

San Mateo County Harbor District Board of Harbor Commissioners Meeting Minutes

April 7, 2010
7:00 p.m.

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

Roll Call

Commissioners

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

Staff

- Peter Grenell, General Manager
- Marietta Harris, Human Resource Manager
- Robert Johnson, Harbormaster
- x Dan Temko, Harbormaster
- Marc Zafferano, District Counsel
- Debbie Nixon, Deputy Secretary

x-absent

Public Comments/Questions — None.

Staff Recognition- Johnson acknowledged the teamwork that was demonstrated by the Pillar Point Harbor Patrol for the teamwork with the sinking of the F/V *Betty K* on April 2, 2010. On the vessel was Walding, Williams and Smith and coordinating on land was Bankord and Price, Jr. Gary Christensen perished in the tragic event. He was only in the water for 3 minutes. Bob Longstreth was brought back to the Harbor and walked away under his own power.

Jim Anderson stated that a memorial service will be held at the American Legion Coastside Post 474 at noon on May 8, 2010.

Padreddii stated that the staff did a job well done and commended their efforts.

Grenell stated that Jonson and Draper are moving ahead on improvements at Pillar Point Harbor and started with painting the Harbor office. Parravano asked who chose the color for

the office. Johnson stated that Draper chose the color as this is his project and that each building will have a different color so they will stand out.

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calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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 March 17, 2010**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

- 2 **TITLE:** **Claim for Damages of Richard Lefief**
 REPORT: Grenell, Memo, Claim Form, Incident Report
 PROPOSED ACTION: Deny Claim of Richard Lefief

Action: Motion by Tucker, second by Padreddii to approve items 1 and 2. The motion passed.

Ayes: 3
Nays: 0
Abstain: 1 (Lundie)
Absent: 1 (Campbell)

Grenell asked to take up item 6 as there were representatives from Cooper Crane JV in the audience. He corrected himself and recommended that item 5 and 6 be taken up.

Public Hearing –

- 3 **TITLE:** **Draft Preliminary Operating and Capital Budget
 for Fiscal Year 2010-11 and Rates & Fees**
 - A. Declare Hearing Open: Vice President Parravano
 - B. Report of Notice Given: Grenell
 - C. Staff Report and
 Recommendation: Grenell, Draft Preliminary Budget FY 2010/11
 And Rates & Fees
 - D. Public Testimony:
 - E. Harbor Commission
 Questions:
 - F. Close Public Testimony: Vice President Parravano
 - G. Commission Deliberation:
 - H. Recommended
 Commission Action: To be determined

Grenell stated that notice had been given. Regarding the Rates & Fees, staff recommends one change which is people who want to pay their live-aboard fees a year in advance will receive a discount similar to that now available for berthing fees paid in advance. It will be inserted into the draft Rates & Fees and presented at the April 21, 2010 Special and Regular Board Meetings. Parravano closed the Public Hearing and this item is to be continued to the next meeting.

Duncan MacLean stated that he would like to address an issue regarding Catch Shares. MacLean stated it is being promoted by the Environmental Defense Fund and has nothing to do with what is in the best interest of the fisheries. Catch Shares means individual quotas and will do a good job consolidating the fishing fleet to fewer vessels. He does not support this nor does his fellow fishermen. He hopes that if the issue comes before the Commission, that they will keep in mind that there is a lot of history behind this.

Continued Business

- 4 **TITLE:** **Final Financial Statements and Independent Auditor's Report**
 REPORT: Grenell, statements and report
 PROPOSED ACTION: Accept final financial statements and independent auditor's report

Grenell stated that the commission now has the final financial audit. There are no recommendations from management.

Action: Motion by Tucker, second by Lundie to accept the final financial statements and independent auditor's report. The motion passed unanimously.

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

- 5 **TITLE:** **Budget Adjustment to (a) Augment the FY2009-10 Budget to Provide for Oyster Point Marina/Park Maintenance Dredging in the amount of \$530,000; and (b) Include as Carry-Over Previously Approved Funds for the Pillar Point New Berths/Perched Beach Bulkhead Task**
 REPORT: Grenell, Staff Report
 PROPOSED ACTION: Approve augmentation to the FY2009-10 budget for Oyster Point Dredging in the amount of \$530,000 and approve inclusion as carry-over the previously approved \$249,700 for the pillar point new berths/perched beach bulkhead task

Johnson stated that staff is recommending to augment the budget for the East Basin Maintenance Dredging project.

Action: Motion by Tucker, second by Padreddii to augment the budget. The motion passed unanimously.

