

San Mateo County Harbor District Board of Harbor Commissioners Meeting Minutes

March 7, 2012
9:00 a.m.

Mavericks Lodge and Event Center
107 Broadway Avenue
Half Moon Bay, Ca. 94019

Roll Call

Commissioners

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

Staff

Peter Grenell, General Manager
Genevieve Frederick, Director of Finance
Marietta Harris, Human Resource Manager
x Jean Savaree, District Counsel
Debbie Nixon, Deputy Secretary
Charles White, Assistant Harbor Master (OPM)
John Draper, Assistant Harbor Master (PPH)

x-absent

Public Comments/Questions — Lisa Ketcham spoke and stated that the community is dealing with Highway One trails and dealing with parking issues. She stated that the lot at the Pillar Point RV Park used to be public parking. She asked that the restrooms located at the RV Park be open to the public.

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calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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

- 1 TITLE: Minutes of Meeting February 15, 2012
REPORT: Draft minutes

PROPOSED ACTION: Approval

Action: Motion by Parravano, second by Bernardo to approve the consent calendar. The motion passed.

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

New Business

- 2 TITLE: **Bills and Claims in the Amount of \$108,018.92**
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$108,018.92 to cover payment of Bills and Claims

Bernardo stated he reviewed the bills and claims and found them in order. He recommended approval.

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

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

- 3 TITLE: **Strategic Planning, Finance and Priorities Workshop**
REPORT: Grenell, Frederick, Presentation
PROPOSED ACTION: To be determined

Tucker stated that the first two hours of the workshop from 9:00 a.m. to 11:00 a.m. will be dedicated to staff's report to the Commission. At 11:00 a.m. the Commission will take questions and comments from the public.

Grenell stated that this is an ongoing process of Harbor District strategic planning and setting of priorities which happens annually. This enables the Commission to consider and deliberate on the full range of issues that the Harbor District faces. This includes facilities improvements, financial development and other concerns. Grenell referenced the Board workshop packet, which he stated was located on the table for the public's view. Grenell referred to the first memo in the packet titled 'Updating the Harbor District's Ongoing Strategic Planning Process'. Grenell then outlined the schedule for the day. He stated, again, that there are board packets located on the table for the public. He stated that he will be

giving a brief update of the Harbor District's ongoing strategic planning process (see memo in packet) and then Finance Director Frederick will give a power point presentation. After the presentation, at 11:00 a.m., there will be an hour for public questions and comment. The Commission will then break for lunch. After lunch, the meeting will continue with updating the District's priorities and achieving a list of priorities for the year.

Grenell stated that there has been some public comment that the District does not have a strategic planning process, but in fact it does, and that this annual meeting is part of that process. Grenell clarified for informational purposes that the Harbor District responds to, and serves, the citizens and taxpayers of San Mateo County, the boating public generally, and national state, regional, and foreign visitors, as well as the local communities in which its harbor facilities are located.

Grenell stated that the Harbor District's current strategic goals include:

- Maintain and improve harbor facilities at both harbors
- Increase and diversify the revenue base at both harbors
- Continue to reduce outstanding debt
- Sustain the fishing industry at Pillar Point Harbor
- Accommodate to the extent feasible and desirable increasing visitation to Pillar Point Harbor
- Adapt and respond to impacts of new ferry service at Oyster Point Marina
- Play a constructive and mutually advantageous role in South San Francisco's long term development plans for Oyster Point Marina
- Maximize the value and utility of both harbors for the boating public, County residents and taxpayers, their local communities, and visitors.

Grenell stated that the intended outcomes of the workshop are:

- An updated set of action priorities for FY2012-13
- An updated capital improvements strategy (5-year timeline)
- Updated guidance for enhanced and effective communications with, and input from, the public aimed at increasing public understanding and awareness of Harbor District purposes, priorities, and operations, and District awareness of public interests and concerns.

Frederick made a power point presentation. She stated that the purpose of her presentation is to ensure the Commission has an understanding of the current financial position as well as how the District's financial condition is expected to change over the next five years. She stated that the District is in a very strong financial position. Main points of presentation:

- Declining Debt Balance;
- Historically and over the next five years the District's revenues are expected to exceed expenses;
- As of now, the District has a large available cash balance;
- Changes made to the OPEB (Other Post Employment Benefits) program which limits the District's exposure;
- New developments which gives the District a range of opportunities such as America's Cup in 2013, which will generate short term revenue from the boaters who come to the harbor just for the event, but also expect that between the America's Cup and the opening of the Ferry Terminal which will both generate exposure, that will increase the harbors tenancy;
- Within the next five years, the District intends to sell the Post Office Lot which is a surplus piece of land;
- In the process of looking at various sites to build a multipurpose building at Pillar Point, which once developed will reduce administration rent which is approximately \$88,000 per year. The multipurpose building will have space for other entities to rent space, including a Marine Sanctuary Visitors Center which will generate revenue;
- Currently in the process of designing and conducting a cost analysis for Perched Beach;
- Oyster Point Development Parcel.

Frederick continued and spoke about challenges the District faces. They are:

- Dependence on property tax revenues (including ERAF reimbursements which are not a guaranteed source of revenue);
- Beginning various projects to repair, maintain, and develop the harbors due to aging facilities;
- In the past, the District has been able to partner with the City of South San Francisco and receive contributions from them for some projects being done at Oyster Point Marina. Now that there has been a dissolution of the Redevelopment agencies, including the City's, this brings up the question of how and if the City is going to be able to continue to contribute.

Frederick stated that the District's debt should be retired by FY 2019.

Frederick discussed the many non-revenue generating activities that the District provides; however, there is no revenue generated by these activities. They are:

- Search and rescue
- Coastal trail access

- Bay trail maintenance
- Landscape maintenance
- Beach access
- Trash removal
- Parking
- Public restrooms
- Public fishing piers
- Harbor of refuge
- Some public events

Frederick spoke about revenues vs. expenses. This graph shows Total Revenue, Operating Revenues, and Total Expenses. She stated that this year she refined some of the expenses. Next, she spoke on the graph for the OPEB (other post-employment benefits) Liability. Harris clarified that the OPEB account is not tied into retirement. Frederick stated that the District's expenses exceed the revenues as she spoke regarding the cash and cash equivalents slide.

Padreddii asked for clarification regarding the financial situation on the retirement. Harris stated that the District is enrolled in CalPers and the District's costs are based on what CalPers assigns the District. She stated that some of the cities and counties that are having problems with their retirement benefits have their own retirement system and their information is based on their own retirement numbers. Harris stated that the District is not in any danger.

