

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

29 July 2004

PRESENT:

Commissioner Pellegrini
Commissioner Curless
Commissioner Fritzsche
Commissioner Hunter
Commissioner Ollivier

The Closed Session was called to order at 5:30 p.m. CEO reported the items of discussion: Simpson Samoa lease and the Louisiana-Pacific pulp mill lease. Closed Session adjourned at 5:48 p.m.

The regular meeting of the Board of Commissioners was called to order by President Pellegrini at 6:00 p.m. Roll call was taken. President Pellegrini led those present in the Pledge of Allegiance.

CEO reported the following items were discussed during Closed Session: Simpson Samoa lease and the Louisiana-Pacific pulp mill lease. No action was taken on these items.

PUBLIC COMMENT: None

CONSENT CALENDAR

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF THE CONSENT CALENDAR. COMMISSIONER FRITZSCHE SECONDED. MOTION CARRIED WITHOUT DISSENT.

CEO REPORT

- ∨ The M/V Silver Shadow will arrive on August 7, 2004. The cruise ship will be docked at the Redwood Dock and the passengers will be tendered to the foot of C Street. Ray Hillman has been organizing shoreside tours. The Silver Shadow will be in port from 8:00 a.m. – 1:30 p.m. CEO explained that since the cruise ship The World was here last year, the Coast Guard security rules have changed and currently the security plan for the Silver Shadow's visit is being reviewed by the Coast Guard.
- ∨ 7/16 and 7/19: The California Conservation Corps have been cleaning the area around the Redwood Dock in anticipation of the Silver Shadow.
- ∨ 7/23: USCG Captain of the Port, Captain Swanson, met with CEO and others to discuss the security plan for the cruise ship's arrival.
- ∨ CEO reported that the consultant the Board of Commissioners hired at the last meeting, Kevin D'Costa, has been coordinating details between the Harbor District and the cruise ship.
- ∨ CEO reported that the Harbor Deepening Project bonds were sold today. He said that the four goals the Board of Commissioners set were accomplished: a portion of the collateral security was retained, lower interest rate, A-rated bonds were obtained and lower annual payments will be realized.
- ∨ The Governor's budget was passed. CEO asked District Treasurer to review the Governor's budget to assess how the Harbor District will be impacted since one of the actions is for the State to take 40% of the assessed property taxes for two years in order to balance its budget.
- ∨ The Lighthouse painting pre-bid meeting was held today. Bids will be opened on Thursday, August 5th at 2 p.m.

Commissioner Fritzsche stated he had read an article about container shipping between Port of Humboldt Bay and Port of Oakland. He asked what the role of the Harbor District would be. CEO responded that the Harbor District and the Port of Oakland originally envisioned setting up a "Shippers Association" type of group to locate and organize container cargoes from the region

that could be available for a container barge service between the two ports. In this original scenario, the two ports could then approach MARAD to assist in funding a demonstration project to get the container service started. However, Stockton Pacific Enterprises (SPE) and their broker have recently become very interested in starting the container barge service with their paper pulp. SPE moves enough of their own containers to make the service possible. Therefore, the Port of Humboldt Bay and the Port of Oakland have changed roles from that of initiating the service to that of coordination and support of the service. CEO noted that the Harbor District and Port of Oakland recently submitted a grant application to MARAD for funding to promote the container barge service to all interested shippers in northern California and southern Oregon.

DISTRICT COUNSEL'S REPORT: None

STAFF REPORT: None

COMMISSIONER REPORTS

Commissioner Curless reported that the Fortuna Rodeo was a huge success. He also reported that last weekend in Fortuna was the Auto-Rama and the upcoming weekend is the Tenth Anniversary of the Fortuna Volunteer Fire Department.

Commissioner Fritzsche reported that he recently returned from the Canary Islands, working for the United Nations Food and Agriculture Organization (FAO). He said the FAO is in charge of all the fisheries statistics worldwide. Commissioner Fritzsche also reported that while touring the Port of Charleston, he was told about a proposal that would convert the excess containers at the port into homeless housing.

President Pellegrini reported that a big victory was realized when the Ninth Circuit Court of Appeals mandated the return of water to be sent down the Klamath River.

ADVISORY COMMITTEE REPORTS

President Pellegrini reported that she and Commissioner Curless, the Advisory Committee in charge of the search for a new Harbor District attorney to replace Jeremiah Scott, Jr. met to develop criteria of qualifications and gathered names of local attorneys to contact. Four attorneys expressed their interest and a special meeting of the Board of Commissioners was called on July 15, 2004 to interview the four attorneys. The Advisory Committee then met after the interviews to prepare their recommendation to the Board of Commissioners/

OTHER

Bob Rasmussen and Mike Buettner of the Humboldt Bay Stewards presented to the Board of Commissioners their report on the Stewards' public forum on the future of Humboldt Bay held on June 7th. Dr. Rasmussen stated that one of the major concerns from the forum is that the whole of Humboldt Bay should be considered in revitalization plans. Commissioner Fritzsche explained the difference between the Harbor Revitalization Plan (the industrial/commercial portion of the bay), the Humboldt Bay Management Plan (all of Humboldt Bay) and the Harbor District's Five-Year Strategic Plan (the vision for the whole county).