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

- 6 **TITLE:** **Selection of Lowest Responsible Bidder for Oyster Point Marina/Park East Basin Maintenance Dredging and Authorization to Execute Contract with Ghilotti Brothers Contractors/Cooper Crane JV**
- REPORT:** Grenell, Staff Report
- PROPOSED ACTION:** Approve selection of Ghilotti Brothers Contractors/Cooper Crane JV as lowest responsible bidder and authorize execution of contract in an amount not to exceed \$528,165.00

Johnsons stated that staff has done their due diligence and had an extensive interview with Ghilotti Brothers Contractors/Cooper Crane JV. They are the lowest responsible bidder. Cooper is in the audience along with Blair and Joseph who are there to answer any questions.

Action: Motion by Padreddii, second by Lundie to accept the bid of Ghilotti Brothers Contractors/Cooper Crane JV. Tucker asked if Salt River was the company who did South San Francisco previously. Grenell confirmed and stated that Salt River was the second lowest bidder for this item now under consideration. The motion passed unanimously.

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

New Business Continued

- 7 **TITLE:** **Pillar Point Harbor Roof Replacement Project**
- REPORT:** Grenell, Memo
- PROPOSED ACTION:** Approve project specifications and authorize publication of public bid notification

Grenell deferred to Johnson. Johnson stated that there are several roofs that leaked this past winter including the Harbor office, Princeton Seafood, Ketch Joanne's and the warehouse. He is requesting authorization to go out bid for this project.

Action: Motion by Lundie, second by Padreddii to approve project specifications and authorize publication of public bed notification. The motion passed.

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

- 8 TITLE: **Limited Commercial Activity Permit for Grays Harbor Historical Seaport**
REPORT: Grenell, Application
PROPOSED ACTION: Approve limited commercial activity permit for Grays Harbor Historical Seaport

Grenell stated that *Lady Washington* once again would like to visit Pillar Point Harbor and he deferred this item to Johnson. Tucker asked if they are requesting a waiver of fees. Johnson stated yes. Lundie confirmed that we have done so in the past. Tucker asked if they charge money to view the vessel. Lundie stated that the money made goes back into the boat.

Action: Motion by Tucker, second by Lundie to approve Limited Commercial Activity Permit. The motion passed.

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

- 9 TITLE: **Commercial Activity Permit for Sea Pure, Inc.**
REPORT: Grenell, Application
PROPOSED ACTION: Approve commercial activity permit for Sea Pure, Inc.

Grenell stated that Sea Pure, Inc. is a company that pumps sea water out of the Harbor for fish tanks. The owner recently sold his business to new owners. Our permits are not transferable, therefore the new owner needs to obtain a new permit.

Action: Motion by Lundie, second by Tucker to approve the commercial activity permit. Lundie stated that they have been doing this for many years. They go to the sea wall and wait for the tide to be at a certain depth and clarity and pump the water. Grenell stated that they

used to pump off of Romeo Pier and when that was shut down they were moved over to the sea wall. Parravano questioned the District's liability. Zafferano stated that insurance is obtained for \$2 million and indemnifies the District. The motion passed.

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

- 10** TITLE: **Bills and Claims in the Amount of \$139,942.24**
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$139,942.24 to cover payment of Bills and Claims

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

Action: Motion by Padreddii, second by Tucker to approve the bills and claims. The motion passed unanimously.

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

Reports for Possible Discussion/Action Administration and Finance

11 General Manager - Grenell

Grenell stated that in the May issue of American Fisherman there will be an article regarding search and rescue at Pillar Point Harbor and the article will be written by a Pillar Point fisherman. The article is the fisherman's view on the Coast Guard and that they should have a greater presence to respond to calls. Grenell stated that Pillar Point Harbor Patrol does a great job responding to calls.

Grenell stated that on April 1, 2010 he attended the Salmon Summit in San Francisco. Over 500 people attended. There was excellent media coverage. He hopes that Congress takes the appropriate steps to provide relief for fisherman if there is no salmon season again. Grenell, Parravano, MacLean, Anderson and Fromson met at Pillar Point Harbor and discussed the situation with the fishermen. Parravano thanked Grenell for attending and speaking at the Salmon Summit. He then emphasized that there is a lot of work that needs to be done but you cannot substitute education and creating outreach programs that will make people understand the importance of habitat and water for the salmon population.

12 Finance Report - Harris

Nothing further to add to written report.

13 Human Resources Manager – Harris

Harris stated that the District has received several applications for the Director of Finance position and will be holding interviews next Tuesday.

