

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

**May 16, 2012  
7:00 p.m.**

**Municipal Services Building  
33 Arroyo Drive  
South San Francisco, Ca. 94080**

## **Roll Call**

### **Commissioners**

x James Tucker, President  
Leo Padreddii, Vice President  
Robert Bernardo, Treasurer  
Pietro Parravano, Secretary  
Will Holsinger, Commissioner

### **Staff**

Peter Grenell, General Manager  
Genevieve Frederick, Director of Finance  
Marietta Harris, Human Resource Manager  
Scott A. Grindy, Harbor Master  
x Jean Savaree, District Counsel  
Debbie Nixon, Deputy Secretary

x - absent

## **Public Comments/Questions — None.**

**Staff Recognition-** Grenell recognized Deputy Harbor Master James Smith and stated that there was a situation at Oyster Point Marina where a boater lost power to their boat and was heading toward the ferry terminal. Smith took action, went out to assist the boater, and prevented a potentially serious accident. Grenell stated that this was brought to his attention by a member of the public who witnessed this and extended his appreciation for Smith's efforts.

Grenell commended Harbor Master Scott Grindy and Lead Maintenance Specialist Jim Merlo for their efforts in fixing a power outage at Oyster Point Marina/Park. He stated they acted quickly to determine the problem. He stated there is an urgency item to approve the expenditure to fix the problem. Grenell stated that Grindy worked with the Water Emergency Transportation Authority (WETA) and reached an agreement to share the cost of the repair.

## 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calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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 May 2, 2012**  
       REPORT:                 Draft minutes  
       PROPOSED ACTION:      Approval
  
- 2     TITLE:                     **Resolution 07-12 Accepting the Terms of the Pillar Point Harbor Vessel Pump Out Installation Grant awarded by the Department of Boating and Waterways**  
       REPORT:                 Memo, Resolution 07-12  
       PROPOSED ACTION:      Adopt Resolution 07-12
  
- 3     TITLE:                     **Department of Boating and Waterways Support Letters**  
       REPORT:                 Memo, Letters  
       PROPOSED ACTION:      Approve support letters to the Governor and the Little Hoover Commission
  
- 4     TITLE:                     **Authorization to Prepare New Certified Employment Lists for Deputy Harbor Master and Harbor Worker B**  
       REPORT:                 Memo  
       PROPOSED ACTION:      Authorize the General Manager to prepare certified employment lists for the Deputy Harbor Master and Harbor Worker B and present to Commission for consideration and possible action
  
- 5     TITLE:                     **Adopt Resolution 10-12 Approving the Memorandum of Understanding Between the San Mateo County Harbor District and Operating Engineers Local Union 3 previously approved on May 2, 2012**  
       REPORT:                 Resolution 10-12  
       PROPOSED ACTION:      Adopt Resolution 10-12

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

Ayes:                 4  
Nays:                 0  
Absent:               1 (Tucker)  
Abstention:         1 (Holsinger from items 1 and 5)

# Public Hearing

- |          |                                  |   |
|----------|----------------------------------|---|
| <b>6</b> | <b>TITLE:</b>                    | <b>Continuance of Hearing: Preliminary Operating and Capital Budget for Fiscal Year 2012-2013</b> |
| A.       | Declare Hearing Open:            | Acting President Padreddii  |
| B.       | Report of Notice Given:          | Grenell   |
| C.       | Staff Report and Recommendation: | Draft Budget FY 2012/13   |
| D.       | Public Testimony:                |   |
| E.       | Harbor Commission Questions:     |   |
| F.       | Close Public Testimony:          | Acting President Padreddii  |
| G.       | Commission Deliberation:         |   |
| H.       | Recommended Commission Action:   | To be determined  |

Padreddii declared the hearing open. Grenell stated notice had been given. Grenell stated that there was a budget summary in the packet. Frederick stated that there were a couple of expenditures built into the budget and brought attention to one amount of \$50,000 for the purchase of a trash compactor for Pillar Point Harbor. She stated that currently Pillar Point rents a trash compactor and purchasing one would create a significant saving. Frederick stated that this budget is very close to what the final version will be.

