

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

14 September 2006

PRESENT:

Commissioner Pellegrini
Commissioner Curless
Commissioner Wilson
Commissioner Hunter
Commissioner Ollivier

The Closed Session was called to order at 6:00 p.m. Closed Session adjourned at 6:33 p.m.

The regular meeting of the Board of Commissioners was called to order by President Pellegrini at 7:00 p.m.

Commissioner Mike Wilson led those present in the Pledge of Allegiance.

District Counsel reported on the items discussed during Closed Session: real property negotiations and potential litigation: Shelter Cove Fish Cleaning station; and real property negotiations: Dredge line access agreement, DG Fairhaven Power Exclusive Right to Negotiate, status of the Samoa Shops property and the extension of the lease with Simpson Timber Company. No action was taken on these items during Closed Session.

PUBLIC COMMENT

Kaye Strickland stated she spoke with Supervisor John Woolley and he told her the NCRA contract with their new railroad operator had been approved by the NCRA Board. Ms. Strickland said she was happy with the Board of Supervisors' decision to approve the \$200,000 Headwaters Fund grant for the marine terminal feasibility study. She told the Board of Commissioners the Timber Heritage Association is still looking for property to house their railroad historical memorabilia and reminded everyone about the Garden Railroad tour on Sunday, September 17th.

David Elsebusch said he was happy NCRA told Viacom to remove the billboards along Highway 101 between Eureka and Arcata located in the railroad's right of way.

CONSENT CALENDAR

Commissioner Hunter asked for Item A of the Consent Calendar to be pulled for discussion.

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

Commissioner Hunter stated the motion made under Item 10(c) of the August 24, 2006 minutes should read as follows: "COMMISSIONER HUNTER MOVED FOR THE ADOPTION OF RESOLUTION 2006-13 ESTABLISHING VARIOUS OPERATIONAL POLICIES."

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF ITEM A OF THE CONSENT CALENDAR, WITH THE SUGGESTED CHANGE. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

CEO REPORT

- ✓ Planning for the Humboldt Bay Maritime Expo is ongoing. CEO reported there are more booths than last year signed up for this year. He also stated the LCI 1091 will be docked at Woodley Island and open for tours.
- ✓ Humboldt Bay Municipal Water District will celebrate their 50th anniversary tomorrow, September 15th, from 4-7 p.m. at the Wharfinger Building.
- ✓ 9/12: The Humboldt County Board of Supervisors unanimously approved a \$200,000 Headwaters Fund Grant to a marine terminal feasibility study. CEO reported several members of the public spoke to the Board of Supervisors in support of the grant.

Commissioner Hunter thanked CEO for his work to obtain the grant and thanked those who spoke at the Board of Supervisors meeting.

- v 8/28: CEO spoke to the Humboldt County Grand Jury about Harbor District projects.

DISTRICT COUNSEL'S REPORT: None

STAFF REPORT: None

COMMISSIONER REPORTS

Commissioner Curless reported last Saturday the City of Fortuna's Centennial Committee held a picnic and there were between 1,200 – 1,500 people in attendance. The noon Rotary Club beat the morning Rotary Club in the softball game and the morning Rotary Club stole the trophy. Commissioner Curless stated the event was well attended and the competition between the Rotary Clubs will continue.

Commissioner Curless reported the Hops in Humboldt event in Fortuna was also well attended. There were 28 breweries, showcasing four different beers each.

Commissioner Wilson was encouraged by the Republican Party holding a meeting in Ferndale regarding regional wastewater issues.

Commissioner Wilson reported the Brownfields Workshop would be held on September 21st.

Commissioner Wilson thanked NCRA for their decision to require Viacom to remove the billboards between Eureka and Arcata.

Commissioner Hunter attended the Citizens for Port Development to listen to some of the candidates for Eureka City Council speak.

Commissioner Ollivier reported he attended the NCRA Board meeting in Healdsburg and was pleased to announce NCRA now has a new operator, Northwestern Pacific Railroad, and work to open the rail line will begin in earnest. He also stated Viacom offered to purchase the land from NCRA where the billboards are currently in lieu of demolishing the signs, but NCRA declined. The billboards will be removed.

