

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

August 11, 2011

PRESENT:

Commissioner Pellegrini
Commissioner Curless
Commissioner Wilson
Commissioner Higgins
Commissioner Marks

President Wilson called the regular meeting of the Board of Commissioners to order at 7:04 p.m.

President Wilson asked David Hunt, Association of Pacific Ports, to lead those present in the Pledge of Allegiance.

PUBLIC COMMENT: None

CONSENT CALENDAR

Commissioner Pellegrini asked for Item (c) to be pulled for further discussion.

COMMISSIONER PELLEGRINI MOVED FOR APPROVAL OF THE REMAINDER OF THE CONSENT CALENDAR. COMMISSIONER HIGGINS SECONDED. MOTION CARRIED WITHOUT DISSENT.

Item (c): Commissioner Pellegrini made a correction to her Commissioner Report of July 28.

COMMISSIONER CURLESS MOVED FOR THE APPROVAL OF ITEM (C) OF THE CONSENT CALENDAR WITH THE PROPOSED CORRECTION. COMMISSIONER MARKS SECONDED. MOTION CARRIED WITHOUT DISSENT.

CEO REPORT

- ❖ 8/4: Commissioner Pellegrini, CEO and Supervisor Smith met with PG&E representatives on the King Salmon Canal dredging project. PG&E presented a draft permit schedule with a completion of the permitting slated for early Spring 2012.
- ❖ 8/4: Dockmaster, CEO, and representatives of Timber Heritage Association (THA) and Clarke Museum met to discuss THA's August 27 fundraiser. THA said they have received their Alcohol Beverage Control and County Environmental Health permits. Parking and security was discussed. Dockmaster will tour the event area on August 27 at 10 a.m. to confirm compliance of all District conditions.
- ❖ 8/10: Commissioner Wilson, CEO and Mike Kellogg of THA met to discuss THA's fundraiser, lease amendment and ERTN for the Samoa Shops property.
- ❖ 8/10: CEO met with representatives from Noyo Harbor, Crescent City Harbor District, SHN Consulting Engineers and Winzler & Kelly to discuss similar permitting issues for dredge disposal sites with the Regional Water Quality Control Board (RWQCB). Solutions discussed ranged from meeting with RWQCB staff to changing State law. Commissioner Pellegrini suggested it might be helpful to get legislators involved. CEO stated that is a good idea, but thought the time to approach them would be better when the committee has a plan. RWQCB wants to require a new permit, but that is inconsistent with past practice. President Wilson appointed Commissioners Pellegrini and Curless as the Upland Dredge Disposal Site committee to work with staff.
- ❖ CEO reported the District maintenance staff is currently rebuilding the west end of A-dock.
- ❖ City of Eureka's Fisherman's Terminal dedication will be September 1 at 2 p.m. President Wilson will be asked to speak; Commissioner Marks as Vice-President will speak if President Wilson is

unavailable. CEO stated a resolution will be presented for the Board's consideration at the next Board meeting.

DISTRICT COUNSEL REPORT: None

STAFF REPORT: None

COMMISSIONERS AND ADVISORY COMMITTEE REPORTS

Commissioner Pellegrini:

- ❖ Participated in the PG&E King Salmon Canal dredging project meeting.
- ❖ Asked when the water on E-dock will be turned on. CEO stated maintenance is waiting for the glue to set; should be tomorrow.
- ❖ Stated the abandoned vessels in the marina are an indicator of the economic times. She referred to an AP news article about abandoned vessels.

Commissioner Wilson:

- ❖ Participated in the August 10 meeting with THA representatives and CEO.
- ❖ Took a backpacking trip through Caribou wilderness and then spent a week on the Trinity River.

Commissioner Higgins:

- ❖ Fished for spring Chinook on Salmon River.
- ❖ Filed papers for 5th Division Candidate.

Commissioner Marks:

- ❖ Reported the mama whale and baby in the mouth of the Klamath River have been quite an attraction. He said he witnessed this on his way to Grays Harbor, WA. Commissioner Marks also noted pulp mill in Grays Harbor purchased by Evergreen Pulp is currently operating.

OTHER

Dave Hunt, Executive Director of Association of Pacific Ports, told the Board his organization focuses on building cross-Pacific trade relationships, benefits of successes/failures and port Commissioners. There is no lobbying or advocating. APP conducts conferences and seminars on topics such as port security, board/staff relationships, community relations, environmental challenges, technology, infrastructure, building new cargoes, etc. APP does not take sides on issues; they are simply an information-sharing association. Mr. Hunt said he would like to have Port of Humboldt Bay as a member; dues would be approximately \$1,000 annually.

NON-AGENDA: None

UNFINISHED BUSINESS: None

NEW BUSINESS

A. CONSIDERATION OF APPROVAL OF RESOLUTION 2011-13 DECLARING ONE ITEM AS SURPLUS PROPERTY AND FOR THE SALE OF SURPLUS PROPERTY BELONGING TO THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT.

CEO reported when a vessel is abandoned and becomes District property, a Board resolution declaring the vessel surplus property must be passed prior to the vessel being sold through a bid process.