Padreddii stated that the state is in the process of trying to take away any surplus and asked if we were in danger of losing our surplus. Frederick stated she believed it was the surplus from the redevelopment agencies. Tucker stated that our money is not really a surplus as it is earmarked for other projects and OPEB, so they are allocated monies.

Frederick spoke on the District's Capital Improvements Plan over the next five years. She stated that input from each Assistant Harbor Master was given. Tucker suggested that in the future, the estimated cost of each project be added to the cash reserve slide so the Commission can see what each project might cost. Grenell stated that for the current FY11/12 any funds that would be needed for any of the projects would come from the current budget and would be placed on an agenda for Board consideration. He also stated he is planning on bringing an item regarding the Pillar Point Harbor boat launch ramp maintenance dredging which would come out of this year's budget. Tucker asked how much he thought the project would cost. Grenell stated the engineers are currently working on the cost estimate.

Tucker asked Grenell to give a brief explanation regarding the guest dock at Oyster Point Marina. Grenell stated that rebuilding the guest dock is a priority due to the forthcoming America's Cup events and to service the overflow from the Bay Area marinas. He stated that the Board already approved a contract to develop the engineering for rebuilding and upgrading the guest dock so it can accommodate larger vessels, the contract has been executed. Grenell also stated that at both facilities, boat inspections are being done slip by slip to check for compliance with District ordinances regarding on-board waste facilities, operability, seaworthiness, and overall condition.

Tucker stated that there will be a five minute break.

Grenell stated that the meeting is open for public questions and comments. Tucker stated that there is a sign-up list on the table for anyone who would like to speak.

Merrill Bobele: "My name is Merrill Bobele and I live at 750 Francisco Street, El Granada, going on 36 years. I had hoped to be able to talk to you a little bit sooner but essentially there are several points that are not on the agenda but are in the Op Ed piece that was written by General Manager Grenell that was published in the San Mateo County Journal February 23, 2012. And I think that, I am speaking now on behalf of the coastal issues committee of the Loma Prieta Chapter of the Sierra Club. I just wanted to remind you that the issue of public access to the day use parking area at the RV Park and use of the restroom continues to be of importance to the coastal access at Surfer's Beach. I think that today's workshop gives us an opportunity to take a look at the relation of the Harbor District and some of the other projects and planning taking place in the county. I'm referring to the February 29, 2012 community meeting that was held to discuss the second phase of the draft of the mid-coast safety and mobility study, sometimes it is referred to as traffic and trails. Having today's workshop after the 'Op Ed' piece, after the presentation on the 29th makes a lot of sense because the Harbor District is connected to some of the issues and problems that were discussed in the study and all the options for parking and traffic safety made reference to the parking lot at Surfer's Beach. There were two options, I'm not going to go into the details, option A and B, but other than to say that both of them mentioned additional parking at the RV Park and day use area. One of the options, option E, actually mentioned that the suggestion was in the report that the Harbor District and the RV lessee moved the RV Lot to the lower Harbor lot and convert the existing lot to beach parking and then there would also be diagonal parking on the west side of the highway. Speaking for myself, I think that we have an opportunity now to have seen the power presentation and think that it raises some other questions which can be used as a format for which takes place today. The 'Op Ed' piece written by General Manager Grenell mentioned that, if I can quote "maintaining and improving our facilities must continue at both harbors," and I think that of course that this leads relevant for what we do today. So the questions that I would ask would be: 1) What is the mission of the harbor district, which should be made clear, 2) who does Pillar Point Harbor serve. I think we have had some discussion on that. I mean I've heard references to who the people it serves but I haven't actually seen it in writing, 3) How can the harbor district best serve the users of the Pillar Point Harbor, 4) What action plans for this year and the five year future time frames that Peter Grenell mentioned in the 'Op Ed' piece, 5) How will they accomplish these goals,

6) What are the cost of the plans and how are they going to be financed, 7) What are the next steps, in other words the meeting today I think is important but we should leave with an idea of what are the next steps, for example, finding into the future these five year periods I think that it would be a good idea to take a look at the 1991 Harbor District Master Plan and talk about some updating, 7) Who would be responsible for completion of these goals and how would you measure success. I think these things are all legitimate for today.

President James Tucker: “Thank you. Before Mr. Grenell responds to our mission and the use of our facilities, let me just also point out the Lisa Ketcham also spoke on the parking down at the RV Lot. We know that is an important point. We couldn’t respond to her in that context because it is not an item on the agenda but now that we are in the open area, we can comment. Peter did you want to respond to Mr. Bobele’s questions?”

Peter Grenell: “Certainly. Ok, Mr. Bobele referred to the question of what is the District’s mission. I would direct him to the District’s web site, the very first thing on there says mission statement: ‘To assure that the public is provided with clean, safe, well-managed, financially sound and environmentally pleasant marinas.’ So that’s the answer to that question. The second question was who does the District serve. I mentioned this in my presentation; I refer you to page one of the packet which you should have, if you do not have a copy sir, I suggest you pick one up, the bottom of page one it says ‘The Harbor District responds to, and serves, the citizens and taxpayers of San Mateo County, the boating public generally, and national, state, regional, and foreign visitors, as well as the local communities in which its harbor facilities are located.’ That is the answer to your second question. Now, how can the District best serve the people at Pillar Point Harbor. That is an ongoing activity. We’re actually involved in trying to answer it right now today in this meeting and at past and future public meetings, again the public can communicate with us in a variety of ways, as you know, but we would certainly be remaining open to hearing suggestions for how we can indeed best serve you all. You refer to Pillar Point specifically; frankly, the Commission’s concern is with Pillar Point and Oyster Point. That is the overall mandate to the harbor district. So we are not limiting ourselves to only Pillar Point. In fact, we just heard a suggestion about moving the existing RV Park to the Pillar Point Harbor lower lot and make the RV Lot public parking. Well, that is a suggestion. That’s the kind of thing we’re looking forward to always from the public, the question of what happens and next steps, that’s a latter thing, but that’s the kind of input we’re looking for to help us resolve issues on a mutually beneficial basis. What are next steps, good questions. Next steps: by the end of today, we hope and expect that the harbor Commission will provide, at least to some extent, an answer to this question. The some extent will be an updated list of priorities for our major attention. There may be other things that are important to you all that the Commission needs to know about, they may become priorities in the Commission’s view, they may be already, or they may be seen for reasons which would need to be made clear why they cannot be made a priority, but in any case, at least a major step would be by the end of today, we anticipate to have another public meeting, as I’ve said before, in a more informal setting, probably an evening meeting as well. We’ve had a couple of those already recently. We will have another one, that will be another opportunity to pursue that question of next steps. I think that’s my response at this point to your questions.”