Holsinger asked a few questions: 1) He referred to page 1 and asked what the \$4,005,238 under Non-Operating Revenues for Administration and the \$2,000,000 under Non-Operating for Oyster Point Marina consisted of. Frederick stated that the \$4,005,238 is the District's property taxes that were received and the \$2,000,000 was reimbursement funds. 2) Holsinger referred to page 3, Set Aside for District Office Construction; he asked why there was no increase in the amount from prior year to next fiscal year. Frederick stated that the total represents net assets and the item was presented to the Board a few meetings ago. 3) Holsinger referred to page 4, Non-Operating Revenue for Oyster Point Marina/Park and asked what the \$2,000,000 under Reimbursement Projects was for. Frederick stated that was reimbursement from the City of South San Francisco for Dock Repairs. 4) Holsinger referred to page 5, Overtime for Pillar Point Harbor of \$20,700. He asked if there was a policy in place to consider adding a position due to a possible excess of overtime. Harris stated that it wouldn't be until the amount reaches at least \$100,000 to \$130,000 as that is the cost of a new employee. 5) Holsinger referred to page 6, line item for Communications and asked for an explanation of what communications consisted. Frederick stated that is mostly phone bills, as well as emergency phone lines at Pillar Point. Holsinger asked who the current service provider for the District is. Frederick stated that the District just switched to an internet-based service so the amount should significantly decrease for the next fiscal year. 6) Holsinger referred to page 6, Legal Services and asked why there were different amounts for each location. Frederick stated that the reason the legal services are high this year is due to increased efforts in evictions for individuals who are not paying their bills. She stated that the allocations are based on the tenants likely to be targeted for eviction based on their

payment history. Holsinger asked if that it is Harbor-specific. Frederick agreed. She stated that the amount under Commission was for Legal Services at the Board meetings. She stated that there are general eviction processes that are not specific to the District, like getting feedback on processes which will help with proceeding with other cases in the future. She stated those charges are billed to Administration. Holsinger stated that there is \$35,600 allocated for the next fiscal year just for Administration. Frederick stated that there are two types of legal services included in the line item, personnel-related and general legal services. Holsinger asked if all legal services are from the same firm. Frederick stated the District has two legal firms that are used. Holsinger asked about the line item for Outside Contractual Services for \$99,775. Frederick stated that is for a security firm that stays at the front gate as well as doing drive throughs at Oyster Point Marina/Park. 8) Holsinger referred to the line item Water and Electrical Utility Expenses for Pillar Point \$203,854 and asked if there has ever been an analysis of solar power as a cost saving measure. Frederick stated that she is not aware of an analysis but stated she would look into it. Grenell stated that there has been discussion of energy conservation. He stated that the last building project was the restroom renovation at Pillar Point and solar panels were not going to work out. He stated for the new multi-use District office and visitor center building, it will be a LEED-based building and will have every possible upgrade in regard to energy conservation. Holsinger confirmed that using solar energy on the new building will be looked into. Grenell stated yes. 9) Holsinger referred to page 12 and stated that he briefly met with Harbor Master Grindy and discussed servicing the ferry patrons who disembark at Oyster Point Marina/Park with regard to concessions. He stated that the current concessionaire at the boat launch is limited to what he provides and asked if there has been any consideration in issuing a Request for Proposals to serve the anticipated crowd. Grenell stated that it has been thought about and there are several factors that come into play. He stated that the existing Bait Shop and Convenience store by the launch ramp does not have an exclusive right for the services. He stated that the Marine Center, which is a lease-hold, has the potential to provide a space for somebody, and that lessee would have to be involved with that. He stated that one other possibility that has been looked into is food trucks, which are becoming very popular. He stated that staff will have to wait until the ferry service begins on June 4 to see how the area is affected. He stated that WETA has asked if the District could provide some maintenance services at the ferry terminal, and that he and Grindy have met with the operations manager of WETA and were looking into everything from maintenance to security. Holsinger asked if he thought 3 months' experience will be sufficient enough to revisit the idea. Grenell stated he wasn't sure, but will be monitoring on a daily basis. 10) Holsinger referred to page 16, Base Salary and Wages. He stated comparing the prior year actual with the current year and the next fiscal year, he stated there is an increase in Pillar Point Harbor and asked for an explanation of the increase. Frederick stated that there was a transfer of a position at Oyster Point Marina/Park over to Pillar Point Harbor; and the other is that there was one Harbor Master for a while which created a salary saving for the District. She stated that throughout all the salaries, there is a cost of living adjustment (COLA) increase of 3.10% that is part of the Memorandum of Understanding (MOU). She stated that there is also a small group of individuals who are still receiving step increases. Holsinger stated that in the prior year there were 2 Harbor Masters. Harris stated that it was almost 2 fiscal years ago that there were 2 Harbor Masters. She stated that one Harbor Master left in December of 2010.

