

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

**June 16, 2004
7:51 p.m.**

**Municipal Services Building
33 Arroyo Drive
South San Francisco, CA 94083**

Roll Call

Commissioners

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

Staff

Peter Grenell, General Manager
Lindsay A. Marks, Director of Finance
Robert Johnson, Harbormaster
Dan Temko, Harbormaster
Beverly Fontana, Deputy Secretary
Marc L. Zafferano, District Counsel

**Public Comments/Questions — Public and Staff
Recognition**

District Counsel Zafferano stated that at the June 2 Special Meeting of the Commission at 2 p.m., there was no reportable action from the closed session.

Dave Helm, Business representative for Operating Engineers Local Union # 3, thanked the commission and staff for working cooperatively with the union to reach agreement on the Memorandum of Understanding amendments before the term expiration for the first time.

Helm also spoke on Agenda Item #20. He expressed concern on behalf of the safety and security of the Harbor Patrol because of the behavior of Pillar Point tenant Ray Flinn, and asked the Commission to take appropriate action.

Ray Flinn spoke on Agenda Item # 20. Flinn spoke at length about recent incidents involving him. He spoke well beyond the regular time allotted to him in spite of admonitions from the Chair to finish. Flinn acknowledged that he had approached the Pillar Point Harbor Office wearing a military helmet and a hockey facemask and walked

in front of the office while looking at the office and staff inside. In the course of his statement, he made a rude gesture with his hand.

President Padreddii informed Flinn that he will be advised of any actions to be taken and that Flinn will have a chance to be heard.

Grenell recognized Director of Finance Marks and Temporary Accounting Specialist Liza Bolozos for their efforts to produce and distribute the commission meeting packets in the absence of Clerk to the Board Fontana.

Consent Calendar

All items on the consent calendar are approved by one motion unless a request is made at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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 May 24, 2004 Special Meeting**
 RECOMMENDATION: Approval

2 **TITLE:** **Minutes of June 2, 2004**
 RECOMMENDATION: Approval

Action: Motion by Tucker, second by Lundie to approve the Consent Calendar. Motion carried by 5 ayes, 0 nays.

Continued Business

3 **TITLE:** **Wage and Salary Classification Schedule for FY**
 2004³/₄05
 RECOMMENDATION: Approval; Adopt Resolution 14—04

Action: Grenell stated that the District's amended and extended MOU with Operating Engineers Local # 3 has been ratified by the union.

Motion by Tucker, seconded by Lundie to approve the Wage Salary and Classification Schedule for FY 2004-05. Motion carried by 5 ayes, 0 nays.

Public Hearing

- 4 TITLE: **Fix and Adopt FY 2004/05 Final Operating and Capital Budget**
RECOMMENDATION: Adopt Resolution 14—04

Action: Padreddii opened the Public Hearing.

Grenell reported that proper notice had been given.

Lundie asked if the Rates and Fees Schedule is part of the budget. Marks replied that it is.

Padreddii closed public testimony.

Commissioner Parravano moved adoption of Resolution 15-04 fixing and approving the Final Operating and Capital Budget. Tucker seconded. Motion carried by 4 ayes, 1 nay (Lundie).

New Business

- 5 TITLE: **Harbor Commission Election: 2004 County Elections Officer Letter and Attachments**
RECOMMENDATION: To Be Determined

Action: Unanimous decision to leave the candidate word statement at 200 words and have candidates continue to pay costs of the statement, and to inform the County Elections Officer of this decision.

- 6 TITLE: **Commercial Activity Permit (CAP) Application: Club Nautique**
RECOMMENDATION: Approve CAP and License Agreement Club Nautique

Action: Harbormaster Johnson presented the item. He noted that Club Nautique would pay the District the rate for uninspected passenger vessels (\$ 2 per head) plus berthing fees for each of the three vessels.

Tucker moved approval of the CAP and License agreement. Lundie seconded. Motion carried by 5 ayes, 0 nays.

- 7 TITLE: **Commercial Activity Permit (CAP) Application:
Mavericks Surf, LLC**
RECOMMENDATION: Approve CAP and License Agreement

Action: Grenell presented this item.

Harbormaster Temko said continuity in event organization was important. Mavericks Surf has experience now and has used personnel previously involved in events organized by Jeff Clark.

