

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

11 March 2004

PRESENT:

Commissioner Curless
Commissioner Fritzsche
Commissioner Hunter
Commissioner Ollivier

ABSENT:

Commissioner Pellegrini

The Closed Session was called to order at 6:00 p.m. District Counsel reported the items of discussion: the Simpson Samoa lease, Pacific Coast Federation of Fishermen's Associations lawsuit, the August 2003 claim for damages by Ray and Barbara Vasconcellos, Café Marina Lease and the Humboldt Bay Forest Products lease.

Closed Session adjourned at 6:55p.m.

The regular meeting of the Board of Commissioners was called to order by Vice President Hunter at 7:00 p.m. Roll call was taken. Vice President Hunter led those present in the Pledge of Allegiance.

District Counsel reported the following items were discussed during Closed Session: the Simpson Samoa lease, Pacific Coast Federation of Fishermen's Associations lawsuit, the August 2003 claim for damages by Ray and Barbara Vasconcellos, Café Marina Lease and the Humboldt Bay Forest Products Lease. No action was taken on these items.

PUBLIC COMMENT

Melvin McKinney stated there seems to be a lack of communication in the community regarding Liquefied Natural Gas. He remarked on the articles about LNG in the local papers and reminded everyone about the Humboldt Bay Symposium on Monday, March 15th at the Wharfinger Building.

Ken Abreu, Calpine Corporation, distributed informational pamphlets on Calpine and Liquefied Natural Gas to the Board and directed them to the information on the economic benefits of such a project. He thanked the Board on passing the resolution in support of the consideration of an LNG facility.

Penny Elsebusch remarked about the LNG facility in Long Beach and the independent study done for Vallejo. She stated Long Beach is embroiled in many lawsuits over their LNG facility.

Kaye Strickland stated the Citizens for Port Development passed a motion for the independent study to be done. But speaking for herself, she stated she did not think LNG was an appropriate industry for Humboldt Bay. She urged the Board to review the Vallejo study because she feels it addresses all concerns.

David Elsebusch stated he disagreed with the Humboldt Taxpayer League's position that the independent study should be done. He does not want Calpine to build the LNG facility and doesn't think that the majority of Humboldt County does either.

Leroy Marsh reported he is now on the Navy League Board of Directors and is the chairman of the committee for naval ship visits to Humboldt Bay. He asked the Board to consider forming a committee to work with the Navy League on coordinating the naval ship visits.

Diane Beck distributed a copy of an article she wrote that was published in the Times-Standard expressing her opinion that an LNG facility is not right for Humboldt Bay.

CONSENT CALENDAR

COMMISSIONER CURLLESS MOVED TO APPROVE THE CONSENT CALENDAR.
COMMISSIONER OLLIVIER SECONDED. MOTION CARRIED WITHOUT DISSENT.

CEO REPORT

- An informational meeting was held for Expo exhibitors.
- CEO spoke to the Mad River Rotary club on Harbor District projects.
- 3/2: CEO met with Mike Knight, City of Eureka, on the joint maintenance dredging project. The City is preparing to hire Pacific Affiliates for hydrographic surveying.
- 3/3-5: CAPA meeting. The first look at proposed state legislation was introduced.
- 3/10: The Humboldt Bay Management Plan Task Force was reconvened to discuss the draft plan. CEO said the meeting was well attended and Jeff Robinson, Conservation Specialist did a great job facilitating the meeting.
- CEO reported this is the last week for WRDA requests for additional dredge funding. Appointments are being coordinated by Will Edington for CEO and Commissioner Curless while in Washington DC for the CMANC/AAPA Washington Week.
- Fields Landing Boat Yard door repair and replacement will be done next week. He reported an inspection port would be cut into the door barrel for ease of future inspections.
- The dredges Yaquina and Essayons will be in Humboldt Bay during the last two weeks of March for maintenance dredging of the shipping channels.

