               |  |

# Analysis of Profit/Loss

## Purchase of Freshwater Tissue Company Property

April 2013-March 2014

Apr 13 - Mar 14

### OPERATING REVENUES

|                              |                                                 |
|------------------------------|-------------------------------------------------|
| Myrtle town Lumber           | 33,600 (\$2,800/mo)                             |
| Freshwater Tissue Company    | 17,400 (\$2,800/mo Apr-Jun; \$1,000/mo Jul-Mar) |
| Taylor Mariculture           | 99,600 (\$8,300/mo)                             |
| DG Power                     | 50,000 (one-time annual payment)                |
| User #1 - Warehouse 5,000 sf | 13,500 (Jul-Mar)                                |
| User #2 - Warehouse 5,000 sf | 9,000 (Oct-Mar)                                 |
| User #3 - Warehouse 5,000 sf | 4,500 (Jan-Mar)                                 |

|                                 |                       |
|---------------------------------|-----------------------|
| <b>TOTAL OPERATING REVENUES</b> | <b><u>227,600</u></b> |
|---------------------------------|-----------------------|

### OPERATING EXPENSES

|                             |                             |
|-----------------------------|-----------------------------|
| Power                       | 36,000                      |
| Water                       | 4,800                       |
| Insurance                   | 20,000                      |
| Security                    | 15,600                      |
| State Lands lease           | 8,000                       |
| Chemical storage fee        | 11,000                      |
| Stormwater fees             | 6,800                       |
| Landfill                    | 18,200 (transferred to L-P) |
| Freshwater Tech (John)      | 48,000                      |
| Freshwater Tech (Rod)       | 3,000                       |
| Freshwater Consultant (Jim) | 20,000                      |
| Equipment Rental            | 14,000 (cover tanks)        |
| Supplies/material           | 10,000 (cover tanks)        |

|                                 |                       |
|---------------------------------|-----------------------|
| <b>TOTAL OPERATING EXPENSES</b> | <b><u>215,400</u></b> |
|---------------------------------|-----------------------|

|                               |                             |
|-------------------------------|-----------------------------|
| <b>INCOME FROM OPERATIONS</b> | <b><u><u>12,200</u></u></b> |
|-------------------------------|-----------------------------|

### Non-Operating Revenues (Expenses)

#### Capital Expenditures

|                            |                                  |
|----------------------------|----------------------------------|
| Electrical to warehouse    | -100,000 (shared with Taylor)    |
| Electrical Repair (main)   | -35,000 (shared with Freshwater) |
| Outfall inspection & zincs | -60,000                          |
| Roof Repair warehouse      | -10,000                          |
| Fire system repairs        | -5,000                           |
| Domestic Water Repairs     | -10,000                          |

|                                    |                        |
|------------------------------------|------------------------|
| <b>TOTAL NON-OPERATING REV/EXP</b> | <b><u>-220,000</u></b> |
|------------------------------------|------------------------|

|                          |                               |
|--------------------------|-------------------------------|
| <b>NET INCOME (LOSS)</b> | <b><u><u>-207,800</u></u></b> |
|--------------------------|-------------------------------|



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

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11a

**Resolution 2013-07**

**A RESOLUTION ESTABLISHING  
VARIOUS FEES FOR SERVICES**

**WHEREAS**, the Humboldt Bay Harbor, Recreation and Conservation District provides a number of services; and

**WHEREAS**, by the authority provided in Appendix II of the California Harbors and Navigation Code, Section 35 and codified in Harbor District Ordinance 4, 9, 14 and 16, the Board of Commissioners may set fees for various Harbor District services; and

**WHEREAS**, the Harbor District desires to standardize and annualize the review and action regarding the various fees for Harbor District services.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**, that,

1. The fees for services detailed in Exhibit A of this Resolution and incorporated here by reference, are to be effective July 1, 2013; and
2. The Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District shall set fees for services annually as part of the budget adoption process.

**PASSED AND ADOPTED THIS 11<sup>TH</sup> DAY OF JULY 2013, BY THE FOLLOWING POLLED VOTE:**

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
**MIKE WILSON, 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. 2013-07 entitled,

**A RESOLUTION ESTABLISHING  
VARIOUS FEES FOR SERVICES**

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 day of 11th day of July 2013; 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 11th day of July 2013.

