

# San Mateo County Harbor District Board of Harbor Commissioners Meeting Minutes

August 3, 2011  
7:00 p.m.

Comfort Inn  
2930 Cabrillo Highway  
Half Moon Bay, Ca. 94019

## Roll Call

### Commissioners

Pietro Parravano, President  
James Tucker, Vice President  
Leo Padreddii, Treasurer  
Robert Bernardo, Secretary  
x Sally Campbell, Commissioner

### Staff

Peter Grenell, General Manager  
Genevieve Frederick, Director of Finance  
Marietta Harris, Human Resource Manager  
Robert Johnson, Harbormaster  
Kathleen Kane, District Counsel  
Debbie Nixon, Deputy Secretary

x-absent

**Public Comments/Questions** — Brennan stated that there was an article in the Half Moon Bay Review that was published that she wrote to them regarding the restrooms at the lack of restroom facilities at the R.V. Lot. She stated that she reviewed the original lease and her understanding is that it is the responsibility of the lessee to provide public access to parking and restrooms as well as a shower and water fountain. As of right now there is a sign up that says "No Restroom". She asked the commissioners to look into the lease agreement and to enforce the lease. Brennan also addressed the cost for public parking at the R.V. Lot. She stated that it is \$10 per car and that seems extremely high for public access and unfair to public visitors. She asked the commissioner to look into the rate. She stated that there is a lot of new signage at the R.V. Lot regarding your vehicle being towed if you do not pay the \$10 to park in the lot. She stated that she noticed that people who have R.V.'s in the lot seem to be using that lot to park their own vehicles.

Merrill Bobele is with the Loma Prieta Chapter Sierra Club's Coastal Issues Committee. He addressed public access to the Surfer's Beach area. He stated that the zoning for that area is visitor serving. He stated that it is the Harbor District's responsibility to provide coastal access, public parking and public restrooms.

Albert Dunne with Ketch Joanne Restaurant clarified rumors about Ketch Joanne venturing across the street (Capistrano Ave). He stated that they made a business deal to open another venue across the street. They have been in the Harbor for 36 years and are very happy and want to continue operating out of the Harbor and that location will be their number one place. Dunne also stated that he isn't sure why the patio situation hasn't moved forward but any foot wider in front of their place is better than no feet.

Bill Kehoe with the Mid Coast Community Council stated that he addressed the Commission about two months ago asking for someone to come and speak about what is going on at the Harbor. He stated that he has been in contact via e-mail with the General Manager and the Harbormaster to set a date and urged the Commission to help put a priority on it.

**Staff Recognition-** Grenell introduced Director of Finance Genevieve Frederick. He stated that she will be meeting with each commissioner over the next few weeks.

Bernardo acknowledged his father who was in the audience and stated it was his birthday week.

## **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.

<b>1</b>	<b>TITLE:</b>	<b>Minutes of Meeting July 20, 2011</b>
	<b>REPORT:</b>	Draft minutes
	<b>PROPOSED ACTION:</b>	Approval

**Action:** Motion by Tucker, second by Padreddii to approve the consent calendar. The motion passed unanimously.

Ayes: 4  
Nays: 0  
Absent: 1 (Campbell)

## **Public Hearing - None**

## New Business

2	TITLE:	<b>Limited Commercial Activity Permit (LCAP) for Mavericks Surf Contest Event: Mavericks Surf Company, LLC or Mavericks Family, LLC</b>
	REPORT:	Grenell, Memo, Attachments
	PROPOSED ACTION:	To Be Determined

Grenell stated that there are two applicants who have applied for a permit this year. He recommended deferring action on this item for three reasons: 1) Scheduling. Both applicants want to provide more information so it would not be proper to take action until that information has been received; 2) one applicant had prior paid travel arrangements that couldn't be changed and was not present; 3) He was notified by both applicants that they are talking about joining together as one group and submitting a single application.

**Action:** Motion by Tucker, second by Bernardo to defer the item. The motion passed.

Overfelt stated that this was all good news and he is proud to say that the community has come together to be one. Grenell stated that staff is available for questions should any arise.