Tucker asked if mavericks Surf paid 5% of gross sales last year. Applicant Doug Epstein replied that they had; it was only for T-shirt sales. Mavericks Surf will pay this fee again this year. They will also explore whether to have paid parking.

Lundie asked if the District could get back to the \$10,000 fee charged a few years ago. Epstein said that was because a major merchandiser sponsor, Quicksilver, had been involved. Mavericks Surf is starting small, with limited capital and no major sponsor; they hope to grow the event, if approved again by the Commission, so that in another year they could give more money to the District.

- 8 TITLE: **Painting Oyster Point Marina Buildings**
RECOMMENDATION: Accept proposal from Apollo Painting in the Amount not to Exceed \$9,980.00 to Paint the exterior of Seven Oyster Point Marina Buildings

Action: Johnson presented this item.

Campbell asked how long since the buildings were last painted, and how many coats of paint would be applied this time.

Johnson replied that ten years have passed since the previous painting. That time, staff stained the buildings. This time a pigmented primer plus a finish coat of paint will be applied.

Campbell moved approval of staff's recommendation. Lundie seconded. Motion carried by 5 ayes, 0 nays.

- 9 TITLE: **National Harbor Association (NHA)**
RECOMMENDATION: Approve membership in NHA

Action: Grenell presented this item. He noted that there is no cost for membership in the NHA.

Campbell inquired as to the level of effort of the General Manager that would be involved. Grenell responded that it would not be much, but that he will inform the Commission before committing to any travel or other expenditures.

Tucker moved to join the NHA. Lundie seconded. Motion carried by 5 ayes, 0 nays.

10 TITLE: **Resolution of Intention to Approve an Amendment to Contract Between the Board of Administration California Public Employees' Retirement System and Board of Harbor Commissioners, San Mateo County Harbor District**

RECOMMENDATION: Adopt Resolution of Intention

Action: Grenell presented this item. Marks added that the District is required to make certain information public and that employees must vote to agree to modify the contract with PERS.

Tucker moved to adopt the Resolution of Intention. Lundie seconded. Motion carried by 5 ayes, 0 nays.

11 TITLE: **Bad Debt Write-Offs**
RECOMMENDATION: Adopt Resolution 16-04

Action: Marks presented this item.

Temko stated that he thinks one vessel on the list is still in Pillar Point Harbor. Lundie said that was the old German-built boat for which several people were trying to find a home. Temko said that fees are being paid for the slip used by the boat.

Campbell asked what the estimate for further write-offs is for the upcoming six months. Marks replied that there are no big items except for a few above \$2,000 each. Campbell asked when the level of write-offs would decline.

Marks replied that staff is working hard to reduce them, but there are still some old ones on the books. Campbell asked how much. Marks estimated a rough total of \$10,000.

Campbell moved to adopt Resolution 16-04 to approve the write-offs on condition that the Treasurer reviews them first. Lundie seconded. Motion carried by 5 ayes, 0 nays.

12 TITLE: **Bills and Claims in the Amount of \$151,750.95**
RECOMMENDATION: Approval

Action: Treasurer Tucker stated that he had reviewed the bills and claims and that the amended total amount is \$158,455.95. Tucker moved approval of payment of the bills and claims. Parravano seconded. Motion carried by 5 ayes, 0 nays.

Continued Business

13 TITLE: **Replacement of Work Docks at Pillar Point**

RECOMMENDATION: Approval

Action: Temko presented this item, which calls for rejecting all bids and re-bidding the project.

Campbell asked if the problem is the original budget amount. Temko replied that it appears the original amount was an under-estimate.

Lundie moved to reject all bids and re-advertise and re-bid the project. Parravano seconded.

Parravano asked if there are any staff design modifications to add. Temko said that staff would be more specific in the bid specifications. In response to a further question by Parravano regarding use of the work dock, Temko replied that the dock is mainly used for mechanical projects that have no or negligible environmental impact.

Motion passed with 5 ayes, 0 nays to reject all bids and re-advertise and re-bid the project.

Reports for Possible Discussion/Action

Administration and Finance

14 General Manager Grenell

Grenell had nothing to add to his written report.

15 Director of Finance Marks

Marks presented her report.

Operations

16 Oyster Point Marina/Park — Johnson

Johnson presented his report

17 Pillar Point Harbor — Temko

Temko had no written report but presented his occupancy figure.

Lundie said that the icemaker on Johnson Pier is old and not producing enough. Some fishermen are losing fishing days. Temko said this is the best fishing year so far since 1988 and unusual. Everyone wants to improve the facility; this will be explored.