\_\_\_\_\_  
PATRICK HIGGINS, Secretary  
Board of Commissioners

11b

**AMENDMENT No. 2  
TO  
HBHRC D PROFESSIONAL SERVICES AGREEMENT WITH PLANWEST  
PARTNERS, INC. FOR SAMOA INDUSTRIAL WATERFRONT  
TRANSPORTATION ACCESS PLAN**

This is the second Amendment to Agreement for Professional Services initiated January 2012 between the Humboldt Bay Harbor Recreation and Conservation District, and Planwest Partners, Inc. ("CONTRACTOR") for providing services to prepare portions of the Project Management and Plan Development for the Samoa Industrial Waterfront Transportation Access Plan. The original Agreement extended through December 31, 2012, and the first amendment extended the Agreement to June 30, 2013. This second amendment extends the Agreement to December 31, 2013.

**3. TERM**

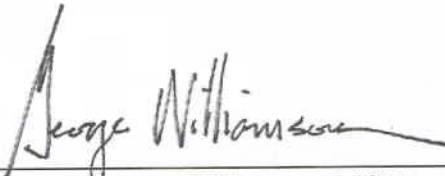
Services of CONTRACTOR shall commence on the date that the CLIENT authorizes this AGREEMENT, and the AGREEMENT shall remain in effect until December 31, 2013, unless extended in writing by mutual agreement.

**HBHRC D**

\_\_\_\_\_  
By: Jack Crider, CEO

Date: \_\_\_\_\_

**PLANWEST PARTNERS, INC.**

  
\_\_\_\_\_  
By: George Williamson AICP  
Principal Planner

Date: June 28 2013

11c

## AGENDA REPORT

**For agenda of:** July 11th, 2013

**Title:** Consideration of approval of an amendment to Permit 2010-02 to the USFWS for Spartina eradication efforts related to the use of a new mechanical control method for Spartina eradication.

**Place on Agenda:** New Business 11c

### **Summary of the Issue:**

The District is an active partner in an ongoing effort to eradicate the invasive cordgrass *Spartina densiflora* from the U.S. Fish and Wildlife Service (USFWS) Humboldt Bay National Wildlife Refuge, and in planning for a larger Humboldt coastal eradication effort. As part of this project, the cost and effectiveness of different treatment methods are being tested in the field.

The District has previously amended this permit to allow the trial use of a Marsh Master amphibious vehicle with a mower and a tiller attachment. Those experimental treatments have shown promise, and the USFWS is requesting the current amendment to allow the larger scale use of this equipment on Wildlife Refuge lands.

This permit amendment would allow the further use of a custom tiller/disk type attachment, which has similar effects to the current standard treatment which uses a metal-bladed brush cutter to 'grind' the first few inches of root mass below the surface.

Approval of this amendment would modify the existing District Permit for Spartina eradication (Permit 10-02) to the USFWS to include the ongoing use of this new treatment method. This method is equivalent in terms of environmental impact to the primary treatment method already permitted and in place using bladed brush cutters. As with the prior experimental use, the amended permit will include the condition that all equipment involved must be thoroughly cleaned to avoid introducing any new invasives to Humboldt Bay.

### **CEQA Requirements:**

The District has recently adopted the Final EIR for the Humboldt Bay Regional Spartina Eradication Plan, and therefore all Spartina removal

activities going forward shall be conducted following the mitigation measures outlined in that plan, including those using the Marsh Master. This amendment is consistent with that Plan and EIR.

**Fiscal Impacts:**

No Fiscal Impact to the District. Funding for the project is being provided through the USFWS and other project partners.

**Staff recommends that the Board of Commissioners:**

Approve Amendment 3 to Permit 2010-02 to include the use of the Marsh Master with attached tiller/diskers as a Spartina treatment option on Wildlife Refuge property.

11c

**Dan Berman**

**From:** Griggs, Kenneth [kenneth\_griggs@fws.gov]  
**Sent:** Wednesday, June 19, 2013 4:01 PM  
**To:** Dan Berman  
**Cc:** Andrea Pickart; Eric Nelson  
**Subject:** Amendment to our Harbor District Permit  
**Attachments:** Neg deter.pdf; ESU\_Map.pdf

Dan,

The Refuge is seeking an amendment to our existing Humboldt Bay Harbor District permit (No. 10-02) which focuses on the implementation of *Spartina* eradication on Humboldt Bay National Wildlife Refuge. Our permit was amended in September 2012 to allow for the trial use of a Marsh Master tracked vehicle with attached implements. This was done to test the effectiveness of this piece of equipment in controlling *Spartina*. Initial results from this effort have illustrated that the Marsh Master was effective in reducing *Spartina* cover over large areas, in a short amount of time (compared to crews with brush cutters), while disturbing the soil no more than brush cutters. We are seeking a new amendment to allow for the expanded use of the Marsh Master on HBNWR lands. Our focus area will be approximately 40 acres of the Eureka Slough Unit of HBNWR (see attached Map), with work occurring between June and August 2013.