Commissioner Fritzsche asked if there was a concern for the Travelift building's structure because door and back wall were down. Ken Davlin, Oscar Larson & Associates, responded that there was not a structural concern.

DISTRICT COUNSEL'S REPORT: None

STAFF REPORT: None

COMMISSIONER REPORTS

Commissioner Curless reported he was looking forward to the trip to Washington DC. He also introduced Jeff Harris, Fortuna native, attorney for Calpine Corporation.

Commissioner Fritzsche reported that the Humboldt Bay Management Plan Task Force meeting on the first draft of the plan consisted of discussion of the format. Future meetings will include public comment and preparation of the CEQA documents. CEO reported that a first draft would be ready for public comment in May.

ADVISORY COMMITTEE REPORTS: None

OTHER: None

NON-AGENDA: None

UNFINISHED BUSINESS

A. CONSIDERATION OF ADOPTION OF RESOLUTION 2004-04 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE HUMBOLDT COUNTY PUBLIC WORKS DEPARTMENT FOR THE REPAIR AND PROTECTION OF A PUBLIC ROAD.

COMMISSIONER OLLIVIER MOVED FOR THE ADOPTION OF RESOLUTION 2004-04 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE HUMBOLDT COUNTY PUBLIC WORKS DEPARTMENT FOR THE REPAIR AND PROTECTION OF A PUBLIC ROAD. COMMISSIONER CURLESS SECONDED. ROLL CALL VOTE WAS TAKEN.

COMMISSIONER PELLEGRINI – ABSENT
COMMISSIONER CURLESS – AYE
COMMISSIONER FRITZSCHE – AYE
COMMISSIONER HUNTER – AYE
COMMISSIONER OLLIVIER – AYE

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF GRANTING PERMIT NO. 04-01 TO THE HUMBOLDT COUNTY PUBLIC WORKS DEPARTMENT FOR THE REPAIR AND PROTECTION OF A PUBLIC ROAD.

COMMISSIONER CURLESS MOVED TO GRANT PERMIT NO. 04-01 TO THE HUMBOLDT COUNTY PUBLIC WORKS DEPARTMENT FOR THE REPAIR AND PROTECTION OF A PUBLIC ROAD. COMMISSIONER OLLIVIER SECONDED. MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF APPROVAL OF THE ENVIRONMENTAL CHECKLIST FOR THE APPLICATION BY THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT.

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF THE ENVIRONMENTAL CHECKLIST FOR THE APPLICATION BY THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF FINDING ADEQUATE THE MITIGATED NEGATIVE DECLARATION FOR THE APPLICATION BY THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT.

COMMISSIONER OLLIVIER MOVED FOR FINDING ADEQUATE THE MITIGATED NEGATIVE DECLARATION FOR THE APPLICATION BY THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT. COMMISSIONER CURLESS SECONDED.

CEO reported comments received from CA Department Fish & Game, State Lands Commission and the US Coast Guard will be included in the permit conditions.

MOTION CARRIED WITHOUT DISSENT.

E. CONSIDERATION OF ADOPTION OF RESOLUTION 2004-05 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT.

COMMISSIONER OLLIVIER MOVED FOR THE ADOPTION OF RESOLUTION 2004-05 WHICH ESTABLISHES FINDINGS RELATIVE TO THE APPLICATION BY THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT. COMMISSIONER CURLESS SECONDED. ROLL CALL VOTE WAS TAKEN:

COMMISSIONER PELLEGRINI – ABSENT
COMMISSIONER CURLESS – AYE
COMMISSIONER FRITZSCHE – AYE
COMMISSIONER HUNTER – AYE
COMMISSIONER OLLIVIER – AYE

MOTION CARRIED WITHOUT DISSENT.

F. CONSIDERATION OF GRANTING PERMIT NO. 03-06 TO THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT.

COMMISSIONER CURLESS MOVED TO GRANT PERMIT NO. 03-06 TO THE CHEVRON PRODUCTS COMPANY FOR THE CHEVRON EUREKA TERMINAL MAINTENANCE DREDGING PROJECT. COMMISSIONER FRITZSCHE SECONDED. MOTION CARRIED WITHOUT DISSENT.

