

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

**February 15, 2006
7:00 p.m.**

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

Parravano called the meeting to order at 7:00 pm.

Roll Call

Commissioners

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

Staff

Eileen M. Wilkerson Acting General Manager
Marcia Schnapp, Director of Finance
Robert Johnson, Harbormaster
Dan Temko, Harbormaster
Michele Shahrok, Deputy Secretary
Marc Zafferano, District Counsel

X Lundie was absent.

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

The Public may directly address the Board of Harbor Commissioners for a limit of three minutes, unless a request is granted for more time, on any item of public interest within the subject matter jurisdiction of the San Mateo County Harbor District, Board of Harbor Commissioners that is not on the regular Agenda. If a member of the public wishes to address the Board on an Agenda Item, that person must complete a Public Speaker Form and wait until that Item comes up for discussion. Agenda material may be reviewed at the administration offices of the District, 400 Oyster Point Blvd., Suite 300, South San Francisco, CA 94080.

San Mateo County Harbor District —Minutes for February 15, 2006

Persons requiring special accommodation with respect to physical disability are directed to make such requests per the Americans With Disabilities Act to the Deputy Secretary to the Board at 650-583-4400.

Wilkerson acknowledged Harbor Masters Temko and Johnson and Finance Director Schnapp for their assistance during her term as Acting General Manager.

Parravano requested that Item 3 of the Consent Calendar be addressed under New Business.

Consent Calendar

1 TITLE: **Minutes of February 1, 2006 Board Priorities Update Workshop**
REPORT: Draft Minutes
PROPOSED ACTION: Approval

2 TITLE: **Minutes of February 1, 2006 Regular Meeting**
REPORT: Draft Minutes
PROPOSED ACTION: Approval

Action: Motion by Padreddii, second by Campbell to approve Items 1 and 2. Motion carried by 4 Ayes, 0 Nays.

Public Hearing — None

Continued Business

4 TITLE: **Purchase Patrol Vessel for Oyster Point Marina/Park from Radon Boat Building, Inc. in an amount not to exceed \$195,545.78**
REPORT: Staff Report
PROPOSED ACTION: Approve Purchase of Patrol Vessel for Oyster Point Marina/Park from Radon Boat Building, Inc. in an amount not to exceed \$195,545.78

Action: Johnson advised that, after speaking with Commissioner Lundie and John Michael Chapman of the San Francisco Fire Department, and examining the Department's Boston Whaler Challenger, he determined the Challenger is a better vessel than the Radon recommended above. He recommended the purchase of a 27-foot Boston Whaler Challenger from Brunswick Commercial and Government Products in an amount not to exceed \$169,836.09, including sales tax and delivery.

Campbell asked whether this amount included all necessary electronic devices and fittings. Johnson advised that he had included in the above amount \$2,500 for miscellaneous expenditures to cover extra devices and other expenses incurred during delivery and launching. It was discussed that this amount may be insufficient and the Commissioners decided to raise it.

Motion by Padreddii, second by Campbell to approve purchase of a 27-foot Boston Whaler Challenger from Brunswick Commercial and Governments Products in an amount not to exceed \$173,000.00, including sales tax and delivery.

Parravano asked whether the District still pays sales tax if a vessel is purchased out of state. Johnson answered in the affirmative but that the manufacturer pays the taxes to the State. Schnapp advised that, though the manufacturer should pay the sales tax, the District pays it to avoid liability in the event the manufacturer fails to pay it. Campbell stated that this could be worked out in the Purchase Agreement.

Parravano asked Johnson whether other possible funding is available since the District coordinates with other agencies such as Homeland Security. Harbor Master Johnson said that alternate funding has been researched but not found.

New Business

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| 3 | TITLE: | Proclamation Honoring Karen Gleeson |
| | REPORT: | Proclamation |
| | PROPOSED ACTION: | Approve Proclamation |

Action: President Parravano read aloud the Proclamation Honoring Karen Gleeson. The Commissioners spoke briefly in appreciation of the effort Gleeson put into her job. Campbell advised that she had taken Gleeson out to lunch. Motion by Tucker, second by Campbell to approve the Proclamation. Motion carried by 4 Ayes, 0 Nays.