The Refuge recently submitted a supplemental negative determination to the California Coastal Commission to authorize this work in the above described area. The Commission concurred with our negative determination and agreed that the proposed activity will not adversely affect coastal zone resources (see attached). Please let me know if you need anything further from us in order to amend our permit.

Thank you,

Ken Griggs

--

Kenneth Griggs  
Deputy Refuge Manager  
Humboldt Bay NWR Complex  
P.O. Box 576  
Loleta, CA 95551  
707-733-5406  
[kenneth\\_griggs@fws.gov](mailto:kenneth_griggs@fws.gov)

6/27/2013

**CALIFORNIA COASTAL COMMISSION**

45 FREMONT, SUITE 2000  
SAN FRANCISCO, CA 94105-2219  
VOICE (415) 904-5200  
FAX (415) 904-5400  
TDD (415) 597-5885



May 31, 2013

Kenneth Griggs, Deputy Project Leader  
U.S. Fish and Wildlife Service  
Humboldt Bay National Wildlife Refuge  
Lanphere Dunes Unit  
6800 Lanphere Dunes Rd.  
Arcata, CA 95521

Re: **ND-0208-13**, Negative Determination, U.S. Fish and Wildlife Service, *Spartina densiflora* removal using mechanized equipment, Humboldt Bay National Wildlife Refuge

Dear Mr. Griggs:

On July 3, 2006, June 3, 2010, and August 18, 2010, the Commission staff concurred with previous U.S. Fish and Wildlife Service's negative determinations for removal of the invasive species *Spartina densiflora* at the Humboldt Bay National Wildlife Refuge (ND-049-06, ND-025-10 and ND-41-10). One of these authorizations included a trial/experimental use of mechanized removal in a small area. This "pilot" project was successful, and the Fish and Wildlife Service has submitted a supplemental negative determination for more expansive use of mechanized equipment to remove invasive species within areas previously authorized for non-mechanized equipment removal. The expanded area would be a 40 acre area of the Eureka Slough Unit of the Refuge. The mechanized equipment used would be a Marshmaster and rototiller, which the Service has established in the pilot study can remove spartina roots but will leave native species root systems intact. The removal would occur between June and August 2013.

Under the federal consistency regulations (Section 930.35), a negative determination can be submitted for an activity "which is the same as or similar to activities for which consistency determinations have been prepared in the past." The Commission staff has concurred with the above-noted negative determinations for similar activities at the Refuge, and we agree that the proposed activity will not adversely affect coastal zone resources and is similar to consistency and negative determinations with which we have previously concurred. We therefore **concur** with your negative determination made pursuant to 15 CFR Section 930.35 of the NOAA implementing regulations. Please contact Mark Delaplaine of the Commission staff at (415) 904-5289 if you have any questions regarding this matter.

