

San Mateo County Harbor District Board of Harbor Commissioners Minutes

**October 4, 2006
7:00 p.m.**

**Coastside County Water District Office
766 Main Street
Half Moon Bay, CA 94019**

Roll Call

Commissioners

Pietro Parravano, President
James Tucker, Vice President
Ken Lundie, Treasurer
Leo Padreddii, Secretary
Sally Campbell, Commissioner

Staff

Peter Grenell, General Manager
Eileen M. Wilkerson, Human Resource Manager
Marcia Schnapp, Director of Finance
Robert Johnson, Harbormaster
Dan Temko, Harbormaster
Theresa N. Hayes, Deputy Secretary
Marc Zafferano, District Counsel

Public Comments/Questions-Public and Staff Recognition- None

Consent Calendar

All items on the consent calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda. Any item on the regular agenda may be transferred to the consent calendar.

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|----------|-------------------------|--|
| 1 | TITLE: | Minutes of Meeting September 20, 2006 |
| | REPORT: | Draft minutes |
| | PROPOSED ACTION: | Approval |

Hayes added that in a best case scenario abalone grows an inch per year and during that year he drives to Monterey fifty two times and moves seventy tons of kelp to and from Monterey to get that one inch of abalone. In saying this Hayes stated that ten percent is a huge amount of what it took for him to get to this stage.

Padreddii recommended to the Commission that they reduce the gross retail sales percentage slightly to eight percent.

Tucker moved to approve the commercial activity permit with the condition of a two hundred fifty dollar permit processing fee and an eight percent gross retail sales charge to the permit.

Action: Motion by Tucker, second by Padreddii to amend the staff report for the retail abalone sales and move the gross retail sales from ten percent to eight percent and approve the permit.

Ayes: 2 (Tucker, Padreddii)

Nays: 2 (Parravano, Campbell)

Abstentions: 1 (Lundie)

Jim Anderson voiced his concerns from the audience. He stated that he and the other fishermen agreed to fish locally for natural and local products to keep the local market happy. He added that the locals have been very pleased with their prices and hopes they can continue with the customers they have developed and the market they have created.

Campbell asked how this relates to item 2.

Anderson said the local fishermen have a limited market and it makes it difficult when someone comes in to sell wholesale products.

Parravano questioned Anderson on whether or not he thinks potentially this high commodity product will take away from local fishermen. Anderson stated that is his concern.

Campbell added that this is her reasoning for wanting to know the specifics on prices for the abalone and to make sure there is no price gouging in the market. Campell said she feels that ten percent is a very fair price from the Harbor and for this situation.

Padreddii added that the abalone sales will potentially bring more people into the Harbor and this will be an asset for everyone in the Harbor including the fishermen and lessees.

Action: Motion by Tucker, second by Campbell to approve the commercial activity permit with a two hundred fifty dollar permit processing fee and ten percent gross retail sales to the District.

Campbell asked that the Board be made aware of what money they are spending before, instead of after the fact because that leaves them in a position to either approve the additional amounts or drop the contract.

Tucker asked Macy if he would accept \$26,760. Macy said yes.

Action: Motion by Tucker, second by Campbell to approve contract amendment in an amount not to exceed \$26,760.

Ayes: 5

Nays: 0

Tucker thanked Macy for his honesty.

4	TITLE:	LAFCo Final Municipal Service. Review: Review and Comment
	REPORT:	LAFCo Final Report
	PROPOSED ACTION:	To Be Determined

Grenell first stated that he informed LAFCo at their last hearing that the District would prepare a formal written response.

Leonard Woren spoke from the audience and requested that the District post their response letters on their website for the public to view. The Board agreed.

Padreddii commented that the last time LAFCo met concerning the Harbor they made the same recommendation and so the Commission decided to put it to the vote of the people, who in turn voted to keep the District as is. Padreddii said he can't understand the reasoning of LAFCo because apparently they don't agree with the voters and taxpayers of the County.

Tucker added that LAFCo was created to deal with "island annexations" as a result of cities and municipalities taking advantage of one another; that problem has gone away. Tucker added that since LAFCo has declared the District has zero sphere of influence, this implies that the District provides no service, has no real jurisdiction, and no group of individuals to serve and that is completely false.

Campbell commented that she wants whatever is best for the taxpayers of the County and thinks that is yet to be determined. There is nothing in LAFCo's report that implies the County would do a better job for less money. Campbell said it needs to be clearer and that her interest is for the taxpayers of the County.

Parravano commented that there have been many changes brought on by many challenges in our Harbors and he can't imagine how these changes can be addressed by

Lundie asked that Items 8, 9, and 10 be taken up together. Padreddii agreed.

Action: Motion by Lundie, second by Padreddii to Adopt Resolution 62-06, 63-06 and 64-06 for items 8, 9 and 10 respectively.

