

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

**October 5, 2005
7:00 p.m.**

**Coastside County Water District Office
766 Main Street
Half Moon Bay, CA 94019**

Campbell called the meeting to order at 7:00 p.m.

Roll Call

Commissioners

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

Staff

Peter Grenell, General Manager
Eileen Wilkerson, Human Resources Manager
Marcia Schnapp, Director of Finance
Robert Johnson, Harbormaster
Dan Temko, Harbormaster
Marc L. Zafferano, District Counsel

X Parravano was absent.

Campbell called the meeting to order at 7:00 p.m.

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

The public may address the Board of Harbor Commissioners for a limit of three minutes regarding any items not on the agenda, unless a request is granted for more time.

Tucker stated that, with an amended lease, the lessee would have the right to negotiate but, if the lease were assigned, there would be no right to renegotiate. Grenell said there was nothing precluding denying assignment of the lease and then calling for negotiations.

Zafferano advised that if the lease is out of the norm, then the District would be justified in not assigning it, but that a strong case would have to be made for denial.

Padreddii agreed that Dornbusch's proposal is high and that, if the Board approves analyzing the leases, he will try to save the District money. Lundie agreed with Grenell that the District should not spend \$40,000 on leases that may open up in the distant future and need to be re-analyzed.

Campbell advised she had a problem with the Dornbusch proposal being \$10,000 higher than the other. She said \$50,000 was budgeted and \$4,500 had already been spent. She asked Dornbusch if he could come up with a better offer since he knows the District well and can get the project done more quickly and hopefully for less. Dornbusch advised that he could begin the project sooner but that he is aware of possible complications. He said that if there were no imbedded values, the price would be more competitive and he could begin at a comparable rate.

Tucker asked if Dornbusch was lowering his offer. Dornbusch advised he would lower it to \$40,000.

Motion by Padreddii, second by Lundie to accept the proposal of Dornbusch Associates in the amended amount of \$40,000.

Campbell posed the question of who would assist with deferred maintenance; who would pay the imbedded cost. Dornbusch advised he would assist with it for a higher price. Grenell stated that staff could provide minimally adequate deferred maintenance estimates but that he wanted Dornbusch to comment on the imbedded value. Casey Cornwell of Dornbusch Associates spoke to the issue. He advised that Dornbusch completed an analysis of Captain John's lease. Campbell said she did not see the imbedded factors in that lease and that she wants to put a cap on the deferred maintenance amount.

Tucker said embedded factors only arose with one other lease, Huck Finn; Grenell suggested one other lease besides Huck Finn. Lundie said the only reason Huck Finn's lease would resurface would be if the lessee wanted to retire, and Ketch Joanne would have the first right of refusal on the lease. Dornbusch advised he was not ready to speculate which, if any, leases has imbedded value.

For \$40,000, Dornbusch would include the deferred maintenance figures into the plan and analyze one of the leases with an imbedded component.

Motion previously by Padreddii, second by Lundie, to accept the proposal of David Dornbusch Associates in the amended amount of \$40,000. Motion passed by 4 Ayes, 0 Nays.

3 TITLE: Amendments to Harbor District Lease with

Joanne Franklin, dba Ketch Joanne Restaurant
REPORT: Amendments, Resolution No. 33-05
PROPOSED ACTION: Adopt Resolution No. 33-05 Approving
Amendments to Harbor District Lease with Joanne
Franklin, dba Ketch Joanne Restaurant

Action: Grenell reported that Joanne Franklin asked the District for an amendment to her lease, adding her children as co-lessees. Grenell also recommended a second amendment adding a provision that "...the Minimum Annual Rent be adjusted annually on January 1 by the amount of the percentage change of the Consumer Price Index...for the year ending December 31." He indicated that the provision was in the 1976 lease but had been omitted from the 1983 lease extension. He said that Joanne Franklin is aware of the increase.

Motion by Tucker, second by Lundie to adopt Resolution 33-05 authorizing the General Manager to execute the above two amendments to the District's lease with Joanne Franklin, dba Ketch Joanne Restaurant. Motion carried by 4 Ayes, 0 Nays.

