

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

25 May 2006

PRESENT:

Commissioner Pellegrini
Commissioner Wilson
Commissioner Hunter
Commissioner Ollivier

ABSENT:

Commissioner Curless

The Closed Session was called to order at 6:07 p.m. Closed Session adjourned at 6:48 p.m.

The regular meeting of the Board of Commissioners was called to order by President Pellegrini at 7:07 p.m.

Commissioner Wilson led those present in the Pledge of Allegiance.

District Counsel reported on the items discussed during Closed Session: real property negotiations on finalizing the easement with Evergreen Pulp and on Samoa Shops Property; negotiations with the employee labor union and the evaluation of management staff. District Counsel reported the only action resulting from Closed Session was the vote to increase the salaries of the District's three management personnel, their first pay raise in 3 ½ years. The CEO and Administrative Assistant will each receive a 12% increase and the Conservation Specialist will receive a 20% increase. These increases will be effective July 1, 2006.

PUBLIC COMMENT

Penny Elsebusch said the Harbor District's Headwaters Grant was listed on the Headwaters Fund Board agenda as a report item, but no report was given. She suggested the Harbor District Board ask the Headwaters Fund Board to notify the Harbor District when the District is listed as an agenda item. CEO stated he is continuing to work with Ken Davlin to finalize the application and will contact the Headwaters Fund Board requesting to be put on the agenda as soon as possible.

CONSENT CALENDAR

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

CEO REPORT

- √ 5/16: CEO met with George Williamson regarding port-related edits to HCAOG's Regional Transportation Plan.
- √ 5/17: CEO participated in the North Coast Regional Water Quality Control Board's meeting regarding the City of Arcata's water treatment system.
- √ 5/18: Commissioner Pellegrini, Commissioner Curless and CEO attended the Shelter Cove Resort Improvement District (RID) Board meeting. Dilip Trivedi, engineer for Moffatt & Nichols, presented the most recent engineering feasibility study on the Shelter Cove Breakwater Rehabilitation Project. The RID's Board unanimously voted and passed a resolution to support Alternative 1 which allows the breakwater to be built back wider and taller in the same alignment it is currently.
- √ 5/23: CEO met with Larry Margler, Winzler & Kelly, to discuss the Shelter Cove Breakwater Draft EIR.
- √ 5/25: The Mitigated Negative Declarations for the Coast Seafoods Maintenance Dredging Permit and Sierra Pacific's Maintenance Dredging Permit were distributed today. Comments are due by June 30th.
- √ 5/24: The pre-bid conference for the Fields Landing Storm Damaged Dock Removal Project was held.
- √ The Humboldt Bay Management Plan Draft EIR has been distributed and written comments are due on May 30th. CEO said staff is recommending an extension of the comment period to June 8th.

DISTRICT COUNSEL'S REPORT: None

STAFF REPORT: None

COMMISSIONER REPORTS

President Pellegrini reported on the Shelter Cove Resort Improvement District (RID) Board meeting. Previously the RID Board had supported Alternative 3 for the Breakwater Rehabilitation Project. Dilip Trivedi of Moffatt & Nichols presented the information contained in the engineering feasibility study to the RID Board. The RID Board then voted unanimously to support Alternative 1, reversing their previous vote to support Alternative 3. President Pellegrini stated the work should begin within 1-2 years. President Pellegrini also said it was good to work together with another agency to do something good for the community.

President Pellegrini stated her support to extend the deadline for comments on the Humboldt Bay Management Plan Draft EIR to June 8th. She said the process of the Plan has been ongoing for 7 years and she has been the Co-Chair of the Task Force for 5 years. She suggested the Plan be submitted for Board approval at their July 13th Board meeting.

President Pellegrini reported she enjoyed her recent tour of the LCI 1091 and was impressed with the vessel's historical value.

President Pellegrini suggested the Board's regular scheduled meeting of June 22nd be moved to June 29th due to Board member absences.

Commissioner Wilson said he supported extending the deadline for the Draft EIR comments to June 8th since he had received some requests for extension from constituents.

Commissioner Wilson apologized for missing the tour of the LCI 1091 and said he would like to take the tour soon.

Commissioner Wilson thanked the CEO for his show of support for the City of Arcata at the recent North Coast Regional Water Quality Control Board meeting in Fortuna. He said the City of Arcata is the victim of poorly written permitting policies and he said the State Water Quality Control Board has been consulted for revision of the policies.