President Tucker called on Fran Pollard to speak. Pollard stated that Brennan would like to speak first as she needed to leave to go to work. Tucker called on Brennan to speak.

Sabrina Brennan: “Thank you. I’ll try to be brief. So a couple months ago I submitted a letter to the Commissioners and also spoke during public comment at a regularly scheduled Harbor Commission meeting and asked that the Commission give consideration to videotaping the Harbor District meetings. I think it would be a great public service and it is a standard practice now with other districts and boards and public agencies. And seeing how this particular District receives so much property tax money from everybody in the entire county, I think it would be a benefit to the taxpayers to be able to tune into these meetings on public access television. I talked to Marty who runs PC TV in Pacifica. He said if the video was provided to him he would run the video at no charge. He cannot afford to send a videographer to each meeting for free, so the District would obviously have to come up with some funding to pay a videographer to videotape meetings. That’s being done by the San Mateo County Board of Supervisors, the Fire District, and other local Districts around the area, I won’t get into a long list. It’s an expectation the public has and I’d love to hear the Commissioners discuss it at some point, unfortunately I cannot stay today. So I’m going to move onto the next point, which is I think that the Master Plan is very outdated. I would really like to see the Master Plan either revised or completely redone. In that process I’d also hope the Commission would include a public workshop process in the preparation of a draft of a new Master Plan and that when eventually there was a bid put out for the development of the Master Plan, I assume you would have to hire some type of planning group to produce it, that that request for proposal would go out to multiple firms that have experience working with planning for marinas and harbors. A level of expertise that would help bring a Master Plan up to current thinking. Next item, lack of accessible restroom at RV Lot. I understand that there has supposedly been some changes with regard to that, but all I know is that the restroom is still not accessible to the public and I think that you guys have been hearing about this for a long time, the public feels it is unacceptable and frankly we still shouldn’t be talking about it. This issue should already be resolved and I hope that it can be soon. The ten dollar parking fee at the RV Lot is too high. People should not have to pay ten dollars to park at the RV Lot. There should be a more reasonable parking fee and just on a side note, all the signage all over the RV Lot that lets people know they are going to be towed is really tacky looking and if there is a way they can bring down the level of the signage, I don’t know if you guys have been there, but there is signage everywhere and it just looks cheap and tacky, there’s no reason for things to be like that there. Onto the Admin building location, I’d really like to see the location be vetted with the public thoroughly in a multi workshop format during evenings and weekends. It sounds like from what Peter said, that that’s the direction you guys are going in and so if that’s the case, I really encourage that and I’m glad that you are going to work on cultivating public input and creating something that is going to benefit the community as well as provide space the District needs. Thank you for your time, I appreciate it.”

President Tucker: “Just by way of comment, I hope that we’ll have time this afternoon to go over some of these items I have jotted down that you brought up.”

President Tucker asked Bobele if he had a comment to make.

Merrill Bobele: “I was going to say that the Mission statement and all that, I understand that and I know about it and the groups that the Harbor District which includes Oyster Point of course it wasn’t meant that I have not recognized that. I think what was important is that now’s a very good time for some of the other studies for the Harbor District to get involved in which are solutions not just a harbor District issue, but include Caltrans, involve the County, and even the City as far as I’m concerned. It’s just a reminder that those are still issues which you have recognized but perhaps solved all the problems.”

President Tucker: “Thank you. Before I ask Ms. Pollard to make her comments, I just wanted to say also that in addition to what Peter said, this Commission has always prided itself on the fact that, although we try to operate as a business, because we are an enterprise District, that we do receive as was pointed out, \$4.2 million in property tax, our goal is to get away from that stipend. Through development, through management, just to be self sufficient as a true enterprise fund is. But as far as the people we serve, although we try to run it as a business, we have always maintained and always said that our first loyalty is to serve the community. That’s our first responsibility. So often time you will see that we don’t charge for various things that we do that other groups have to pay for, certain permits and stuff like that that because they are non-profit 501(c)3 because we are community oriented, so we give those away in an attempt to be more compassionate with our community service. But thank you. Ms. Pollard.”

Fran Pollard: “Good Morning. Thank you for letting us speak. I’m Fran Pollard. I’m part of the Midcoast Park Lands Committee and the Burnam Strip Committee “Save the Strip”. You’ve probably seen the sign out there, well it’s not out there now. Our group has written letters, and I hope you have copies of it, of the Burnam strip as someday a park and it’s in conjunction with the Highway replanning that’s going on right now too. So one of our suggestions was to make parking on the west side of the highway and not on the east side as it is now. But I also agree with the other comments, we also suggest that putting it in your Harbor District parking, that whole big parking lot is empty most of the year. There ought to be some signs informing the public that they can go in there and park. Of course, if it is possible, I also agree that if you could move the RV’s up to the bigger lot up top, and put beach parking down below where the RV’s are now and where that little use to be surfer parking, they use to go in and out all day long now no one hardly uses it because of the ten dollar fee and that seems really unfair. So if that is at all possible, that would be the ideal. But at least, if it is not possible to move the RV Park, then I think this whole big parking lot at the harbor should be open to public parking. I had a couple of questions. I have a couple more copies I’ll give you of those, but when Genevieve was doing the last page, other opportunities, so I found out the ferry terminal is not in San Francisco but it’s at Oyster Point. I would also like to know what other surplus land you have beside the post office, do you have other parcels?”

Frederick stated that there is no other surplus land.

“And Perched Beach, we’re absolutely against any development on Perched Beach. We hope you keep the development within the harbor and not somewhere else, because I’ve heard of

requests in El Granada too and that seems out of character. Harbor business oughta be in the harbor.”

Tucker: “Perched Beach is within the Harbor, would you agree?”

Pollard: “Yes, but you proposed a building on that at one point, so we are against that and against building on Perched Beach and against building in El Granada, but anywhere in the harbor on your property is great. I guess that is my main thing. I don’t know alot about Oyster Point.”

Tucker: “Just one question, and thank you for your comments. If we were able to put parking on one of the lots we have inside the harbor, would you have objections if we charge for that parking?”

Pollard: “Well not if it is RV and it is all day, but there probably should be some minimal parking for minimal use, like half hour or an hour or a couple of hours. It should be less than ten dollars.”

Tucker: “I think if it was inside the harbor, not the RV Park but the harbor, I think we need be mindful of people parking all day there and going to work someplace else and that would taking advantage of the system. Right now with the RV Lot we are in a lease and we can’t just say get out and move the RV, so we are kinda locked in there.”

Pollard: “You’re not talking about that ninety nine year lease are you?”

Tucker: “No it’s not a ninety nine year lease.”

Pollard: “Fifty years. I mean can’t it be changed sometime in the near future?”