Ayes: 5

Nays: 0

9 TITLE: **Adopt Resolution 63-06 CitiBank Funds Transfer Agreement**
REPORT: Resolution
PROPOSED ACTION: Adopt Resolution 63-06 CitiBank Funds Transfer Agreement

10 TITLE: **Adopt Resolution 64-06 Third Party Custodian Agreement between San Mateo County Harbor District, CitiBank and Bank of New York**
REPORT: Resolution
PROPOSED ACTION: Adopt Resolution 64-06 for Third Party Custodian Agreement between San Mateo County Harbor District, CitiBank, and Bank of New York

11 TITLE: **June 30, 2006 Quarterly District Investment Balances Report**
REPORT: Report
PROPOSED ACTION: Approve June 30, 2006 Quarterly District Investment Balances Report

Lundie informed the Board he reviewed the District's Quarterly Investment Balances Report.

Action: Motion by Lundie, second by Campbell to approve June 30, 2006 Quarterly District Investment Balances Report.

Ayes: 5

Nays: 0

12 TITLE: **Bills and Claims in the Amount of \$103,528.81**
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$103,528.81 to cover payment of Bills and Claims

Lundie informed the Board he reviewed the Bills and Claims.

Action: Motion by Lundie, second by Tucker to approve the Bills and Claims in the amount of \$103,528.81.

Ayes: 5

Nays: 0

Reports for Possible Discussion/Action

Administration and Finance

13 General Manager - Grenell

Action:

CMANC: Grenell reported that he attended the CMANC fall meeting and that the District got its federal appropriations in the CMANC recommendation packet which will be finalized at the winter meeting in February.

Grenell discussed the Harbor District's LAFCo situation with another District that went through a similar experience with LAFCo. Grenell concluded that this District he spoke with had been successful but the effort was difficult.

14 Director of Finance - Schnapp

Action:

40 Berth vs. 70 Berths: Schnapp discussed her findings on what revenues and rates the District needs to have in place to cover the cost of various loan amounts.

Schnapp used an assumed rate of 4.50% to illustrate her findings on whether an additional 40-berth or 71-berth project at Pillar Point would be more beneficial to the District.

15 Human Resources Manager – Wilkerson

Nothing to add to written report

Operations

16 Oyster Point Marina/Park - Johnson

Action:

Johnson notified the Board that he is meeting with NOAA Fisheries in a group that is looking at impacts on oysters in San Francisco Bay. The District will be a main site for the study and Johnson said he will work with Grenell to make sure they protect the best interest of the District.

Johnson stated that the water quality at Oyster Point Marina/Park is very positive. The water quality and bay is improving.

Johnson added that the new patrol boat is now in its berth at Oyster Point/Marina Park and will be available for viewing at the ribbon cutting ceremony on Wednesday, October 11.

17 Pillar Point Harbor – Temko

Action:

Rock the Dock: Approximately five hundred people attended the event and it turned out to be very successful. Half Moon Bay Fisherman Marketing Association did a great job selling local product.

Johnson Pier: Temko stated that although the Pier repair has been going very smoothly, there have been additional quantities for repair identified on the deck of the pier. There has been a call for changes in repair methods such as the material being used on the design for spall repair. The contractors agreed to change some of its design as it will save the District about a third. Temko added that Moffat & Nichol Engineers and Dutra Construction have worked hard and done a thorough job.

Board of Harbor Commissioners

- 18** A. Committee Reports
B. Commission Statements and Requests

The Board of Harbor Commissioners may make public statements and requests. Requests may be made to place items on future agendas.

Campbell stated that she knows a mortgage broker who is quite superb in her line of work and would like to ask the Harbor Masters and Director of Finance to think about whether or not they would be interested in working with her on reports for different loans and rates to present to the staff at the harbors. Campbell added that this may be beneficial to bring staff up to date on the housing markets.

Parravano added that he received many positive comments for the Rock the Dock event and it turned out to be very successful. Parravano stated that it may be time for Promotions and Marketing Committee to meet again.

- 19** TITLE: **Identify Real Property Negotiator Pursuant to Government Code §54956.8**
REPORT: Zafferano
PROPOSED ACTION: Identify Real Property Negotiator Peter Grenell

to Ketch Joanne, Approve Amendments to Ketch Joanne Lease and Authorize President of Board of Harbor Commissioners to Execute Consent of Lessee Form, and Adopt Resolution 60-06 to Approve the Termination of the Huck Finn Sportfishing Lease.

Action: This item was removed from the agenda.

Adjournment

Action: Motion by Lundie, second by Campbell to adjourn the meeting. Meeting was adjourned by unanimous vote at 9:03 p.m.

The next regularly scheduled meeting will be held on October 18, 2006 at the Municipal Services Building, 33 Arroyo Drive, South San Francisco, CA 94083 at 7:00 p.m.

APPROVED BY:

Pietro Parravano

Pietro Parravano
President

ATTESTED BY:

Theresa N. Hayes

Theresa N. Hayes
Deputy Secretary