Commissioner Ollivier stated talks are continuing between Local 14 ILWU and PMA to double the number of longshore workers in Humboldt Bay.

President Pellegrini stated she was happy to report her niece Ashley is safely in Germany after serving her tour of duty in Iraq.

President Pellegrini said she attended the Coastal Commission reception, along with Commissioners Hunter and Wilson, and thanked Bob Merrill of the Coastal Commission for their staff's work towards the approval by the Coastal Commission of the maintenance dredging permit.

President Pellegrini reported fresh tuna is available on E-dock at Woodley Island Marina.

President Pellegrini reported she received a call from a tenant at Woodley Island Marina regarding the condition of the washers and dryers in the laundry room. President Pellegrini asked CEO to start the purchase process of new washers and dryers and stated the Harbor District's budget included funds for such. CEO said staff will begin the process of producing a bid package and will return to the Board at a later date for bid approval.

ADVISORY COMMITTEE REPORTS

President Pellegrini said she and Commissioner Hunter, the Human Resources Advisory Committee, met with CEO to discuss the District's operations structure.

Commissioner Wilson reported the Committee Advisory Committee met and suggested the Humboldt Bay Management Plan Advisory Committee selection should be a future Board of Commissioners meeting agenda item.

Commissioner Wilson reported the Website Committee met and discussed how the District's e-mail system could be updated. Commissioner Hunter suggested the committee make some recommendations for the Board of Commissioners to discuss in the future.

Commissioner Wilson stated the Brownfields Workshop will cost \$95 to attend. President Pellegrini said unless the cost is over \$500, the expense does not require prior Board approval; however, she suggested Commissioner Wilson fill out the expense form previously approved by the Board.

Commissioner Hunter reported the Strategic Plan Committee met.

OTHER: None

NON-AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS

A. CONSIDERATION OF CONFIRMING THE APPOINTMENT OF DR. CHAD ROBERTS OF ROBERTS, KEMP AND ASSOCIATES, LLC TO FILL THE OFFICE OF PLANNER FOR THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT AND APPROVAL OF AGREEMENT FOR PLANNER SERVICES.

CEO reported the Harbor District's Enabling Legislation includes a slate of officers available to the Harbor District. The District Planner and Engineer positions have been left vacant until a need arose. Once the Board of Commissioners adopted the Humboldt Bay Management Plan, it was expected there would be a need for a District Planner to assist with the CEQA requirements of implementing the policies included in the Plan and for future permit applications. A line item for a District Planner was included in the Harbor District's FY 2006/07 Budget. CEO recommended the Board confirm the appointment of Dr. Chad Roberts and approval of the Agreement for Planner Services. CEO also recommended the Board of Commissioners approve an amount not to exceed \$30,000, some of which may fall under reimbursable grant items.

Commissioner Hunter stated he has appreciated Dr. Roberts' help over the years when an explanation of technical issues was needed.

COMMISSIONER HUNTER MOVED FOR THE CONFIRMATION OF THE APPOINTMENT OF DR. CHAD ROBERTS OF ROBERTS, KEMP AND ASSOCIATES, LLC TO FILL THE OFFICE OF PLANNER FOR THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT AND APPROVAL OF AGREEMENT FOR PLANNER SERVICES NOT TO EXCEED \$30,000.
COMMISSIONER OLLIVIER SECONDED.

Commissioner Wilson asked if the process for appointing other offices, such as District Treasurer and District Counsel, are similar to this process. He also asked if the position was advertised.

CEO responded the Board of Commissioners chooses the offices of CEO and District Counsel after an interview process. The rest of the officers are appointed by the CEO and confirmed by the Board of Commissioners. Dr. Roberts helped write the Humboldt Bay Management Plan and has a level of expertise and knowledge of the Harbor District and its procedures, which makes him the practical choice for the District Planner. CEO also stated advertising the position is not required.

Commissioner Wilson said even if the Board approves an amount not to exceed \$30,000, the contract will most likely be extended anyway. He asked why there would be a bid process for washers and dryers and not a RFQ process for the District Planner position – they are both large investments for the Harbor District. Commissioner Wilson also asked if the Harbor District would be required to pay travel fees and per diem to Dr. Roberts because he has an office out of town, as well as one in town. CEO responded travel fees would only be paid if we required Dr. Roberts to travel out of town on Harbor District business; for example, travel to Shelter Cove.