Ayes: 4  
Nays: 0  
Absent: 1 (Campbell)

3	TITLE:	<b>Resolution 13-11 for Tier II Boating Infrastructure Grant Application for OPM Guest Dock Improvement</b>
	REPORT:	Grenell, Memo, Resolution
	PROPOSED ACTION:	Adopt Resolution 13-11

Grenell stated he would like to submit a grant to replace the guest dock at Oyster Point Marina/Park for a few reasons but mainly for the America's Cup. The deadline to submit all documents to Sacramento is August 17, 2011. He needs to send a matching fund commitment letter and was advised that the larger the fund match, the better the chance of being awarded money. He stated that the request is for \$250,000 in grant funds with a District match of \$350,000. He recommended adoption of the Resolution.

**Action:** Motion by Padreddii, second by Tucker to adopt Resolution 13-11. The motion passed unanimously by a roll call vote.

Ayes: 4  
Nays: 0  
Absent: 1 (Campbell)

4	TITLE:	<b>Discussion Item: Berthing Fees for Commercial Fishermen</b>
	REPORT:	Grenell, Memo
	PROPOSED ACTION:	To Be Determined

Parravano recused himself and turned the meeting over to Tucker. Grenell stated that there was a request by at least one local fisherman to place the item on the agenda. There are several concerns regarding the discount for commercial fishermen. He stated in the past the Commission has provided an annual discount to qualified fishermen. He stated that there has been some confusion about what set of qualifications to use. Some fishermen are using the qualifications from 2004. He stated that there is an even older set of qualifications which is actually in the Ordinance Code but refers to exemption from live-a-board fees so it is not applicable. Another issue is the amount of the increase in berthing fees in the Rates and Fees for FY11/12. The Commission approved a 3% increase. It was then brought to the District's attention by one particular fisherman that his actual berth rate was going to increase 24% and that gentleman previously came before the Board and addressed the issue. Staff has been asked if an accommodation can be made for payment. In the past the District has provided payment plans or promissory notes for certain fishermen in economic hardships.

Tucker stated that he welcomes some form of a payment plan and understands that they should have been paying more including the 15% discount. He agrees that 24% is a substantial increase and might consider a 12%-12% split which means 12% this year and 12% next year on top of normal increases.

Anderson stated that there is a rumor going around the dock that since there was a period of time that the correct fees were not being paid that the District would be asking for retroactive pay. Anderson stated that Grenell stated that they would not be seeking retroactive pay and the fishermen are getting worried. He wanted to clarify that wasn't going to happen. Tucker stated that unless you hear the Commission speaking about it then it isn't going to happen. Harris suggested putting something in the next billing statements. Anderson stated that the suggestion of breaking down the payments would be very helpful.

Tucker asked to speak in item number one of the staff memo, commercial fishermen's discount statement. Anderson stated that he has asked the fishermen to give him copy of the older criteria. What he is finding is that some of them are not fitting the new criteria, some of them are salmon fishermen and due to the lack of salmon season they don't qualify for the discount which creates more difficulty for them. He suggested a review panel and maybe those people can talk to the Commission and their issues can be discussed. Anderson stated that there have been rumors on the issues with the new criteria. One being the submittal of IRS statements to substantiate your ability to be a fisherman in order to qualify and that hasn't been done in the past. Tucker asked Anderson if he was familiar with the form. Anderson stated he was and he submitted one. Tucker stated that there is nothing on it that says you need to submit IRS tax returns on the form. Number one says that you have earned at least \$30,000 gross income, number two says that you paid berthing fees at Pillar Point for the last twelve months and three at least 60% of the income is from commercial fishing. Tucker pointed out that with any public agency, if you file an application and it is denied, it can be appealed. So if anyone is denied their application, they need to be told that they have the right to appeal.

Padreddii stated that times are bad for everyone. He stated that the Board agreed to raise the fees 3%, not 24%. They should not be penalized for a mistake of the District. He feels that

we shouldn't penalize them and they should pay the 3%. He stated that if this is approved by the Commission, he suggested implementing a payment plan.

Kane stated that the constraints the Board acts under are to make sure that there is not a gift of public funds to anybody and any rules that are changed are uniform in the way that they are applied. It has to be clear that not one person is getting a benefit and that fees that are set are being applied uniformly. Tucker stated that there is a benefit for a group of people. Kane stated yes, but any discount needs to be applicable to the whole group not just one or two people within that group.