Padreddii closed the public testimony.



## Continued Business

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|---|------------------|---|
| 9 | TITLE:           | <b>North Half Moon Bay Shoreline Improvement Project (Surfers Beach): Local Sponsor Payment to U.S. Army Corps of Engineers</b> |
|   | REPORT:          | Grenell, Memo, Attachment   |
|   | PROPOSED ACTION: | Authorize payment in an amount not to exceed \$125,000.00   |

Grenell stated that this project is in the planning feasibility stage of this demonstration project to address beach erosion issues at Surfers Beach, which is right outside the Pillar Point Harbor breakwater. He stated that the US Army Corps of Engineers is the lead agency and the District is the local sponsor. He stated that there is a 50/50 cost share match for this stage of the project. He stated that for the construction phase, the US Army Corps of Engineers will be paying 80% and the Harbor District will pay 20%. Grenell stated that the Army Corps is still proceeding toward the stage where they will identify demonstration alternative solutions that will then be modeled and tested. He stated that the Corps has informed him that they expect to get into alternatives in the fall, around October, and another public meeting will be held. He stated that there is a lot of community interest in the project and the Harbor District's working group will reconvene. He stated that the working group is an inter-agency group of people along with community participation that was put together to provide information to the US Army Corps of Engineers.

**Action:** Motion by Parravano, second by Bernardo to authorize payment in an amount not to exceed \$125,000.00. The motion passed unanimously by a roll call vote.

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

## New Business

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|----|------------------|--|
| 10 | TITLE:           | <b>Limited Commercial Activity Permit for Half Moon Bay International Marathon, Sunday, September 23, 2012</b> |
|    | REPORT:          | Grenell, Memo, Application   |
|    | PROPOSED ACTION: | Approve Limited Commercial Activity Permit   |

Grenell stated that this item is the same event from last year. He stated that the organizers of this marathon are hoping that this run is recognized as a qualifying event for people who are looking to run in major marathons like New York and Boston. He stated that Eric Vaughn would like to make a presentation and answer any questions.

Eric Vaughn, Executive Director of the Half Moon Bay International Marathon spoke and stated that last year was their first event and was a huge success. He stated that this particular



run is special because the run both starts and ends in the harbor. He gave a short presentation regarding last year's event. He stated that they are a nonprofit organization and have no paid staff members. He stated that there were over 200 volunteers from the Coastside last year. Vaughn stated that a concern was to ensure that the event be a "green event" meaning it is certified by an independent organization called The Council for Responsible Sport, which is a nonprofit organization that advises events on the ways to be eco-friendly and eco-conscious. He stated that they achieved the gold status from the organization last year, their very first year. He stated that there are proving to be a destination event for the world and stated there were runners from 25 states and 4 countries. He stated that Pillar Point Harbor was highly promoted. He stated that last year the starting and finishing lines were staged in the grass area near Half Moon Bay Kayak Company and event management was present to create traffic management for the event. Vaughn stated that safety personnel were hired as well for public safety. He stated that they measured the economic impact through a survey of the participants and brought a minimum of \$175,000 to the Coastside.

Bernardo stated that on the report it states that the event will allow approximately 1,000 athletes. He asked Vaughn how many participated last year. Vaughn stated there were 500 participants last year and since it was the first year, they wanted to make sure everything ran smoothly.

Parravano stated that he felt 1,000 participants was a bit much and didn't see how that many people can physically fit onto Perched Beach, where the start of the race is. He stated that it will create more of an impact having twice as many people. Vaughn stated that there has been a lot of thought into increasing the number from 500 to 1,000. He stated that there are not 1,000 marathoners. There are four separate events, a full marathon, a half marathon, a 10K marathon and a 5K marathon. He stated that they are portioned out and there are fewer full marathoners than there are half marathoners. He stated that the start line and the finish lines are staged and the participants are not there all at once. Parravano asked if there will be shuttles available for participants. Vaughn stated that it is something that is being looked into this year, although it was not needed last year. Parravano asked if there was anything in the application the Commission should be aware of that would mitigate some of the pressures that will be created from the event. He stated that he is still uneasy with the number of participants doubling and the impact it will cause. Vaughn stated that the logistics are set up to accommodate 1,000 participants. Holsinger asked if their proposal had a breakdown of timing and staging for each event. He stated that he is under the assumption that since there are four races, there will be different start and end times for each. Vaughn concurred and stated that those details have all been laid out. Vaughn stated that a proposal has not been submitted yet but all those details will be included.