Commissioner Wilson said he would like to see a different process for appointments used in the future.

Commissioner Hunter stated he thought it the appointment process in this instance is proper because CEO will be working closely with the District Planner and it is appropriate he would make the appointment.

President Pellegrini said she thought it would be prudent to hire Dr. Roberts because of his extensive knowledge and familiarity with the Harbor District.

Commissioner Wilson stated there should be a process for hiring a consultant and that the CEO should at least be required to “look around”. Commissioner Wilson suggested a policy be written when the CEO is going to hire an officer and it should be implemented as soon as possible.

CEO reported the Human Resources Advisory Committee did discuss hiring Dr. Roberts and he stated if the committee had not known Dr. Roberts, then interviews would have been appropriate.

David Elsebusch asked who on the Board of Commissioners is going to say “no” to the CEO’s appointee without considering anyone else for the job. He wondered what is the “big deal” about being a Harbor District Officer; is there some benefit other than the pay. Mr. Elsebusch suggested the Board of Commissioners consider a selection process in the future so that it does not look like a position was created for a specific person.

Commissioner Hunter stated consultants are hired for specific projects, while Dr. Roberts as District Planner has the responsibility of working through the whole Humboldt Bay Management Plan. The District Planner position is not project-specific.

Commissioner Wilson said he agreed the Planner position is an important element to the Harbor District and Dr. Roberts is well qualified and has a great reputation in his field. Commissioner Wilson said, however, he is concerned with the process for selection.

Dr. Roberts told the Board of Commissioners he appreciates and is humbled by their comments. He said the office of District Planner is a privilege and he identifies strongly with what the Harbor District does. He said the District Planner will add a dimension with the external world and the Ecosystem Based Management approach is an opportunity to bring in additional grant monies and expertise.

MOTION CARRIED WITH COMMISSIONER WILSON DISSENTING.

B. CONSIDERATION OF APPROVAL OF AGREEMENT WITH TED LORING, JR., DBA SERA GROUP, FOR SERVICES INVOLVED IN THE FACILITATION OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT’S STRATEGIC PLAN REVISION.

CEO reported the Strategic Plan is a planning document focusing on a five-year period. The Harbor District’s fourth Strategic Plan will cover the years 2007-2011. Commissioners Curless and Hunter met on September 7, 2006 and recommended the retainer of Ted Loring, Jr. to facilitate the several public meetings, which will be held on the Strategic Plan. Mr. Loring has been the facilitator on the two previous plans and is familiar with the Harbor District’s function. CEO read the projects listed in the 2002-2006 Strategic Plan that have been completed.

CEO stated the staff recommends: 1) Approval of the agreement with Ted Loring, Jr., dba SERA Group, for services involved in the facilitation of the Humboldt Bay Harbor, Recreation and Conservation

District's Strategic Plan revision; and 2) Authorizing CEO to expend up to \$6,600 on time and materials expenses related to this agreement.

COMMISSIONER CURLESS MOVED FOR THE APPROVAL OF THE AGREEMENT WITH TED LORING, JR., DBA SERA GROUP, FOR SERVICES INVOLVED IN THE FACILITATION OF THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT'S STRATEGIC PLAN REVISION; AND 2) AUTHORIZE CEO TO EXPEND UP TO \$6,600 ON TIME AND MATERIALS EXPENSES RELATED TO THIS AGREEMENT. COMMISSIONER HUNTER SECONDED.

Commissioner Wilson stated the fact that goals have been achieved speak well for the previous Strategic Plans.

President Pellegrini said she was involved in the last Strategic Plan development process and participated in the draining brainstorm public sessions. She said Mr. Loring was instrumental in keeping the meetings focused and on-task.

David Elsebusch suggested the Board of Commissioners consider a Strategic Plan for each year instead of every five years.

Penny Elsebusch said she thought Mr. Loring did a very good job during the last Strategic Plan process. She suggested there be annual updates to the five-year plan to include possible revisions if needed.