Grenell clarified that the approved increase was 3%. 3% of what was the question that was raised. When research was done, that is when it was discovered that the incorrect fee was being charged. Staff needs to look into what we need to do to comply with laws and to address Anderson's concerns. Tucker asked Grenell how he felt on the 12%-12% split. Grenell stated that it is potentially feasible. He stated maybe staff should take the next two weeks to explore options and bring the findings back to the Board. Kane suggested that the Commission give a general direction to staff and we need to make sure that there isn't a problem with the plan. Bernardo agreed with the incremental approach and agreed to make sure no lines are being crossed.

Anderson stated that a payment plan would be great. None of the fishermen are in any position to borrow more money so if a plan could be worked out, it would be helpful.

Tucker stated that no action is needed on this and asked Grenell to do the research and bring the item back to them at the August 17<sup>th</sup> meeting.

Anderson also thanked the Commission and staff for their help and support with the Interpretative signs. Tucker informed the public that there were Interpretative panels along the promenade.

<b>5</b>	<b>TITLE:</b>	<b>Quarterly Investment Report</b>
	<b>REPORT:</b>	Frederick, Report
	<b>PROPOSED ACTION:</b>	Accept the Quarterly Investment Report

Frederick stated that the top portion of the report is the same as it has been in the past and is required by state law. The bottom has changed to reflect what the current obligations are in the next twelve months. There is one issue that has come up regarding the debt liability to the Department of Boating and Waterways of \$11,000,000.00 which includes interest and principal. The principal balance is \$10,080,000.00.

Action: Motion by Tucker, second by Bernardo to accept the quarterly investment report. The motion passed unanimously by a roll call vote.

Ayes:                  4

Nays: 0  
Absent: 1 (Campbell)

<b>6</b>	<b>TITLE:</b>	<b>Bills and Claims in the Amount of \$738,287.51</b>
	<b>REPORT:</b>	Bills and Claims Detailed Summary
	<b>PROPOSED ACTION:</b>	Approval of Bills and Claims for payment and a transfer in the amount of \$738,287.51 to cover payment of Bills and Claims

**Action:** Motion by Padreddii, second by Tucker to approve the bills and claims. The motion passed unanimously by a roll call vote.

Tucker questioned the bill for National Parking Valet. Padreddii stated that he asked the same question and deferred to Grenell. Grenell stated that company was brought in to instruct Harbor staff on proper maintenance of the parking fee machine at the Pillar Point launch ramp, that wasn't working properly. Staff also requested information regarding paid parking stations for Pillar Point Harbor.

Ayes: 4  
Nays: 0  
Absent: 1 (Campbell)

## **Reports for Possible Discussion/Action Administration and Finance**

### **7 General Manager – Grenell**

Grenell commented on Kehoe's request to speak about what is going on with Pillar Point development. He stated that he received from Winzler & Kelly a drawing for Perched Beach that shows additional proposed public beach access to the water. Grenell will discuss the drawings and its public access proposal with the Coastal Commission.

Grenell stated that he, Parravano, and Padreddii met with County Elections Officer Mark Church and deferred to Parravano and Padreddii. Parravano stated that the meeting went very well and he left the meeting feeling that there is more understanding on Church's part as to our concerns. The cost to the District for an election is enormous. Padreddii stated that an all mail ballot was discussed and Church was presented with information to show the percentage the District pays for an election. The District pays 8% and other jurisdictions pay 1%. Parravano clarified for the public that the Harbor District is the only elected agency in the County that is charged on a Countywide basis.

Grenell stated that he is in receipt of a letter from Leland Parsons of the *F/V Irene* at Pillar Point who is asking to lower his passenger fees that he currently has to charge for taking people on tours. It is the same \$2.25 as other charter boats. Parsons is looking for some consideration as the boat is operated by a nonprofit. Grenell stated he will look into it and bring it back to the Board.

Grenell stated that he and Johnson are planning to replace the flags on the Pillar Point pier. The flags that are up now are from the 75<sup>th</sup> Anniversary (in 2008) and they are exploring options for new ones.