Brennan stated that as a community member and someone who lives on the race course, the event was well managed last year. She stated that the area she lives in, Seal Cove, is closest to the Mavericks Surf event. She stated that if you compare the two events, the marathon was organized and the organizers worked with the community and informed them of what was going to happen in advance. She stated that there was a trickle of people throughout the

morning. She stated that these types of green events are what the community wants to see more of.

**Action:** Motion by Bernardo, second by Holsinger to approve the Limited Commercial Activity permit for Half Moon Bay Marathon on Sunday, September 23, 2012. The motion passed by a roll call vote.

Parravano asked if it was possible, prior to approval, to see more details of the event. Padreddii stated that there was a motion made and a second. Padreddii asked Vaughn to provide additional details of the event.

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

- 11 TITLE: **Limited Commercial Activity Permit for The Leukemia & Lymphoma Society Silicon Valley Triathlon Team for a Practice Triathlon on Saturday, May 26, 2012**  
REPORT: Grenell, Memo, Application  
PROPOSED ACTION: Approve Limited Commercial Activity Permit

**Action:** Motion by Parravano, second by Holsinger to approve the Limited Commercial Activity Permit for the Leukemia & Lymphoma Society. He motion passed.

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

- 12 TITLE: **Authorization to Issue Request for Proposals (RFP) for Auditors**  
REPORT: Frederick, Memo, RFP  
PROPOSED ACTION: Authorize issuance of RFP

Grenell stated that it is time to consider the District's auditing services. Frederick stated that the current contract was for 3 years with 3 optional years and are in the last optional year. She stated that the decision was made a little later than usual and she requested authorization to issue a RFP.

Bernardo asked who the previous auditing service company was. Frederick stated that currently it is Shwiff, Levy & Polo. Grenell stated prior to that was Leonard G. Birnbaum and Company, CPA.



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

- Grenell stated that the San Mateo County Harbor District is a member of the California Maritime Infrastructure Bank and Authority, which is a joint powers authority that was created by and is comprised of a number of California ports and harbors. He stated the purpose of the authority and its companion, Infrastructure Bank, is to provide and stimulate financing for various harbor infrastructure projects. He stated that this year the Authority wants to hold a seminar in Northern California and one in Southern California to promote the agency and its mission, and to also elicit input from prospective client agencies and jurisdictions to help enhance the effectiveness of the agency. He stated that this mechanism could be used by the District to finance one or more of the planned improvement projects. He stated that this item is specific for the Southern California meeting and authorization to travel to the meeting. Grenell stated that the Northern California meeting will be held in San Francisco.

Parravano stated that he understood why Grenell needs to attend the meeting and wanted to know what the difference between the two meetings was. Grenell stated that there is no difference in material covered. Parravano stated that Grenell should go to the Northern California meeting. Grenell clarified that as an active member of the association, he is part of the presentation at the seminar.

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

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|----|------------------|---|
| 14 | TITLE:           | <b>Purchase computer servers in an amount not to exceed \$45,000.00</b>                           |
|    | REPORT:          | Harris, Memo  |
|    | PROPOSED ACTION: | Authorize the General Manager to purchase computer servers in an amount not to exceed \$45,000.00 |

Grenell stated that every few years the District servers and other information technology need to be updated. He stated that 4 quotes were received. He recommended approval.

**Action:** Motion by Parravano, second by Bernardo to authorize the general manager to purchase computer servers in an amount not to exceed \$45,000.00. The motion passed by a roll call vote.