Dr. Rasmussen stated the Humboldt Bay Stewards would like to offer their volunteer services to the Harbor District, City of Eureka, and County of Humboldt to host or conduct public forums on aquaculture, finance, etc. to educate the community and give the public an opportunity to voice their concerns/suggestions about the future of the bay. Dr. Rasmussen also stated the Stewards are researching an IRS 501(c) 3 status or subordinating to another group for legal structure.

NON-AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS

A. CONSIDERATION OF APPOINTING PAUL BRISSO AS ATTORNEY FOR HUMBOLDT BAY HARBOR DISTRICT.

President Pellegrini reported that she and Commissioner Curless as the Attorney Search Advisory Committee recommended the Board of Commissioners approve Paul Brisso as the Harbor District's new attorney.

COMMISSIONER CURLESS MOVED FOR THE APPOINTMENT OF PAUL BRISSO AS ATTORNEY FOR HUMBOLDT BAY HARBOR DISTRICT. COMMISSIONER OLLIVIER SECONDED.

Commissioner Fritzsche stated that recently HSU was looking for a litigation counselor and Paul Brisso was the top selection on the list. Commissioner Fritzsche said he has worked closely with Mr. Brisso and has found him to be very professional and capable.

Commissioner Hunter stated he has known Mr. Brisso for several years and he has the reputation of being an excellent litigator.

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF APPROVAL OF AGREEMENT FOR ATTORNEY SERVICES FOR PAUL BRISSO.

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF AGREEMENT FOR ATTORNEY SERVICES FOR PAUL BRISSO. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

Commissioner Hunter thanked staff for their assistance in the organization of the information and questions for the interview process.

C. CONSIDERATION OF ACCEPTING FOR FILING PERMIT 04-02 FOR MAINTENANCE DREDGING AND SOILS DISPOSAL FOR 10 CITY OF EUREKA WATERFRONT SITES.

COMMISSIONER OLLIVIER MOVED FOR ACCEPTING FOR FILING PERMIT 04-02 FOR MAINTENANCE DREDGING AND SOILS DISPOSAL FOR 10 CITY OF EUREKA WATERFRONT SITES. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF PURCHASE OF HEWLITT-PACKARD HP DESIGNJET 800 PRINTER AND SOFTWARE.

CEO reported the HP DesignJet 800 Printer is a 42" printer that has the capability of printing large maps and photographs used in various projects, leases and appraisals. He stated that Scarab Graphics submitted the low bid of \$7860.36 and an \$800 rebate will be received if the printer is ordered by July 31, 2004.

Commissioner Hunter asked if any local bids had been received. CEO responded that Scarab Graphics located in Carpenteria was the only bidder.

Commissioner Fritzsche asked about the price of the ink cartridges.

COMMISSIONER OLLIVIER MOVED FOR THE PURCHASE OF HEWLITT-PACKARD HP DESIGNJET 800 PRINTER AND SOFTWARE. COMMISSIONER CURLESS SECONDED. MOTION CARRIED, COMMISSIONER HUNTER DISSENTED.

E. CONSIDERATION OF REQUESTING THE CITY OF EUREKA TO AMEND THE FIREWORKS PROHIBITION SECTION OF THEIR MUNICIPAL CODE.

CEO reported the purpose of this request is to extend the existing City prohibition on fireworks in the Old Town area to cover Woodley Island and Woodley Island Marina.

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF REQUESTING THE CITY OF EUREKA TO AMEND THE FIREWORKS PROHIBITION SECTION OF THEIR MUNICIPAL CODE. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

F. CONSIDERATION OF EXCLUSIVE RIGHT TO NEGOTIATE WITH DAVID WRIGHT FOR THE FIELDS LANDING BOAT YARD.

CEO reported that the Exclusive Right To Negotiate allows the Harbor District to negotiate exclusively with Mr. Wright towards a Lease Agreement to lease the Fields Landing Boat Yard for boat repair and construction for a period of 120 days.

COMMISSIONER CURLESS MOVED FOR THE APPROVAL OF THE EXCLUSIVE YARD. COMMISSIONER OLLIVIER SECONDED. MOTION CARRIED WITHOUT RIGHT TO NEGOTIATE WITH DAVID WRIGHT FOR THE FIELDS LANDING BOAT DISSENT.

G. CONSIDERATION OF PURCHASE OF REPLACEMENT MARINA LAUNDROMAT CHANGE MACHINE.

CEO reported that the change machine located in the laundry facility had been stolen and a replacement should be ordered. He said the ironic part of the story was that the change machine, which holds \$735 in quarters, had been emptied of the bills earlier that day in order to exchange them with quarters. The thief stole an empty coin machine and the machine was later found on the side of the road off of Cookhouse Road by one of the Harbor District maintenance workers while traveling to the Redwood Dock. The police are investigating.

CEO stated the insurance would pay the balance of approximately \$1,400 after a \$2,000 deductible is paid.

COMMISSIONER HUNTER MOVED FOR THE PURCHASE OF REPLACEMENT MARINA LAUNDROMAT CHANGE MACHINE. COMMISSIONER OLLIVIER SECONDED. MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 7:18 p.m.

APPROVED BY:

RECORDED BY:

Signature on File
Ronald A. Fritzsche, Secretary

Signature on File
Patricia L. Tyson, Admin. Assistant