4 TITLE: **Mayon Electric Change Order Number 1**
REPORT: Staff Report
PROPOSED ACTION: Approve Change Order No. 1 with Mayon Electric
& Construction, Inc. for installation of the Oyster
Point Marina/Park Dock access control system for an
amount not to exceed \$8,607.87

Action: Grenell made a point of information that the Change Order amount of \$12,015.00 is a typographical error in the agenda. The amount should be that indicated in the Staff Report: Change Order Request: \$8,607.87. Motion by Tucker, second by Lundie to approve Change Order No.1 with Mayon Electric & Construction for the correct amount of \$8,067.87. Motion carried by 4 Ayes, 0 Nays.

New Business

5 TITLE: **Bills and Claims in the Amount of \$119,874.45**
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Approval of Bills and Claims for Payment and a
Transfer in the Amount of \$119,874.45 to Cover
Payment of Bills and Claims

Action: Tucker advised he had reviewed the Bills and Claims. Motion by Tucker, second by Lundie to approve the Bills and Claims for payment and a transfer in the amount of \$119,874.45 to cover payment of the Bills and Claims.

Reports for Possible Discussion/Action

Administration and Finance

6 General Manager – Grenell

Grenell indicated he had nothing to add to his written report.

7 Human Resources Manager – Wilkerson

Wilkerson advised there had been compliance training in Conflict Management and twenty staff attended. She indicated that Schnapp was not present at the Board Meeting because she was at a conference.

8 Director of Finance – Schnapp

Director of Finance Schnapp was absent.

Operations

9 Oyster Point Marina/Park — Johnson

Johnson advised he had not received a schedule from North Coast Divers but that he had a meeting with them on Thursday, October 6. He reported that the mandatory pre-bid conference for the Fishing Pier Repair project would be held Thursday, October 6.

There was a discussion regarding the ferry terminal. Johnson advised that Docks 9 and 10 are proposed for removal by the Water Transportation Authority and there would be two end ties removed on Docks 11 through 14. There would be an entrance channel in the area of Docks 9 and 10. There will be a new access road to the east of the warehouse. Grenell said the District may have to dredge deeper in the west basin.

Johnson will bring conceptual plans and drawings to the October 19th Board meeting.

10 Pillar Point Harbor — Temko

Temko provided the draft of a Letter of Commendation for Matt McDonell to the Board and Grenell for review and comments.

Temko will bring the final engineering report on the Johnson Pier Repair Project to the Board at the October 19th meeting. There was \$850,000 budgeted this year for the project but it has been estimated by the engineers at over \$1 million with three alternatives:

\$1,207,000;
\$1,430,000; and
\$1,700,000.

Temko had the kick-off meeting with the contractor for Phase II of the Pavement Maintenance and Rehabilitation project. He will issue the Notice to Proceed to Union City Construction.

Campbell asked whether it would be necessary to halt the pier project at a certain point if there is \$800,000 budgeted and the project costs \$1.2 million, or would Temko be able to keep it going.

Campbell asked about purchasing fuel jointly with the Sheriff's vehicles at Highway 92. Temko advised he would look into it.

Public Hearing - None

Board of Harbor Commissioners

- 11 A. Committee Reports
New Pier and Princeton Shoreline — Campbell, Tucker

Tucker advised he and Campbell met with Julian McCurrach regarding the Princeton Shoreline and the potential for a local non-profit to become the lead entity for the project. He volunteered Grenell to assist.

- 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.

Lundie thanked Temko and especially Assistant Harbor Master Coats for obtaining a load of crab gear from the east coast. Coats and two or three crab fishermen put the crab pots in the yard and safeguarded it.

Lundie addressed the issue of aluminum safety ladders at Pillar Point Harbor, at the end of G Dock particularly, that get tied up with the boats. He asked that, if possible, during the next salmon season the ladders can be moved. Temko advised that the ladders are recessed. Campbell directed Lundie to meet with Temko regarding the issue.

Robert Ingles spoke and said he had made a promise to the Commission. The problem lies with his understanding regarding a berth that came with the vessel.

Adjournment

Motion by Tucker, second by Lundie to adjourn the meeting. Motion carried by 4 Ayes, 0 Nays. The meeting adjourned at 8:15 p.m.

APPROVED BY:

ATTESTED BY:

Sally Campbell
President

Ken Lundie
Secretary

Michele Shahrok
Deputy Secretary