Tucker: “I don’t know. We can certainly look into that.”

Pollard: “Okay, thank you.”

Tucker: “Ms. Ketcham, you spoke earlier about that parking, did you want to speak some more on that?”

Ketcham: “I have some questions. Lisa Ketcham, Moss Beach, I am on the Mid-Coast Council but I am speaking today as an individual. The launch ramp dredging project, where are you going to put those dredging, how does that fit with the Perched Beach project, what is the plan for Perched Beach if not a building, is it going to be a parking lot or what, and the west side trail erosion repair, what type of repair are you planning, will the trail surface remain the way it is, we like the way it is, if you’re dredging from one place it seems you can put it there where it is being eroded, seems like that would kill two birds with one stone rather than filling in perched Beach.”

Tucker: “Peter would you like to respond?”

Grenell: “Yes, let me give you some information Ms. Ketcham. First, the maintenance dredging at Pillar Point Launch Ramp, this is a routine maintenance dredge, it’s only going to be around 3,000 to 5,000 cubic yards. We’re trying to determine exactly how much, but that’s a tiny amount compared to five and six figures worth of dredging in terms of a major harbor development, which we’re not planning. Where we put it, it’s going to go on Perched Beach. For your information, Perched Beach is itself a pre-approved dredge material disposal site. Everything you see, everything you walk on out there is dredge material. That’s its

origin. So, that's where the launch ramp dredge material is going. It's pre-approved by all of the regulatory agencies. Practically speaking, where it is actually planned, and in fact I was out there with the Department of Fish and Game and the engineers earlier this week, going over this once again, we have been out there with all the necessary agencies, Assistant Harbor Master Draper and I have been doing this, and the material will be placed at the opposite end of Perched Beach from where the kayak company vendor is now, at the far end, so it will not interrupt those actions at all. Basically the dirt down there will be burned up a little bit and the material that's dredged will be placed behind the burms at the far southeast end of Perched Beach and will become part of Perched Beach. Let's see you had a couple of other things, west trail erosion, yeah, what is that, well have you have been out on that trail?"

Ketcham: "All the time."

Grenell: "So you've seen areas that have been marked off with tape, that's the reason for the project, the trail's eroding. It's basically becoming unsafe. There are two parts to this, one, there are pedestrians of course, but secondly the need for emergency vehicles to get out there, emergency vehicles meaning sheriff, fire, ambulances, to get out as far as the beach. That trail is basically maintained by the Harbor District on Harbor District Land. There is also some Air Force land that the trail passes over. We have a five year agreement with the Air Force that gets renewed that allows us to have the trail on their property, but all the maintenance is our responsibility. So for that project, the concern is to first determine exactly what's happening with that erosion, is it coming down off the Pillar Point bluffs, is it also in part coming from wave action within the harbor itself, and then what will be the solutions. That's what that project is. We are in the process of obtaining preliminary estimates of what actual work will be needed to solve the problems, contain it for the future, and then we plan to budget money in next year's budget to actually get the work done so that we don't end up having to shut the trail down entirely for the public. So that is the purpose of that. That's a classic example of a non-revenue producing activity or project that the Harbor District carries out for the benefit of the public. We don't get a dime off of that. But, we feel that it is important enough, it is part of our mandate within the Harbor. You should be aware that the parking lot that serves that trail and Pillar Point marsh is a parking lot owned, built, and maintained by the Harbor District. It was required by the Coastal Commission back in 1990 when the boat launch ramp was built, was required as mitigation for the loss of beach where the launch ramp now exists. That's an ongoing responsibility of the District. Dealing with any improvements to that parking lot will be part of that west trail erosion control project. So, we're looking at what could be a sizeable amount of money on that, we're waiting for the engineer's estimate to see just what the ball park is going to be on that. Now, your last point refers to what is the Perched Beach plan. Well, at this particular stage, and this is an ongoing thing that you can count on the District continuing to have an open door with the public on sorting out on how finally what will happen on Perched Beach gets determined and resolved. At this particular point and time, the update is as follows: 1) the District had originally thought about a multipurpose building on Perched Beach that would contain our administration office and also the Gulf of the Farallones Marine Sanctuary's visitor's center for the San Mateo coast. They have said having completed a yearlong community planning process that the preferred location for their visitor center is in the Harbor. They cannot build a building of their own, but they would be able to rent. So the idea occurred to us that we could build a building that could house not only our needs but also the visitor's center and then the visitor's center rent would help, over a long period of time, defray the cost of the building. Pretty straight ahead project. We heard from the community that the beach would

not be the most desirable place for that building to go, it's not essential to be put on a beach. The Commission heard that and decided to put it elsewhere in the harbor and that's the plan right now. So there will be no visitor's center and District office on the beach. Well, what about the rest of the beach? We've also heard from the community suggestions for very interesting multiuse possibility, which is a combination of public water-related recreational activities. The kayak business that is out there is just one example of a number of possibilities, and a meeting room, possibly even some community-serving compatible retail uses. That's one potential use. There have been no decisions yet on any of these other uses. We have also, which was stated in the earlier presentation, looked very closely and have been in contact with a number of Federal, State, and local organizations, agencies, and institutions that have concerns with ocean and marine conservation relating to habitat protection, species conservation, and marine research ranging from the National Weather Service to Skyline College to the fledgling state applied fisheries research organization, that could be potential tenants at Perched Beach that might have a compatible marine related reason for locating at Pillar Point Harbor. Again, these are contacts we've had, no decisions have been made, no deals have been cut, no money has been allocated, it's still a very much open book. One last point in terms of what the planning process is coming up with, again in response to community concerns about the beach, we have now included a proposed expansion of the Perched Beach area to the southeast. And in fact when I was with Fish and Game with Assistant Harbor Master Draper the other day, we were talking about that very thing. The idea would be to expand the beach to provide even more public beach access. That's going to be part of the plan, very definitely. It is a community desire; it makes sense to expand that. The San Mateo County local coastal program has policy language in there urging support to the Harbor District to provide more public access to the shoreline. We take that seriously, that's going to be part of it. So, I think at this particular point, that's where we are at with Perched Beach. As I say, there will be more opportunities through more public meetings to hear from you and others in the public and to interact. Again I want to stress that what we would most usefully glean from you all would be suggestions that we could then consider, but around, see what makes sense, what doesn't, what's doable, what's not, in other words, a positive approach to that. And with respect to that, let me just end by commenting, I've heard a couple of comments now about the 1991 Pillar Point Master Plan and maybe what should be needed is an update of that plan and planning process involving the community. Well, as an update to that, we've already reviewed that plan, we've looked at the dozen or so objectives of that plan, we've done an internal status update as to the achievement of the goals of that plan, some have been achieved, some have not, mainly because of lack of money, others have been bypassed by actual events since then and so are no longer relevant or applicable. We can make that information public to you, it sounds like it would be a useful thing. So, that's the first part of it. As far as ongoing Pillar Point Master Plan process, at this particular point, given what we're involved in right now, we frankly don't see the need for that, especially for the following reasons: 1) the mention of again having consultants on hire through a RFP proposal request is something we feel, number one, is a needless expenditure of money that might be usefully spent doing something at the beach by way of project activity, 2) in fact, a couple of years ago we applied to the Coastal Conservancy for grant funds in fact to update that Pillar Point Master Plan since they had funded that plan back in 1990, they told us sorry we don't have grant money for that anymore, we do have money for projects, like the coastal trail. That's where we want to aim our money, we don't see the point of putting in a lengthy amount of time and money going through a process that we have underway at this time. In fact, today we're engaged in that process. So, we would