Sincerely,

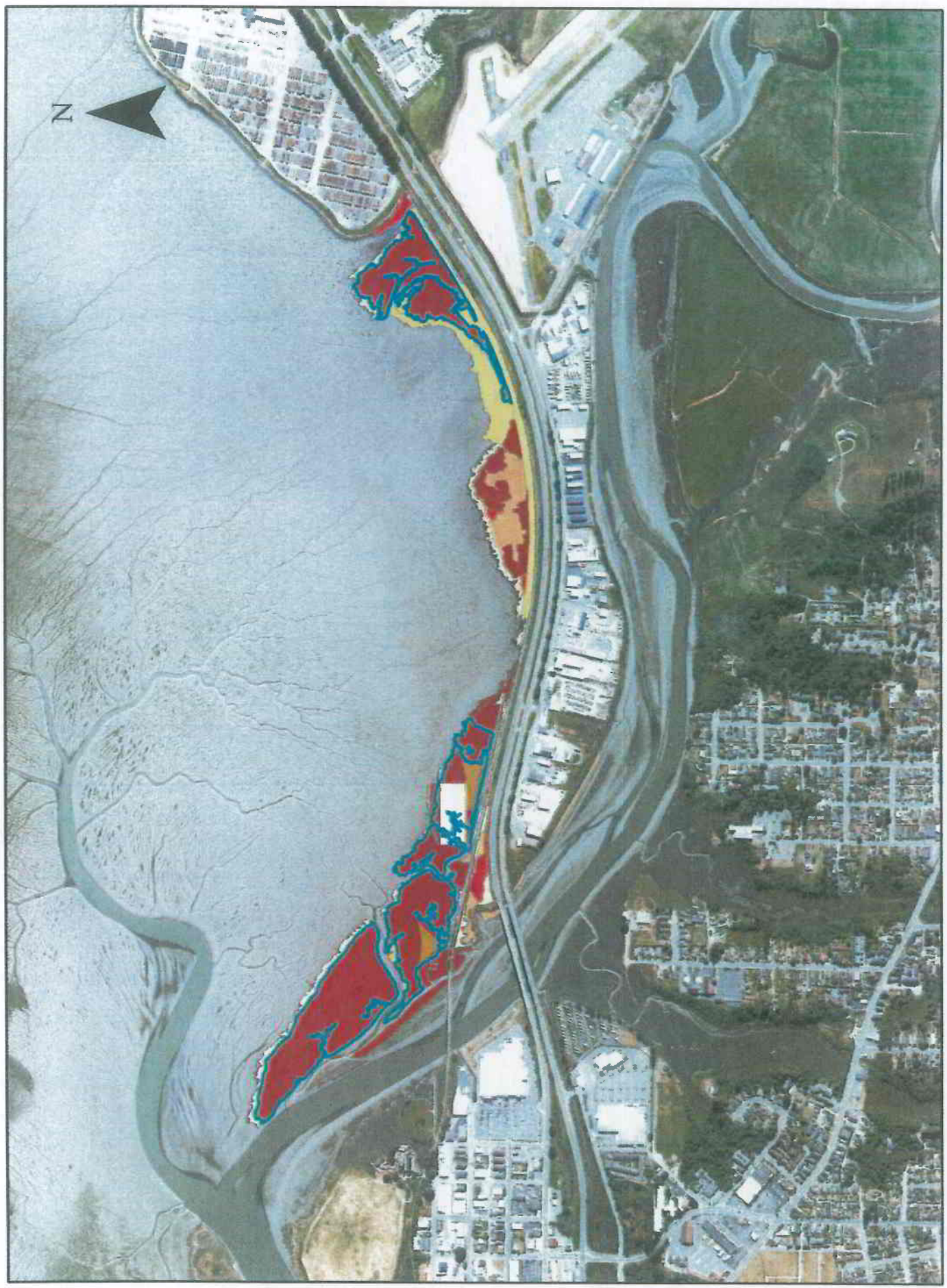
A handwritten signature in dark ink, appearing to read "Mark Delaplaine", written over a circular stamp.

(for)

CHARLES LESTER  
Executive Director

cc: Arcata District Office

# ESU Marshmaster Treatment Areas



1,000 500 0 1,000 Feet



## AMENDMENT # 3 TO PERMIT 10-02

July 11<sup>th</sup>, 2013

Humboldt Bay National Wildlife Refuge  
Mr. Kenneth Griggs  
PO Box 576  
Loleta, CA 95551

Re: Permit No. 10-02 to implement Spartina eradication efforts on the Humboldt Bay National Wildlife Refuge.

Dear Mr. Griggs

We are in receipt of your proposal to amend Permit 10-02 to include the use of a Marsh Master with attached disking tool as another mechanical method for Spartina control. That proposal is attached as Exhibit A.

We concur with the USFWS and the Coastal Commission that the proposed experimental use of this method has equivalent potential environmental impacts as the current permitted use of metal bladed brushcutters to grind the surface layer of Spartina root mass. This amendment does not increase the potential for significant environmental impacts given the conditions in Permit 10-02 are fully applied, with the following additional condition:

- All equipment involved in this effort (including but not limited to the trailer, Marsh Master, mower attachment, operator equipment) must be thoroughly cleaned, dry, free of soil or mud, and otherwise decontaminated prior to arrival to ensure that no new invasive species are introduced to Humboldt Bay.

All the conditions contained in Permit No 10-02 remain in full force and effect. The District has recently adopted the Humboldt Bay Regional Spartina Eradication Plan and associated Environmental Impact Report. All Spartina eradication efforts, including those using the Marsh Master, shall be conducted in accordance with the mitigation measures laid out in that EIR. Please note that the requirements to avoid any spills or leaks of fuel, lubricants, or other fluids due to maintenance, repairs or regular refueling fully apply to the Marsh Master machinery.

This amendment also serves to extend the permit for a year from this date.

Please sign below to indicate your understanding and acceptance of this amendment and extension, including the additional permit condition and the application of the EIR mitigation measures.

Sincerely,

Jack Crider  
Chief Executive Officer

C: Commissioners  
District Conservation Director

Permittee:

---

Kenneth Griggs  
USFWS  
Humboldt Bay National Wildlife Refuge

Date