Grenell stated he met with District lessee Keet Nerhan yesterday alerting him about the community concern regarding the restrooms at the RV Lot, and the District is looking into it. Grenell asked Nerhan to provide him with some information to shed some light on this issue. He is going to look into what is legally required and what is feasible to do. Grenell stated that the District exists as the steward of sovereign public lands that were made over to the Harbor District in a State Tidelands Grant administered by the State Lands Commission. The District has a public trust obligation at Pillar Point Harbor. The concern as stated in the law is with commerce, navigation, and fisheries. The agency charged with the obligation of providing public access is the Coastal Commission, not the Harbor District, although the District has obviously been providing public access for years in and around the Harbor and has acted consistently with the San Mateo County Local Coastal Program which encourages the Harbor District to work on the coastal trail.

Padreddii stated that some time ago there were portable toilets at the RV Lot (located at the day use lot) serving day use visitors but they were vandalized and were removed.

Tucker stated there was an earlier comment regarding Surfers Beach and asked Grenell to clarify our responsibility at Surfers Beach. Grenell stated that the District's Tidelands Grant extends from the western arm of the outer Pillar Point breakwater down to just before Miramar across the water, however District jurisdiction goes up only to mean high water. Surfer's Beach actually lies in the City of Half Moon Bay and so it is in their jurisdiction. The fact that the Harbor District is acting as the local sponsor for the Surfer's Beach erosion control project of which the U.S. Army Corps of Engineers is the lead agency, stems from the fact that the outer breakwater actually belongs to the US Government and is managed by the U.S. Army Corps of Engineers. It was built for Pillar Point Harbor, hence the Harbor District acts as local sponsor of the project to address the erosion problem, but it was made quite clear at the U.S. Army Corps of Engineers public meeting a couple months ago that local concerns about bluff erosion are outside the scope of the U.S. Army Corps project. They have to be focused and limited to impacts caused directly by the breakwater. The Harbor District has no jurisdiction on that beach or the bluffs.

Bernardo asked Grenell about the Oyster Point Redevelopment documents and asked if we are to receive feed back or comment regarding the CIP (Capital Improvements Plan) and increasing occupancy revenue enhancement plan. Grenell

stated that he is going to follow up with City Manager Nagel. He wanted to give them some time to review. Grenell is going to urge them to move this along so we can get started on improvements so we are ready for the America's Cup.

**8 Director of Finance – Frederick**

Frederick stated that she is working on a soft close of accounts and is looking for year-end adjustments. She is also meeting with Commissioners and staff and learning how everything operates.

**9 Human Resources Manager – Harris**

Nothing further to add to written report.

## **Operations**

**10 Oyster Point Marina/Park – Johnson**

Johnson stated there was a boating accident earlier that day. He stated that he had heard ten different stories. It will be awhile before exactly what happened is known. Tucker stated that he thought it was interesting that there were reports of five agencies out in the water for the rescue and stated that was very impressive. Johnson stated that the Oyster Point Harbor Patrol, consisting of Krebs and Madrigal, were the first ones to go out on the call; they returned to the dock with one victim. The patrol was asked to deploy again, this time, he, Madrigal and Krebs towed the capsized vessel back to Oyster Point.

**11 Pillar Point Harbor – Johnson**

Johnson stated the interpretive panels are being very well received and people are stopping to read them.

## **Board of Harbor Commissioners**

**12 A. Committee Reports**

Parravano thanked Johnson and the Pillar Point Harbor staff for taking care of the installation of the Interpretive panels.

**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.**

**13 TITLE:** **Identify Labor Negotiator Pursuant to Government Code §54957.6**  
**REPORT:** Savaree  
**PROPOSED ACTION:** Identify Labor Negotiator Peter Grenell

Kane identified Grenell as the labor negotiator.

**14 TITLE:** **Identify Real Property Negotiator Pursuant to Government Code §54956.8**  
**REPORT:** Savaree  
**PROPOSED ACTION:** Identify Real Property Negotiator Peter Grenell

Kane identified Grenell as the real property negotiator.

Beckett thanked the Commission and staff for the installation of the interpretative panels and stated that she was there for the beginning of the process and was happy to see them installed. Beckett stated that she is both nervous and excited that the Commission is going to be looking at a request to assign her Huck Finn lease over to Elizabeth Knier. She has been at the Harbor since 1987 as first a charter boat owner and operator and then as a boat booking shop and owner with her husband Bill. Elizabeth Knier, the proposed new lessee will continue to run a sport fishing charter boat operation. Knier and Beckett will have a separate working agreement where Beckett will be an independent contractor for a few months and Knier as a consultant. Beckett stated that she will be on board to help ensure a smooth transition for Knier and to help teach her the Harbor policies. Beckett stated that she will stay in case anyone has any questions that need answering and Knier is available by telephone as she is in New York.