anticipate through further meetings, as I've said and that's the last time I'm going to say it today, that we can again get more input and interchange so that we can move ahead on these things".

Tucker: "We also have a subcommittee of this Commission that deals with the overall Pillar Point experience and what we are trying to achieve in the future as well as Perched Beach. Not to cut you short, Peter, but there are two further comments. Go ahead Ms. Ketcham."

Ketcham: "I actually want to clarify, my question of Perched Beach was, so the plan is still to put the bulkhead and fill in with the dredging?"

Tucker: "Currently, that is correct. Because if you look to the future a little bit, as the economy changes, we also have approval from the Department of Boating and Waterways and funding for a 71-berth marina that may well go in there and that bulkhead would have to be approved if put thorough anyway no matter what we do on Perched Beach."

Ketcham: "So I just wanted to clarify that. So the plan, as it is in your chart, is to put the bulkhead and fill in Perched Beach?"

Tucker: "Yes."

Ketcham: "And the other question what I had about the trail, so if I understand correctly, you're saying this current fiscal year you're doing the study of what's needed and then at some point it will be determined what kind of repairs are needed and that the work will be done next fiscal year, is that what you're saying?"

Grenell: "That is correct."

Ketcham: "And then the surface of the trail itself, that was my, so that's not determined yet?"

Grenell: "Not determined yet."

Ketcham: "And the parking lot is determined in that?"

Grenell: "That's right."

Ketcham: "Just to tag on a question to that, I was active for several years with the Mid Coast Parks and Rec Committee which Dave Holland was heading at that time, and the plan as he explained it to us was he was going to approach the Harbor District and offer for the County Parks to take over that parking lot and trail maintenance, take that off your hands and part of the deal would be hopefully get the RV Park moved and get a bathroom available up there and apparently that all didn't happen and it's off the table now."

Grenell: "Well you mentioned two things, firstly District/County collaboration/cooperation relative to the parking lot out at Pillar Point marsh, yes, Dave and I did talk about that for some period of time. There were concerns that we didn't have time to address because Dave moved on to another position in the County, so that's basically on hold, is the way I could best put that."

Tucker: "Parks has now been moved into the County Public Works Department."

Grenell: "That's right."

Ketcham: "Mid Coast Parks and Rec still meets and we have Sam Hertzberg there now and part of the money was to upgrade the toilet out at the parking lot and fix that surface and I understand you have budget issues and this is something you have to spend money on, it seems as if that was something that Parks wanted to take on, why....."

Grenell: “We haven’t heard that. That’s the first we’ve heard of that.”

Tucker: “They told you that, but they haven’t come to us.”

Grenell: “The thing about this is that, as the Harbor District there are things we need to do and if you’re around this afternoon you’ll hear about priorities. That’s something that someone else sees as a priority. At this particular point and time, it is not for us, we don’t have the time frankly to take the initiative on that. If Parks wants to pursue that, they should contact us and we can see what we can do about it. But for us, the priority is public safety and we don’t want to have to shut down that trail or face a lawsuit because of somebody getting hurt because of erosion. That’s our priority out there.”

Tucker: “Ms. Pollard had something else she wanted to add.”

Ketcham: “At what point will we know what treatment is going to be required to repair the trail and what surface.”

Grenell: “Okay, I can’t give you a date but our engineers are working on that, in fact, about several days ago the engineers were on site and I was talking to them briefly, they expect to be able to bring us their information before the end of this fiscal year. You’re quite correct, any implementation work would then happen in the next fiscal year starting July 1 on that. One last thing, I didn’t pick up on another comment you made, you referred to the day use parking lot fee of ten dollars as being too steep. For your information, we have documentation from the state developed parking, meaning paved, striped, curbed parking, that the prevailing price for that in terms of a parking fee is ten to twelve dollars, so we’re right within the range all along the coast. You have to remember, these things cost money and the person or entity that provided that is our lessee at the RV Park and so that was part of the hundreds of thousands of dollars that the lessee put in to improve that parking lot. I can assure you that before that was done, and some of you may remember, it was a dirt lot with pot holes and so on, we even had a lawsuit back then, and we were spending eighteen to twenty thousand dollars a year and lots of Harbor Patrol time maintaining that parking lot, and once again, you need to understand that the Harbor District’s primary purpose for being, its primary role, is to build and maintain harbors. We happen to have that thing, if someone wants to buy it out from us, the Harbor Commission would entertain that purchase offer. That would be one less thing we would have to deal with and we could take that money and put it into the harbor. So all of the things that you are concerned about relative to that area you should keep in mind, again when you talk about moving RV parking into the harbor, the harbor is there with certain mandates and requirements relative to its being a harbor, for example, the big parking lot, we’re not at liberty to simply put RV parking there or any other kind of parking. That was built with grant money from the state Boating and Waterways Department, that was part of the launch ramp project. The fact is if we wanted to use that part of the parking lot for other purposes, we’ll have to give them back the million and a half dollars grant. Now, if you’ve got that in your pocket, we can consider that. But we don’t number one, number two, is you have to think of the boating public, our major constituent group. In fact, if there is a salmon season, I urge you to come down to the Harbor and see the lineup of boat trailers trying to get to the launch ramp. Assistant Harbor Master Draper, who has been there for years, can describe to you how busy it can get. That parking lot is needed for that, we are not at liberty to simply turn it over. If that’s something that the community really wants, well one of the things you can do is consider alternatives not including that, to moving parking off of the RV Park place. The other thing is find the funds and buy it out and then you can do whatever you want with it.”

Tucker: "Peter, let me move on. Ms. Pollard, you had a comment."

Pollard: "I just wanted to follow up on the dredging; Mr. Grenell said it's all going to go on Perched Beach?"

Tucker: "At the far end of Perched Beach."