Grenell said that the California Maritime Infrastructure Authority, of which the District is a member, might be able to help finance improvements.

Board of Harbor Commissioners

18 A. Committee Reports- None

B. Commission Statements and Requests

Lundie referred to Grenell's memo of May 3, 2004, which mentions breaches of contract. Lundie expressed concern about an "implied threat of litigation." Lundie requested that a closed session item be placed on the next Commission agenda to discuss the matter. Lundie stated further that a closed session item be placed on the next Commission agenda to discuss the matter. Lundie stated further that Closed Session Item 19 on this agenda (June 16) was a "generic" Anticipated Litigation item. Lundie said he had talked with Counsel Zafferano about this and was informed that Item 19 was not in response to Lundie's request. Lundie asked if Item 19 could now be used.

Zafferano stated it could not be so used.

Lundie then stated that he would like to have Item 21 concerning the General Manager's contract be postponed until the July 7 Commission meeting. As the contract expires on June 30, 2004, Lundie asked that the General Manager's contract be extended for three weeks under the same terms and conditions. Lundie moved that this action be taken. Campbell seconded.

Grenell said that the Commission should take up the contract now, and the issue raised by Lundie would go away.

Campbell said that Lundie's request was ignored. As a Commissioner, he should have the right to have his request addressed.

Lundie responded to Grenell's comment that his presentation might affect the Commission's decision on the contract extension.

Zafferano said that his understanding is that for the July 7th agenda, Lundie's new item and the General Manager's contract would be on, that is, Items 21 and 22 of this current agenda.

Action: Ayes – 2 (Lundie, Campbell), Nay – 1 (Padreddii). Abstain – 2(Parravano, Tucker). Item did not pass.

Zafferano then said that there was a motion to add an item under the Closed Section regarding Anticipated Litigation requested by Lundie to the July 7 agenda, and to continue the current Item 21.

Parravano said that the motion was not clear to him.

No further action was taken at this time.

Continued Business $\frac{3}{4}$ continued

19 TITLE: **Identify Labor Negotiator Pursuant to Government Code §54957.6**
RECOMMENDATION: Identify Ad Hoc Committee of Commissioners Campbell and Tucker

Action: Padreddii noted that Commissioners Campbell and Tucker were identified. Tucker then moved adjournment to Closed Session. Parravano seconded.

Unanimous decision to adjourn to closed session at 9:41 p.m.

Campbell announced that she had to leave. She left the meeting room.

Parravano recused himself from Closed Session Item 20 and left the meeting room.

Closed Session

20 TITLE: **Conference with Legal Counsel: Pending Litigation (1 Case) Regarding Ray Flinn Pursuant to Government Code Sec. 54956.9(a)**
RECOMMENDATION: To Be Determined

Lundie left the meeting before Item 21.

Parravano returned for Item 21.

21. TITLE: **Conference with Labor Negotiator Pursuant to Government Code Sec. 54957.6: Unrepresented Employee: General Manager**

RECOMMENDATION: To Be Determined

Continued Business $\frac{3}{4}$ continued

Padreddii reconvened the Open Session at 10:21 p.m.

No reportable action from Closed Session Item 20.

Tucker reported on Closed Session Item 21. He reported that labor negotiations with the General Manger have been concluded.

22. TITLE: **General Manager's Contract Extension and Compensation**

RECOMMENDATION: To Be Determined.

Tucker proposed that the General Manager's contract be extended from July 1, 2004 through August 31, 2005, with certain terms and conditions amended including: term: extended from July 1, 2004 through August 31, 2005; salary: \$ 8,438.43 per month; retirement: same as other staff; car allowance: increased to \$500 per month; employment physical: required, including drug screening; bonus plan: deleted; release: District released from all claims, damages, and causes of action arising out of the General Manager's employment prior to July 1, 2004 and from prior contract. Zafferano is to draft the final document containing the above-approved conditions for signature.

Parravano moved to approve the proposed contract extension. Tucker seconded.

Action: Motion passed with 3 ayes, 0 Nays. Campbell and Lundie absent.

Adjournment

Tucker moved adjournment. Parravano seconded.

Action: By unanimous decision, adjournment at 10:24 p.m.

APPROVED BY:

ATTESTED BY:

Leo Padreddii
President

Deputy Secretary