Kaye Strickland said she would like to be on the committee this time. She said annual reviews and revisions to the five-year plan require too much volunteer time and she said annual reviews are not necessary; every five years is enough.

Commissioner Wilson asked if all Board members can attend the public meetings or can the Board of Commissioners hold a public hearing in the middle of the process. President Pellegrini responded the Board will receive updates from the public meetings. CEO stated during the process the Board of Commissioners will receive a draft plan and Mr. Loring will attend the Board of Commissioners meeting to speak about the draft plan.

District Counsel suggested the Board agendas contain an agenda item for updates on the Strategic Plan process. He also said Mr. Loring may attend the Board of Commissioners meeting if requested to speak about the Strategic Plan.

Ted Loring, Jr. said he would like to address the Board of Commissioners early in the process to define the work plan, provide interim reports if the Board desires and then will present the draft plan to the Board of Commissioners for their review.

MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF RESOLUTION 2006-15 ENTITLED A RESOLUTION IN SUPPORT OF THE TRAILS TRUST OF HUMBOLDT BAY.

Commissioner Hunter stated at the last Board meeting, Rick Littlefield and Jen Rice, Trails Trust of Humboldt Bay, reported to the Board on their plan for a system of interconnected trails in the Humboldt Bay region and asked the Board for support. Commissioner Hunter said this project is within the Harbor District's charge.

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF RESOLUTION 2006-15 ENTITLED A RESOLUTION IN SUPPORT OF THE TRAILS TRUST OF HUMBOLDT BAY. COMMISSIONER OLLIVIER SECONDED.

Kaye Strickland said HCAOG amended their current transportation plan to include trails and the railroad. She said if the trails go through the railroad right of way, then the trails plan must include rail upgrade.

Commissioner Curlless asked how many water sites in the trail plan are ADA approved. Jen Rice responded as long as some accommodations are made, then the requirements have been met. She said there are even ADA accessible paddling facilities.

Commissioner Ollivier said in Healdsburg the trails are parallel with the railroad for approximately one mile.

ROLL CALL VOTE WAS TAKEN:

COMMISSIONER PELLEGRINI – AYE
COMMISSIONER CURLESS – AYE
COMMISSIONER WILSON – AYE
COMMISSIONER HUNTER – AYE
COMMISSIONER OLLIVIER – AYE

MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF PARTICIPATION IN AND PROVIDING MATCH FUNDING FOR THE HUMBOLDT BAY WATER TRAILS IMPLEMENTATION PROGRAM – PHASE 1.

CEO reported he was approached by RCAA and the California Coastal Conservancy to develop the first phase of the Humboldt Bay Water Trails Implementation Program, which would include a standard set of specifics and guidelines for water trails around the Humboldt Bay region. Phase 1 would also incorporate identifying permits, funding sources, standard materials, etc. RCAA would be the lead agency in Phase 1 and Jen Rice would be the Project Manager for the \$100,000 Coastal Conservancy grant. The Harbor District would be the lead agency for Phase 2, building on the information in Phase 1. CEO stated this project is consistent with the Harbor District's enabling legislation and policies of the Humboldt Bay Management Plan. CEO recommended the Harbor District provide match funding not to exceed \$4,750 from the budget line of the Humboldt Bay Management Plan.

COMMISSIONER WILSON MOVED FOR THE APPROVAL OF PARTICIPATION IN AND PROVIDING MATCH FUNDING FOR THE HUMBOLDT BAY WATER TRAILS IMPLEMENTATION PROGRAM – PHASE 1, NOT TO EXCEED \$4,750. COMMISSIONER HUNTER SECONDED.

Commissioner Hunter said the District should see this project as an essential step to implement the policies of the Humboldt Bay Management Plan and RCAA is a qualified partner.

David Elsebusch asked about the source for the rest of the funding. President Pellegrini stated the Harbor District's match is \$4,750 to the Coastal Conservancy's \$100,000.

Commissioner Wilson said the Harbor District will provide an in-kind match of \$13,000 at \$75/hour. He thanked Conservation Specialist, CEO and staff for their work to get the full \$100,000.

MOTION CARRIED WITHOUT DISSENT.