Pollard: "Okay, but is it not possible to put it on the other side of the breakwater where the beach is eroding? That dredge material."

Grenell: "If I may, and I will be much briefer than I just was, my apologies to you all. As a matter of fact, we are under contract with the United States Army Corps of Engineers to come up with solutions for the erosion of Surfers Beach, outside the breakwater. That's what you're referring to, and indeed, there were thoughts of putting the dredge material out there, status of that is as follows, the Corps of Engineers probably by the end of this fiscal year, end of June should have completed what they call their base line conditions study. What's out there now, how does the water work, what's the hydrology, what's going on and so on. They've had a whole series of meetings and detailed scientific investigations and so on. Once they have that, they will then identify a series of possible alternative solutions that they will then have to test through computer modeling and actual physical modeling. Now, about the time they are going to be ready to move to that stage, there will be at least one public meeting called by the Corps. We formed a working group of technical resource people, government agencies, community representatives, and so on, to provide input to the Corps of Engineers, we will certainly be reconvening the working group, these are public meetings anybody can attend, and so that will be another opportunity for the public to say to the Corps of Engineers which is the lead agency, "Here, when you're looking at alternatives, look at this alternative, look at that alternative." Again, what they're going to be needing to come up with is a solution or solutions that do the following; 1) that control and maybe reduce the erosion, 2) that do no or only negligible damage or impact to the marine environment, that means habitats and species in the ocean. The Marine Sanctuary made it quite clear that they would not support any solution that does not make those impacts non-existent or minimal. The Marine Sanctuary is part of our working group. They are working cooperatively with us and the Corps Engineers on that."

Tucker: "And that's your attempt of brevity?"

Grenell: "I'm working on it."

Tucker: "Let me suggest this. We need to move on. Do we want to go into updating the priorities and begin to do that now? We're really on a good schedule and maybe we can have an early lunch and a working lunch. And we can conclude a little bit earlier and then those of you won't be stuck here until four o'clock. Maybe we can move this along and you can participate or at least listen to the update in priorities. The question and answer portion is kind of concluding now, but we'll be around. And if we go to a working lunch and we do our priorities update, then we will be available later to answer questions, too. And we can kinda be flexible in that area."

Pollard: "Can we be notified of these working meetings?"

Grenell: "Oh, you certainly will."

Tucker: "Do we post them on our web site?"

Grenell: "We post them and all that, but if you can put your name down on the list, we can e-mail you directly."

Pollard: "It's on that yellow list."

Grenell: "Fine. Then you will be certainly notified."

Tucker: "There's no e-mails on here though."

Ketcham: "So if we're on your agenda list we'll get these notice for these meetings too?"

Harris: "Yes, they're posted at the offices."

Tucker: "They're posted at both offices, but they're also on our web site also, aren't they?"

Grenell: "Yes."

Ketcham: "You have an e-mail notification list for agendas, so these other meetings will also be sent?"

Tucker: "Add your e-mail to that list, or you're already on it?"

Ketcham: "Yeah, I already am."

Tucker: "You'll get the new stuff too."

Tucker: "One last comment. That's what happens is the back and forth and then we don't get very far. Go right ahead."

Bobele: "You mentioned something about the Harbor District operating on an enterprise basis, that's not quite what you said, and General Manager Grenell mentioned there are these costs which you don't get reimbursed for or you don't have revenue coming in for but there is an indirect way that the Harbor District receives some benefit from some of the services that you provide and you mentioned some of them. When we have visitors on the coast, they spend money here, they spend that money at some of the businesses that are actually part of the Harbor District and purchase fish and meals at the restaurants. So indirectly you are receiving some revenue, whatever that may be. It may be a small amount."

Tucker: "We receive lease payments from those people who have those businesses. However, search and rescue, no one pays us a lease on search and rescue. So, when I say enterprise fund, meaning if you're declared an enterprise fund or District it means you're self sufficient, what you sell or what you barter for is what runs your organization and we are sixty probably close to seventy percent an enterprise District. We got maybe \$4.2 million last year in property tax and we're working towards developing things that will cause us to receive more monies and lessen the need for property tax. We've just got to move on. Peter. Are there any more questions?"

Grenell: "Okay, we are now updating District priorities, and this is a standard feature of these workshops where the Board reviews and considers progress on achieving the priorities that were updated just about a year ago. So, I direct your attention to the hand out to the third relatively brief memo entitled 'Progress Report on Priorities Accomplishment.' I don't need to say too much about it, it is pretty straight forward. It gives an update as of February 7th."

Tucker: "Peter, where is that?"

Frederick: "Page 18."

Grenell: “Page 18 in your packet. So maybe in the interest of not hearing me speak as much, you might want to, Commissioners, take a look at all of these and I can answer questions if you have any. Obviously Assistant Harbor Masters Draper and White can also.”

Tucker: “We are doing very well on time. Why don’t you briefly gloss over them and if questions come up, the Commission can ask at that time.”

Grenell: “Fine. New district multipurpose building. Contrary to what appears on certain web sites, in fact what this building does is, as I mentioned earlier, provide space for the Gulf of the Farallones National Marine Sanctuary Visitor’s Center, and our District Administration office. For those of you who don’t know what this kind of office does and what that means is that’s the place where people’s paychecks come from, where we pay bills from, where any administrative matters relating to Harbor Commission functions are, any responses and interactions with other agencies, which we have heard a number mentioned today, come from and so on and so forth. Agendas, minutes, Board meetings, for example are produced there and then subject to Commission action to accept. So, on the multipurpose building, the site that is currently being considered seriously as the preferred site by the Harbor Commission is on part of parking lot B located behind the lessees building: the restaurants and party boat operations and surf shop. That site was actually suggested by a member of the public at one of our previous meetings and we did look at it and it looked good enough to investigate more fully, which is what we are doing right now. There’s been no final decision on this yet, the Board will need to consider that based on the information that it will be receiving probably before the end of this month.”

Tucker: “That will be the Committee’s recommendation to the Commission.”

Grenell: “That would be the committee’s, yes. And just so you understand how we function, the Board has created Ad Hoc committees for certain specific purposes, there’s one that covers this, this material will go to that committee, that committee will then bring it to the full Commission for action. If in fact the Board does decide that’s the place they want to put this building, then I would anticipate they would call for a request for proposals process to hire architectural design services to actually design the building. None of that is happening right now, that would happen at a later stage.”

Tucker: “And as far as Perched Beach goes, that would then move the Administrative offices and the Visitor’s Center from Perched Beach consideration over to more inside the harbor so to speak.”