Commissioner Wilson stated he has been asked to participate on the committee discussing the Humboldt Bay trail between Eureka and Arcata and the next meeting will be held in June.

Commissioner Wilson said a request is forthcoming for a funds contribution from the Harbor District Board for a tidegate assessment.

Commissioner Wilson reported on June 6th is the 200th anniversary of the European discovery of Humboldt Bay.

Commissioner Ollivier reported he attended the Fairhaven Business Park Open House on May 24th. He said there has been a tremendous amount of clean up on the property and he was impressed with the facility.

Commissioner Ollivier said the next NCRA Board meeting will be held on June 14th and by that time the new operator for the railroad will be announced.

ADVISORY COMMITTEE REPORTS

Commissioner Wilson said the Committee met to discuss an outline for the Board's committee structure. He said there would be further discussion with staff and he has received input from Moss Bittner and Pete Oringer.

Commissioner Hunter said the Human Resources Advisory Committee met to further discuss the negotiations with the employee labor union and the Committee met.

a) Port of Oakland Advisory Committee Update

CEO reported he spoke with Wilson Lacy today who said the Port of Oakland is going through a reorganization of positions and will be adding a deputy port director to leverage Jerry Bridges' time. CEO stated he continues to work with Port of Oakland on the Memorandum of Understanding.

b) Long-Term Sediment Management Study Update

CEO noted that neither the House or Senate Energy and Water Bill have any federal funding identified for this program for federal FY 2007.

OTHER: None

NON-AGENDA: None

UNFINISHED BUSINESS

A. PUBLIC HEARING ON FY 2006/07 BUDGET.

District Treasurer reported the only change from the last preliminary budget was an additional \$10,000 allocated to the Humboldt Bay Management Plan. The proposed Excess Expenses over Revenue is \$2,433,386, with the largest portion of the deficit allocated to the marina maintenance dredging. District Treasurer stated the District has \$5.8 million in unrestricted funds and the recommended the Board consider budget planning to manage the deficit.

President Pellegrini asked how much extra the delay in maintenance dredging has cost the District. CEO responded the District has been impacted by at least \$100,000 due to excessive testing requirements and the bids will be opened on June 20th. At that time, we will see how much the project will cost and how much the cost increased over the District's \$1.6 million estimate from last year.

CEO stated the \$10,000 added to the Humboldt Bay Management Plan (HBMP) expenses is for potential tidegate wetland restoration and other HBMP implementation projects.

David Elsebusch said he would like to see the unrestricted funds balance reflected in the budget and suggested the Board eliminate over-spending.

District Counsel stated the budget is a planning tool and is not intended to be a balance sheet or financial statement.

District Treasurer said the intent of the budget is to show income and expenses and it would be up to the Board to decide if they want to change the format.

Commissioner Hunter suggested financial information could be made available to the public as requested.

Penny Elsebusch stated if the Board has funds to cover the deficit, it should be shown in the budget.

NEW BUSINESS

A. CONSIDERATION OF ACCEPTING FOR FILING PERMIT APPLICATION 06-02 FROM RECLAMATION DISTRICT NO. 768 FOR LEVEE SYSTEM REPAIRS.

COMMISSIONER OLLIVIER MOVED FOR THE ACCEPTING FOR FILING PERMIT APPLICATION 06-02 FROM RECLAMATION DISTRICT NO. 768 FOR LEVEE SYSTEM REPAIRS. COMMISSIONER HUNTER SECONDED.

Commissioner Wilson asked if this project would be subject to CEQA. CEO responded it would and the Harbor District will be the lead agency.

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF APPROVAL OF THE FOURTH EXTENSION AND AMENDMENT OF AGREEMENT BETWEEN THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT AND INTERNATIONAL LONGSHORE AND WAREHOUSE UNION AFL-CIO LOCAL 17, UNIT A.

President Pellegrini reported this item to be tabled since the union employees had not met on the agreement.

C. CONSIDERATION OF PERMIT AND AGREEMENT TO OPERATE A CHARTER SERVICE AT WOODLEY ISLAND MARINA WITH GARY THURSTON.

CEO pulled this item since Gary Thurston has decided to keep his charter service in King Salmon.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

President Pellegrini asked everyone to remember to take a moment of silence on Memorial Day.

The Regular Meeting of the Board of Commissioners adjourned at 7:39 p.m.

APPROVED BY:

RECORDED BY:

Signature on File
Roy Curless, Secretary

Signature on File
Patricia L. Tyson, Admin. Assistant