COMMISSIONER PELLEGRINI MOVED FOR THE APPROVAL OF RESOLUTION 2011-13 DECLARING ONE ITEM AS SURPLUS PROPERTY AND FOR THE SALE OF SURPLUS PROPERTY BELONGING TO THE HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT. COMMISSIONER MARKS SECONDED. ROLL CALL VOTE WAS TAKEN:

COMMISSIONER PELLEGRINI – AYE
COMMISSIONER CURLESS – AYE
COMMISSIONER WILSON – AYE
COMMISSIONER HIGGINS – AYE
COMMISSIONER MARKS - AYE

MOTION CARRIED WITHOUT DISSENT.

B. CONSIDERATION OF APPROVAL OF SAMOA SHOPS AUGUST 2011 ADDENDUM FOR TIMBER HERITAGE ASSOCIATION.

COMMISSIONER HIGGINS MOVED FOR THE APPROVAL OF SAMOA SHOPS AUGUST 2011 ADDENDUM FOR TIMBER HERITAGE ASSOCIATION. COMMISSIONER PELLEGRINI SECONDED.

District Counsel reported Timber Heritage Association feels they are running out of viable improvement projects in order to pay for their lease and want to do improvements on other buildings that are not in their current lease area. THA was given interim staff approval after consulting with Commissioners Wilson and Higgins, but this item allows the formal agreement to be approved. The addendum specifies THA can do improvements for credit on their lease, but cannot occupy the additional area.

MOTION CARRIED WITHOUT DISSENT.

C. CONSIDERATION OF AMENDMENT 1 TO TJS LEASING AND HOLDING COMPANY, INC. GRANTING 180 DAY EXTENSION TO THEIR EXCLUSIVE RIGHT TO NEGOTIATE.

COMMISSIONER PELLEGRINI MOVED FOR THE APPROVAL OF AMENDMENT 1 TO TJS LEASING AND HOLDING, INC. GRANTING 180 DAY EXTENSION TO THEIR EXCLUSIVE RIGHT TO NEGOTIATE. COMMISSIONER CURLESS SECONDED.

CEO reported the original ERTN is for a six-month duration and TJS is experiencing permitting delays, therefore asking for an extension.

Jeff Cyphers of TJS Leasing and Holding, Inc. stated they have hired several engineering firms, talked with construction firms, doing their due diligence, but it all takes more time than the ERTN would allow. Commissioner Marks asked him for his best guess on a timeline. Mr. Cyphers replied that identifying

where the dredge spoils will be taken is taking additional time and the time frame for permitting through other regulatory agencies is unknown. He said he is hoping April or May 2012 is when they will be operational.

MOTION CARRIED WITHOUT DISSENT.

D. CONSIDERATION OF REVISIONS TO DISTRICT PERSONNEL POLICIES.

Commissioner Marks reported the agenda report provided to the Board includes some changes to the Personnel Policies regarding union issues and includes some additional management requests. He said he would've like to have had the discussion under Closed Session.

District Counsel stated unfortunately the Brown Act does not provide Closed Session for this type of discussion. If the discussion concerns a specific employee under contract and the Board wants to evaluate or give a raise to that employee, then a Closed Session discussion would be allowed.

Commissioner Pellegrini said she thought usually the District Counsel, not staff, presented these types of changes to the Board; and she asked District Counsel if the proposed changes to the Personnel Policies reflect the union contract.

District Counsel stated he did not feel the staff recommendations were included in the union contract.

President Wilson asked if he should assign a subcommittee of the Board to work with District Counsel on updating the District's Personnel Policies.

Commissioner Marks said now that the union negotiations are completed, what is the process for unclassified employees.

District Counsel said the District Personnel Policies apply to all employees, union or not, unless the contractual terms of the union are contradictory and then the union agreement takes precedence. He asked if the Board wants to set a policy for the Personnel Policies to mirror the union contracts; it is not required, but can be at the Board's discretion. He said the Board would need to establish a process to review both the union contract and the Personnel Policies and propose amendments.

It was decided two Commissioners and District Counsel would review both documents and make recommendations to the full Board.

Commissioner Higgins said since he did not have both documents to review, he would like a tabular format for the staff recommendations. President Wilson said he thought that was what the intention was of staff's agenda report.

Commissioner Pellegrini said the Board will make the decision on how to treat both groups of employees. Management employees should be under contract with terms. President Wilson said he agreed and management employees should have annual renewals.

President Wilson appointed Commissioners Pellegrini and Marks to work with District Counsel and return to the Board with recommendations.

COMMISSIONER MARKS MOVED TO TABLE THIS ITEM. COMMISSIONER PELLEGRINI SECONDED. MOTION CARRIED WITHOUT DISSENT.

ADMINISTRATIVE AND EMERGENCY PERMITS: None

The Board of Commissioners adjourned to Executive Closed Session at 8:13 p.m.

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President Wilson adjourned the Executive Closed Session at 8:40 p.m.

President Wilson called to order the Regular Meeting of the Board of Commissioners at 8:41 p.m.

CEO reported the Executive Closed Session as follows: Conference with Real Property Negotiator regarding potential lease terms of District property to Timber Heritage Association, potential lease terms of District property to TJS Leasing and Holding Company, potential lease terms of District property to Taylor Mariculture, Inc. and potential lease terms of District property to Freshwater Tissue Company – No action taken.

The Regular Meeting of the Board of Commissioners was adjourned at 8:42 p.m.

APPROVED BY:



Ronnie Pellegrini, Secretary

RECORDED BY:



Patricia L. Tyson
Director of Administrative Services