Grenell: “That is correct. And just to let you know, in case you’re not familiar with the site I’m talking about, or have looked at it closely, one of the issues that was raised about Perched Beach was potential blocking of views. No views are blocked from this site, it’s quite clear, there’s a row of trees, it’s set down below a bluff, there’s not a visual issue. Secondly, because it is off the beach, that issue and concern is resolved. Thirdly, the location of that is right in the harbor, which has potential benefits for harbor businesses particularly regarding the Visitor’s Center and all the people who will come to it, they’ll be right there. So that’s the status of that, and in effect, likely next steps. Pillar Point Perched Beach Development; basically I responded to Ms. Ketcham’s question about that, so I don’t think I need to repeat myself about that. The one thing I can do is, again, and this is on page 19, intend to complete the dredging before salmon fishing season. We understand that a decision by the Fisheries Management Council on a season, meaning will there be a season and if so, how long, and other sort of regulations, is coming April 5th. So it could be a season starting later in April

possibly, who knows. We don't know if we can get the Launch Ramp dredged that quickly, but certainly we would be putting that as our number one priority because of the importance of the season. Again, moving down the line here, Organization; we are trying to hire a new Harbormaster to replace the retired Robert Johnson. When that's done, I will not be doing two jobs anymore. We have had a large number of applications, we narrowed that down, we had a first interview process with half a dozen candidates, we are now moving into the next stage. I'm anticipating that we can bring someone on board in April. Coast Guard Presence; that was mentioned briefly in the past, that's kind of on hold now and some of you may have seen in the paper recently that the Coast Guard's budget is going to get slashed, so this may put a hold on the activity that we began with Coast Guard station San Francisco several months back, actually toward the later part of last year, in which they have indicated a definite interest at having a presence at Pillar Point, even located a potential site for a 47' craft and a dock, but again, that's on hold and we're not doing anything with that pending hearing from the Coast Guard as to whether their in a position to move ahead on that. Paid Parking; we've done some preliminary review of possibilities to do that. Where does this come from? Well, the overriding thing is looking at all kinds of possible revenue sources to augment what we get now; for your information, Pillar Point Harbor is the only harbor on this whole regional coast that does not have paid parking, which is an anomaly and that's what sparked the investigation of this. As I say it's on hold for the time being and we will get back to that another time. Oyster Point Redevelopment; again, by agreement with the City, we have a parcel that the District can develop for revenue generating purposes. We need to get back in touch with the city now that the whole redevelopment picture has changed drastically, meaning that the City won't have a Redevelopment Agency anymore and no tax increment financing which puts a cramp in their redevelopment plans overall for Oyster Point. How that affects our potential developments remains to be seen. We'll be in touch with the City very shortly to explore where do we go from here and next steps. Oyster Point Dining Cruises; as a matter of fact I anticipate March 21st to bring to the Harbor Commission at that meeting a request to approve a Commercial Activity Permit for an individual and a firm that has a 258 passenger excursion boat that would do special event cruises out of Oyster Point Marina. They would use our guest dock. They indicated from the outset that they are very interested, also in taking advantage of the America's Cup situation, so we see the potential for a very mutually beneficial cooperative effort there to provide a cruise opportunity. They are highly visible and so they would, in our estimation, bring in more business to Oyster Point. There would also be a small, real revenue stream from that activity. So, March 21 is the next step on that. Now those were the top priorities that the Harbor Commission updated last year. There was a second level group: Pillar Point Inner Harbor, basically with the shifting of a preferred multipurpose building site into the inner harbor that we mentioned before, that now becomes a live situation under that priority. The Pillar Point New Pier; that's on hold because of all of the activity you have heard us talk about so far this morning as being higher priority in terms of ability to actually get decisions made, and things implemented. The Board last year said for a bunch of other things that for the Harbor District and the Commission are of lower priority, but still of interest and they want to keep apprised of it. They said please keep us abreast with progress reports. So that list is there. Ferry Terminal; the last word we heard from the Water Emergency Transportation Authority is they hope to have service start and a kick-off event April 30th at Oyster Point Marina. Oyster Point Breakwater Reconfiguration: Wave Attenuators; Assistant Harbor Master White and I have had meetings with the Corps of Engineers' construction people, the latest schedule from the Corps now says that because of delays in the contractor getting materials, it's something

out of everyone's control, actual construction on-site in the water looks like it's put off until August. It's apparently a two month job, and that's the item that we will eventually get \$600,000 reimbursement from the City of South San Francisco. Why? because we are involved in upgrading a facility that actually would be owned by the City. We have been the front end funder, so we will get reimbursed. Surfers Beach Shoreline Improvement: I've given you that update just previously in a response to a question. So I won't repeat myself on that. Water Quality Study: the San Mateo County Resource (RCD) Conservation District, located in Half Moon Bay, is well under way with this very important study. Basically, the purpose of this is to find the origin or origins of selected high chloroform counts in a particular location in Pillar Point Harbor. This is not within the inner harbor. This is in the outer harbor. Even though they have not definitively identified sources, it looks like it's from sources that actually are originating inland, not in the bay. In any case, that study continues. One of the things we're doing with them and expect to bring to the Board is a draft Memorandum of Understanding, basically an operating contract with the RCD, where the RCD will train District Pillar Point Harbor patrol staff on water quality sampling within the harbor, so we can keep closer track of water quality in that set of locations. The RCD would then take those samples from the District, get them analyzed and provide summary information as to the status of things. So, we're developing a working relationship with the RCD on that. That is something we will be keeping you all abreast of as time goes on. Related to that, there's two other things going on, one of them I referred to earlier and that's the inspection of all vessels berthed at Pillar Point Harbor, this is also going on at Oyster Point, and then Harbor Patrol at both locations is working on the one hand with the boats to try to get compliance on the toilet facilities and if that's not possible, then we're moving to remove those boaters and their vessels from the harbors. Lastly, we've applied for a State \$17,000 grant, to help us replace Pillar Point's aging pump-out facility. This was announced at an earlier Board meeting, we expect to get this grant and we will, one way or the other, be replacing the pump-out facility which has exceeded its design life and is now subject to high maintenance, so we will replace it with a brand new facility that will help Pillar Point boaters and facilitate their ability to keep their vessels in compliance. West Parking Lot and Restroom: again, this was raised by a question from one of you a little while ago, and I gave you the update on that so I won't say anything more about that at this point. Last item, Sea Level Rise/Climate Change/Alternative Energy: we have been in touch with the State Lands Commission and the Coastal Commission about this concern with sea level rise driven by climate change and we've also been in touch with the Farallones Sanctuary about it as well. State Lands Commission asked all of its tidelands grantees, and the Harbor District is one because Pillar Point Harbor and the area that it contains is a tide lands grant and we responded to them over a year ago with responses at the time as to what we would be seeing as needed to respond to sea level rise relative to two things, one, our existing facilities and secondly, to potential developments. This is where the reference to Perched Beach comes in given what's being projected in terms of sea level rise, Perched Beach as we know it, if left to its own devices, won't exist anymore and so we felt that it is important enough to try and protect it hence the bulkhead that is being designed to literally protect that whole Perched Beach area. Now, one can say what about access to the water, that is why I said earlier still goes that we intend to extend the whole beach farther east to provide what amounts to twice as much beach even though half of it would be covered by a bulk head. So, the net result would be no loss of beach area. You could say that beach would be subject to sea level rise, well that is something we have to consider. Since we are considering Perched Beach as a possible development site, given that we have an alternative location for expanded beach then