E. CONSIDERATION OF APPROVAL OF EXCLUSIVE RIGHT TO NEGOTIATE WITH DG FAIRHAVEN POWER LLC.

CEO reported DG Fairhaven Power LLC owns and operates the biomass energy plant on Samoa. Bob Marino, the General Manager, is interested in leasing all of Building 14, upland acreage and a non-exclusive use of the dock. CEO stated an ERTN is appropriate at this stage.

COMMISSIONER OLLIVIER MOVED FOR THE APPROVAL OF EXCLUSIVE RIGHT TO NEGOTIATE WITH DG FAIRHAVEN POWER LLC. COMMISSIONER CURLESS SECONDED.

District Counsel stated if either party determines the development is not financially feasible, the following occurs: 1) if DG Fairhaven Power LLC takes an early termination date, the Harbor District

refunds \$2,500; 2) if the Harbor District takes an early termination date, the Harbor District refunds \$5,000. However, if a contract is successfully negotiated, \$2,500 will go towards DG Fairhaven Power LLC's financial responsibilities.

Bob Marino stated tomorrow is DG Fairhaven Power LLC's 20th anniversary and they are excited about the possibility of increasing their use of the bay and providing more commodities for renewable energy uses in Humboldt County.

Commissioner Hunter asked if a portion of Redwood Dock is being leased, will future Harbor District use be hampered. CEO responded the 180-day agreement allows the Harbor District to determine if DG's use is compatible to future Harbor District needs and uses.

Commissioner Ollivier said all the public should benefit from the Harbor District's public dock.

Bob Marino stated during the 180 days, a feasibility study will be done. He said their plan is to see 5 barges per month with highly mechanized offloading capabilities.

David Elsebusch said the cart is being put before the horse. The Harbor District just received approval from the County of Humboldt for a \$200,000 Headwaters Fund grant for a marine terminal feasibility study and now private enterprise will pay for its own feasibility study.

MOTION CARRIED WITHOUT DISSENT.

F. CONSIDERATION OF EXTENSION OF PERMIT 06-01 TO COAST SEAFOODS FOR THE COAST SEAFOODS DOCK MAINTENANCE DREDGING PROJECT.

COMMISSIONER HUNTER MOVED FOR THE EXTENSION OF PERMIT 06-01 TO COAST SEAFOODS FOR THE COAST SEAFOODS DOCK MAINTENANCE DREDGING PROJECT. COMMISSIONER CURLESS SECONDED. MOTION CARRIED WITHOUT DISSENT.

G. CONSIDERATION OF APPROVAL OF FUNDING APPROPRIATION FOR THE HUMBOLDT BAY MANAGEMENT PLAN EXHIBIT AND RECEPTION AT THE CA WORLD OCEANS CONFERENCE, SEPTEMBER 18-20, 2006, LONG BEACH, CA.

CEO reported he, Commissioner Wilson and Conservation Specialist will attend this meeting in Long Beach. CEO and Conservation Specialist are panelist at the conference. He said the focus will be on conservation and resource management and it will be a great opportunity to highlight the new Humboldt Bay Management Plan. CEO stated the Harbor District is in competition with other agencies frequently for state grant dollars and this would be an occasion to draw attention to the Harbor District.

COMMISSIONER HUNTER MOVED FOR THE APPROVAL OF FUNDING APPROPRIATION FOR THE HUMBOLDT BAY MANAGEMENT PLAN EXHIBIT AND RECEPTION AT THE CA WORLD OCEANS CONFERENCE, SEPTEMBER 18-20, 2006, LONG BEACH, CA. COMMISSIONER OLLIVIER SECONDED.

Dr. Roberts said he thought this was a strategic move and this is a chance to raise the Harbor District's visibility at a time when the Harbor District does not have adequate visibility with the State. He said it is important to make the Harbor District better understood throughout the State.

MOTION CARRIED WITHOUT DISSENT.

Commissioner Hunter pointed out during the last couple of meetings, the Board of Commissioners has heard and approved many items concerning recreation and conservation, showing the balance of their mission.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Regular Meeting of the Board of Commissioners adjourned at 8:44 p.m.

APPROVED BY:

RECORDED BY:

____Signature on File_____
Roy Curless, Secretary

____Signature on File_____
Patricia L. Tyson, Admin. Assistant