Cassandra Clark stated that she was there to support Beckett and Knier. Knier is the Surf Shop's attorney and friend. Clark stated that Beckett has been a tremendous support. Clark spoke on behalf of Knier since she could not attend the meeting. She stated that Knier is a local resident and her father at one time was Harbormaster at Pillar Point Harbor. Clark has spoken with Knier regarding her ideas for her space and is very supportive of her goal. Clark stated that Knier helped them and she is dedicated to help her. Clark stated that since the first day they opened in the Harbor, their sales have more than tripled. Knier is not looking to compete with any one, only to add to the Harbor. Clark stated that she hoped the Commission looked at this application favorably and to know that the local businesses support this as well.

**Action:** Motion by Tucker, second by Padreddii to adjourn to closed session. The motion passed unanimously at 8:10 p.m.

## Closed Session

15	TITLE:  REPORT: PROPOSED ACTION:	<b>Conference with Labor Negotiator pursuant to Government Code §54957.6: Operating Engineers Local Union No. 3</b> Grenell To Be Determined
16	TITLE:  REPORT: PROPOSED ACTION:	<b>Huck Finn Sportfishing Lease Assignment</b> Grenell, Memo, Attachments Approve Huck Finn Sportfishing lease assignment to Princeton Pantry, LLC and authorize President of Board of Harbor Commissioners to execute lessor consent form
17	TITLE:  PROPERTY:  REPORT: NEGOTIATING PARTIES:  UNDER NEGOTIATION:	<b>Conference with Real Property Negotiator: Pursuant to Government Code Section §54956.8</b> <b>Half Moon Bay Sportfishing, Parcel 4, Concessionaires Building, Pillar Point Harbor, El Granada, APN 047-083-060</b> San Mateo County Harbor District, Half Moon Bay Sportfishing Lease Price, Terms and Conditions
18	Parravano recused himself from item 18. Tucker took the chair.	
	TITLE:  PROPERTY:  REPORT:  NEGOTIATING PARTIES:  UNDER NEGOTIATION:	<b>Conference with Real Property Negotiator: Pursuant to Government Code Section §54956.8</b> <b>Pillar Point Seafood, Area 3, Johnson Pier, Pillar Point Harbor, El Granada, APN 047-083-060: Three Captains Sea Products, Inc., Area 2, Johnson Pier, Pillar Point Harbor, El Granada, APN 047-083-060: Morning Star Fisheries, Area 1, Johnson Pier, Pillar Point Harbor, El Granada, APN 047-083-060</b> San Mateo County Harbor District, Pillar Point Seafood, Three Captains Sea Products, Inc., Morning Star Fisheries Lease Price, Terms and Conditions

**Action:** Motion by Bernardo, second by Padreddii to adjourn to open session. The motion passed unanimously at 8:37 p.m.

## Open Session, Continued

16	TITLE:	<b>Huck Finn Sportfishing Lease Assignment</b>
	REPORT:	Grenell, Memo, Resolution 14-11, Attachments
	PROPOSED ACTION:	Adopt Resolution 14-11 to approve lease assignment by Margaret Beckett to Elizabeth Knier and authorize President of Board of Harbor Commissioners to execute lessor consent form

Tucker reported out that the Board has approved the Huck Finn Lease assignment.

**Action:** Motion by Tucker, second by Padreddii to adopt Resolution 14-11 and authorize execution of the lessor consent form. The motion passed unanimously by a roll call vote.

Ayes: 4  
Nays: 0  
Absent: 1 (Campbell)

## Adjournment

**Action:** Motion by Padreddii, second by Bernardo to adjourn the meeting. The motion passed unanimously at 8:40 p.m.

The next scheduled meeting will be held on August 17, 2011 at the Municipal Services Building, 33 Arroyo Drive, South San Francisco at 7:00 p.m.

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Debbie Nixon  
Deputy Secretary

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Pietro Parravano  
President