Ayes:	3
Nays:	0
Abstention:	1 (Holsinger)
Absent:	1 (Tucker)

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|----|------------------|--|
| 15 | TITLE:           | <b>Wage and Salary Classification Schedule for FY2012-13</b>                     |
|    | REPORT:          | Harris, Wage and Salary Classification Schedule, Resolution 11-12                |
|    | PROPOSED ACTION: | Adopt Resolution 11-12 and Wage and Salary Classification Schedule for FY2012-13 |

Grenell stated that each year the Board takes action to adopt a Wage and Salary classification schedule which lays out the schedule of salary and wage ranges for each staffing category.

Parravano asked how the schedule was different from last year's. Harris stated that it is based on the Consumer Price Index (CPI) for San Francisco, Oakland, San Jose and Bay Area and is also in the Memorandum of Understanding (MOU) with the Union for both Teamsters and Operating Engineers. She stated that the rate is 3.1% and is calculated from December 2010 to December 2011. Padreddii stated that the memo states 3.10%. Harris stated the memo was correct.

Bernardo asked why the Commission needs to take action on the item. Harris explained that there needs to be a process in place for the payroll department to show what the increase is going to be and what the salaries should be. Bernardo clarified that the Cost of Living increase (COLA) is language in the MOU's for both Teamsters and Operating Engineers. Harris concurred.

**Action:** Motion by Parravano, second by Bernardo to adopt resolution 11-12 and the wage and salary schedule for FY2012/13. The motion passed unanimously by a roll call vote.

Ayes: 3  
Nays: 0  
Abstention: 1 (Holsinger)  
Absent: 1 (Tucker)

- 16 TITLE: **Bad Debt Write-Offs**  
REPORT: Frederick, Memo, Resolution 12-12  
PROPOSED ACTION: Adopt Resolution 12-12 to Approve Bad Debt Write-Offs

Frederick stated that this is an annual request for write-offs. She stated that Finance has gone through all Account Receivables, vessels that have left the harbor and look to see if it is likely the District will collect on outstanding debt due. She wanted to clarify that just because these amounts are listed as bad debt, the debt has not been forgiven and everything is being done to pursue collection of the debt.

Holsinger asked if staff has looked into using an outside collection agency. Frederick stated that this is the first year that collection efforts have been expanded upon. She stated that in prior years the District relied on lien sales. She stated that in this past year, staff is processing more unlawful detainers and small claims cases and trying to get a grasp on what method is most successful and has the better fiscal outcome.

Padreddii asked if an item was brought to the Commission at a prior meeting to authorize District Legal Counsel to assist in the process. Frederick concurred.

Bernardo stated he is supportive of making sure our finances are cleaner at the end of the day. He wanted to make sure that staff is exhausting all of their efforts to collect on the outstanding debt. Frederick stated that a lot of the accounts listed to be written off have been on the books for many years.

**Action:** Motion by Parravano, second by Holsinger to adopt resolution 12-12 to approve the bad debt write-offs. The motion passed unanimously by a roll call vote.

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

- 17 TITLE: **Bills and Claims in the Amount of \$152,861.82**  
REPORT: Bills and Claims Detailed Summary  
PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$152,861.82 to cover payment of Bills and Claims



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

### **18 General Manager - Grenell**

Nothing further to add to written report.

### **19 Director of Finance - Frederick**

Nothing further to add to written report.

### **20 Human Resources Manager – Harris**

Bernardo asked Harris what the timeframe for the Special Events Policy is. Harris stated she is going to meet with Grindy next week to get his input and stated she is about 50% done.

Bernardo asked when the subject of security cameras will be brought to the Commission. Harris stated the item will be in the June 6, 2012 agenda.

## **Operations**

### **21 Oyster Point Marina/Park – Grindy**

Nothing further to add to written report.

### **22 Pillar Point Harbor – Grindy**

## **Board of Harbor Commissioners**

### **23 A. Committee Reports**

None

### **B. Commission Statements and Requests**

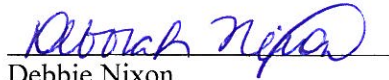
**The Board of Harbor Commissioners may make public statements and requests. Requests may be made to place items on future agendas.**

Holsinger stated that he is grateful to be serving on the Board.

## Adjournment

**Action:** Motion by Bernardo, second by Parravano to adjourn the meeting. The motion passed at 8:25 p.m.

The next scheduled meeting will be held on June 6, 2012 at the Comfort Inn, 2930 Cabrillo Highway, Half Moon Bay at 7:00 p.m.



Debbie Nixon  
Deputy Secretary



Leo Padreddi  
Acting President