Tucker stated that when he was Treasurer last time, he went into detail regarding the Cal Card and suggests we really cut back on the number of cards issued. He asked who has a Cal Card. Harris stated that every employee has a card. Tucker asked if everyone uses their cards. Harris stated that they are used but not on a regular basis. Tucker wanted more information regarding the fraud on the cards. Harris stated there were charges found on more than half of the cards and they were not employee charges. Some of them were out of state and the ones that the bank could tell were not charged by us, they reversed. Tucker requested that Harris look into handling Cal Cards a different way and maybe every employee should not have a Cal Card.

Operations

14 Oyster Point Marina/Park - Johnson

Nothing to add to written report.

15 Pillar Point Harbor – Johnson

Tucker asked Johnson how he was handling going back and forth between both Harbors. Johnson stated that it was rough the first couple of months but everything is falling into place and working out very well. He stated that there are many changes that are going to start to happen over at Pillar Point Harbor.

Board of Harbor Commissioners

16 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.

Parravano stated that he was approached by his constituents regarding a request for a memorial bench for Christensen. Grenell stated that he was informed by Mattusch that there will be a recognition ceremony for

Christensen and he would like to get a feel from the Commission regarding the memorial bench so the information can be relayed to Mattusch. Johnson stated that the options are a memorial bench that will cost \$2,500 or plaque that the District pays for and accepts donations to off-set the cost. Mattusch told Johnson that they would like a plaque which would be mounted to an existing bench at the Harbor overlooking the water. Tucker stated that he didn't feel right about mounting the plaque on an existing bench and suggested that they just get the memorial bench instead. Padreddii stated that if they want a plaque mounted to an existing bench then that is what the District should do. Tucker asked how Mattusch was involved in the coordination of this. Johnson stated that they family does not have any money and Mattusch has decided to do the fundraising for the family.

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

Zafferano identified Grenell as the real property negotiator for items 18 and 19.

Grenell stated that before the Commission adjourns into close session, that they allow Cassandra Clark to address them. Clark stated that she has met with Grenell to iron out some details regarding the Lease options. They discussed the sun room extension. The Clarks feel they might run into some problems regarding the ADA requirements. Another concern of hers was the timing of their demo/construction and the District's sidewalk project. They will have to demolish the concrete area to place concrete footings, which is an added expense for them and they are not asking for the District to reimburse them. Tucker asked her if she was asking the Commission to hold off on the sidewalk project. Clark stated not necessarily. She did reiterate that they will bear the majority of the cost of this project.

Action: Motion by Tucker, second by Padreddii to adjourn to closed session. The motion passed unanimously at 7:57 p.m.

Closed Session

- 18 TITLE: Conference with Real Property Negotiator: Pursuant to Government Code Section §54956.8**
PROPERTY: Parcel 5, One Johnson Pier, Lessees Building, APN 047-083-060, Pillar Point Harbor, El Granada, San Mateo County
NEGOTIATING PARTIES: San Mateo County Harbor District and (1) Cassandra and Jeff Clark, Mavericks Surf Company, LLC, (2) Carol Preston, Gulf of the Farallones National Marine Sanctuary
UNDER NEGOTIATION: Lease Price, Terms and Conditions

- 19** TITLE: **Conference with Real Property Negotiator: Pursuant to Government Code Section §54956.8**
PROPERTY: **“Post Office” Parcel, Northeasterly corner of Obispo**
REPORT: **Road and Avenue Portola, El Granada, San Mateo**
County, APN: 047-261-030
NEGOTIATING
PARTIES: SMCHD, KN Properties
UNDER
NEGOTIATION: Lease Price, Terms and Conditions

Action: Motion by Lundie, second by Padreddii to adjourn to open session. The motion passed unanimously at 8:27 p.m.

Open Session, Continued

- 20** TITLE: **Lease for Mavericks Surf Company, LLC**
REPORT: Grenell, Memo, Lease
PROPOSED ACTION: Approve lease with Mavericks Surf Company, LLC and adopt Resolution 04-10

Grenell stated that the Commission has consented to the two requests from the Clarks. They agreed to raise the amount of reimbursement to \$79,000 and to establish a six month period of zero rent starting at the point the Clarks pull their building permit. Rent will start being paid after that six month period.

Action: Motion by Lundie, second by Tucker to approve the Lease with Mavericks Surf Company, LLC. The motion passed.

Tucker stated that the District will put the sidewalk project on hold so it does not interrupt their demolition.

Adjournment

Action: Motion by Tucker, second by Lundie to adjourn the meeting. The motion passed unanimously at 8:34 p.m.

The next regularly scheduled meeting will be held on April 21, 2010 at the Oyster Point Yacht Club, 911 Marina Blvd., South San Francisco at 7:00 p.m.

Debbie Nixon
Deputy Secretary

Sally Campbell
President