we're thinking along these lines of proceeding ahead. Again, what's the time line on all of this and is it worth expending public funds for things like this? You think of bond maturity time lines and so on. Basically if you are talking about one or two generations or even three one can consider it is worth it to expend certain funds for certain purposes so within that frame work we're looking ahead for that. So that's the update."

Tucker: "Take a deep breath. Let me pause now. Let's take a break and when lunch is ready, bring lunch back to the table and then we can go through the phase that will tell us what kind of priorities we're looking for in the near future. Having said that let me also invite those of you in the audience who patiently sat here for this, please have lunch with us. It would be our pleasure to have you join us."

The Commission recessed for a lunch break.

The Commission returned from lunch and discussed suggested district priorities and goal setting.

Grenell referred to the handout in the packet titled Suggested Update of District Priorities. They are as follows:

- Pillar Point boat launch ramp maintenance dredging
- Pillar Point facilities repair and replacement projects
- Vessel compliance with district ordinance code re: waste disposal, operability, and seaworthiness at both harbors
- New district multi-purpose building at Pillar Point
- Pillar Point perched beach development
- Oyster Point dock reconfiguration and upgrades

Grenell stated that it may be constructive to allow the public to comment on priorities and suggestions as they see it.

Tucker commented on a couple of things from earlier in the meeting. He spoke on Romeo Pier, which is the pier the District purchased from the Romeo Packing Company, which has been closed for some time for safety reasons, that really seems to have gone onto the back burner. He knows that reconstruction of the pier would be a ten year project but would love to see something eventually rebuilt. Grenell asked if it would be useful or wasteful of time and effort to maybe put something out to see if there's any interest in a private/public partnership to do something. Tucker stated that as long as it didn't take much staff time. He stated that the Commission is about to set the priorities and they want his full attention on those. Tucker stated that the District has accomplished so much, from a \$19 million dollar debt and in this economic cycle we are in, reduced to \$9 million owed. Tucker stated that there are two, possibly three parcels that can be developed at Oyster Point Marina and would like to see something developed there, maybe a restaurant or a coffee spot, to generate revenue. Tucker would also like to see the District become more of an enterprise District. He stated that in his opinion, Perched Beach is the District's top priority with the

Administration Office/Visitor's Center equal or second. He is concerned about Johnson Pier and the surface at the end by the fish buyers. Tucker also stated that some of the wood stops need to be replaced at Pillar Point Harbor in the parking lot.

Parravano stated that with the opening of the ferry service at Oyster Point, this will create a very positive change to the way the facility is operated. He would like to see any revenue generating opportunities top priority. He stated that he would like to have an update on how the dissolution of the City's Redevelopment Agency will affect the District. He stated at Pillar Point, the pump-out station is a priority, and it has already been addressed. He stated that an item that he feels should be moved to more of a priority is the presence of the Coast Guard at Pillar Point Harbor. Parravano stated that educational opportunities at each harbor need to be ongoing as it is important to educate the community. He would also like to see a culinary experience, which Pillar Point does about 3 to 4 times a year where the harbor hosts students from the Culinary Institute of America which is a very good way to educate the students.

Padreddii stated that the Multipurpose Building should be the top priority. He is in favor of moving the building from Perched Beach to B Lot. He stated that the new ferry system is scheduled to open June 4th and found out that the route from South San Francisco to Oakland will also include Alameda. Grenell stated that WETA informed him that there will not be an eating facility in the terminal.

Bernardo stated that revenue generation and capital improvements is what he would like to see as top priorities. For revenue generation, the items that have already been mentioned, the opportunities the ferry service brings, America's Cup, and for Pillar Point, the multipurpose building because for one, we won't have to continue paying rent and there's also opportunities to rent space within that building. He also stated that from a policy perspective, he would like to see a special events policy because the policy can also lend to revenue generation. With regard to capital improvements, when the economy does finally turn around, we want to be ready for that. He agrees that at Pillar Point the maintenance dredging is a priority along with facility repair and maintenance. He stated with regard to Oyster Point, the dock reconfiguration is top priority. He stated that we should always continue educating the community and public, which we do now, and environmental stewardship which is wrapped around everything we do.

Tucker asked if there were any comments from the community.

Pollard stated that she has heard comment from the Commission stating they wish more people attended today's meeting. She stated that the public is not aware of the meeting. Pollard suggested that the meetings be posted at the Post Office because that is where everybody goes, and on coastsider.com.

Bobeles stated that he would like to see the issue with the RV Park restroom be made a priority. He stated that he would like to see the District involved with the planning of the Highway 1 project as the District's input is valuable and could be a missed opportunity if not involved.

Tucker thanked the public for their attendance and stated we will look into posting the agenda at the post office.

Frederick clarified the numbers for Capital Improvement projects, and Tucker stated it would be helpful to have the amounts estimated for the fiscal years. She stated that she has

projected for FY12/13 she had built in \$3.1 million, for FY 13/14 is \$3.2 million, for FY14/15 is \$440,000 and for FY15/16 is \$2.8 million.

Ketcham stated that the Highway 1 safety and mobility study is available online. She stated that there are a lot of agencies involved in this study and was curious to know if the Commissioners have even looked at the study and how it relates to the Harbor District and how we have an important role and how the District's land is affected.

Parravano asked Grenell about nonrevenue generating projects and asked to clarify who is funding the Surfers Beach Shoreline Improvement project. Grenell stated that the USACE is the project lead and the Harbor District as local sponsor has a share.

Tucker asked when the Special District Association cast the vote for the LAFCO member. Grenell stated he believed it was June. Tucker asked Grenell to confirm the date.

Adjournment

Action: Motion by Padreddi, second by Parravano to adjourn the meeting. The motion passed unanimously at 12:45 p.m.

The next scheduled meeting will be held on March 21, 2012 at the Municipal Services Building, 333 Arroyo Drive, South San Francisco at 7:00 p.m.

Debbie Nixon
Deputy Secretary

James Tucker
President