G. CONSIDERATION OF APPROVING TASK 4 TO AGREEMENT WITH OSCAR LARSON AND ASSOCIATES FOR ENGINEERING SERVICES RELATIVE TO THE FIELDS LANDING BOAT BUILDING AND REPAIR FACILITY.

This item was tabled to a future meeting.

NEW BUSINESS

A. CONSIDERATION OF AGREEMENT WITH OSCAR LARSON AND ASSOCIATES FOR SURVEYING SERVICES RELATED TO THE SHELTER COVE BREAKWATER REHABILITATION PROJECT.

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF AGREEMENT WITH OSCAR LARSON AND ASSOCIATES FOR SURVEYING SERVICES RELATED TO THE SHELTER COVE BREAKWATER REHABILITATION PROJECT NOT TO EXCEED \$5,700. COMMISSIONER CURLESS SECONDED.

David Elsebusch asked if the money was to be paid from grant funds. CEO responded that \$100,000 grant funding was received for the engineering work and feasibility study. A request for reimbursement of the \$5,700 will be sent to the Coastal Conservancy as a billable item, but may result ultimately going over the original \$100,000.

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF AGREEMENT WITH JULIE MAASHOFF TO MOVE BARGE.

COMMISSIONER CURLESS MOVED FOR THE APPROVAL OF AGREEMENT WITH JULIE MAASHOFF TO MOVE BARGE. COMMISSIONER OLLIVIER SECONDED.

Lawrence Badgely, associate of Ms. Maashoff, asked if there could be negotiation on the amount of liability insurance required because the cost of such insurance was prohibitive.

He also stated that Robert Belisomi, the person doing the work on the barge, carries a \$1 million L&H (Longshore and Harbor workers compensation) policy, but he does not have liability coverage.

District Counsel stated that all contractors and special agreements, such as this one, are required to carry such liability insurance.

Vice President Hunter suggested this item be held over until the insurance issue can be settled.

C. CONSIDERATION OF AMENDMENT #2 TO O&M INDUSTRIES CONTRACT FOR SERVICES RELATIVE TO THE FIELDS LANDING BOAT BUILDING AND REPAIR FACILITY.

Ken Davlin reported that the former tenant patched areas on the north wall supporting the roof, with a rubberized material that held water and caused the panels to rust. These areas were not visible during the initial inspection and need to be repaired. The cost would not exceed \$3,897.

Commissioner Fritzsche asked what the dollar limit would be to the change orders under one contract. District Counsel replied that replacing the whole building would not be legitimate, but that small repairs as needed are.

COMMISSIONER OLLIVIER MOVED TO APPROVE AMENDMENT #2 TO O&M INDUSTRIES CONTRACT FOR SERVICES RELATIVE TO THE FIELDS LANDING BOAT BUILDING AND REPAIR FACILITY NOT TO EXCEED \$3,897. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF SUPPORT FOR COASTAL COMMISSION APPOINTMENT FOR RON FRITZSCHE.

Commissioner Fritzsche recused himself and sat in the audience.

COMMISSIONER CURLESS MOVED FOR THE APPROVAL OF SUPPORT BY THE HARBOR DISTRICT BOARD OF COMMISSIONERS FOR COASTAL COMMISSION APPOINTMENT FOR RON FRITZSCHE. COMMISSIONER OLLIVIER SECONDED.

Vice President Hunter stated Commissioner Fritzsche would be considered for a public position on the Coastal Commission, not an elected official position, to be appointed by Governor Schwarzenegger.

MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 8:20 p.m.

APPROVED BY:

Signature on File

Ronald A. Fritzsche, Secretary

RECORDED BY:

Signature on File

Patricia L. Tyson, Admin. Assistant