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| 5 | TITLE: | Mid-Year Budget Review |
| | REPORT: | Staff Report, Schnapp Presentation |
| | PROPOSED ACTION: | To be determined |

Action: Schnapp said she gave a summary at the February 1st meeting and that page two of this report shows the highlights. Per Commissioner Parravano's request at that meeting, she listed revenue and expenses separately for the two harbors. The largest share of income came from berth rentals and the second from rents and concessions.

Schnapp advised that capital expenditures were anticipated at \$3 to \$5 million but that Pillar Point's were \$170,00 and Oyster Point's were \$80,000 to date. Campbell reminded that there are still a few months left in the fiscal year. Campbell thanked Schnapp for the percentages on the right of the report because it made the document easy to scan and analyze. Padreddii thanked Schnapp for a job well done.

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| 6 | TITLE: | Bills and Claims in the Amount of \$263,066.33 |
| | REPORT: | Bills and Claims Detailed Summary |
| | PROPOSED ACTION: | Approval of Bills and Claims for payment and a transfer in the amount of \$263,066.33 to cover payment of Bills and Claims |

Action: Tucker reported that, since Lundie had been unavailable to review the Bills and Claims, he reviewed them.

Tucker and Johnson discussed the Oyster Point Marina/Park Gatehouse Project concerning problems between the engineer and construction company. Johnson advised continuing the project and minimizing the contact between the engineer and construction company. Tucker recommended that the Commission write a letter to both parties expressing dissatisfaction with the slow progress on the project.

Motion by Tucker, second by Campbell to approve the Bills and Claims for payment in the amount of \$263,066.33, and a transfer in the amount of \$263,066.33 to cover payment of the Bills and Claims. Motion carried by 4 Ayes, 0 Nays.

Reports for Possible Discussion/Action

Administration and Finance

7 General Manager – Grenell

8 Human Resource Manager – Wilkerson

Action: Wilkerson advised that Grenell gave his report in the Priorities Workshop on February 1st. She said that she and Zafferano were working on the Half Moon Bay Firehouse sale in order to close escrow by February 24.

She thanked Temko for helping her through recent personnel issues surrounding the patrol vessel accident on February 7.

9 Director of Finance - Schnapp

Action: Schnapp acknowledged Gleeson for going above and beyond her required duties by assisting at Pillar Point Harbor during the current absence of the Accounting Technician/Administrative Assistant.

She addressed the issue of hand checks over which the Commissioners had previously expressed concern. She stated that there is now a notation written on the first page explaining why it was necessary for a check to be written.

Operations

10 Oyster Point Marina/Park – Johnson

Action: Johnson thanked Commissioners for their previous input on the Gatehouse Project.

He referred to his report and advised that current occupancy at Oyster Point Marina/Park is at 55 percent. He reported that the entrance sign construction is under way. Regarding fishing pier repairs, the cap replacement was completed and the new abutment wall work has begun.

Johnson reported that, within a 24-hour period the previous week, three Harbor vessels broke down: the two Patrol boats and the pump-out boat.

One of the Patrol boats, the Fletcher, will not be put back into the water because it is beyond repair after ten years' of service. The Boston Whaler's engine was recently replaced and will be serviced soon. The lowest responsible bid on a new engine for the pump-out boat is \$9,948.49 including installation and taxes. He commended his staff for doing what they could to keep the pump-out vessel engine in working order. In the mean time, they have Personal Water Crafts (PWC's).

Johnson advised that ten years seems to be the life expectancy of a well-utilized patrol vessel. Padreddii asked what the Harbor does with an unrepairable vessel. Johnson replied that it is designated "surplus" and sold.

11 Pillar Point Harbor — Temko

Action: Temko reported that Mavericks was a mostly positive event this year. Nearly 40,000 people attended, which was close to twice as many as last year. The organizers cleaned up afterwards and the event will reflect positively in the surfing world.

Temko said he received several unsubstantiated allegations regarding environmental damage but that he walked the area and observed no quantifiable damage. A Biologist from the Gulf of the Farallones National Marine Sanctuary walked the intertidal areas and reported no visible damage.

He advised there is a meeting on February 22nd with various agencies to discuss the event.

Campbell advised she met with Julian McCurrach, President of the Princeton Citizens Advisory Committee. She reported that he is very upset about what occurred and the conditions in Princeton on the day of the event. Temko agreed there was extreme parking congestion and that people should expect to have to pay to park when attending such an event. Campbell suggested that perhaps Mavericks should pay more money for holding the event.

Regarding the Johnson Pier Rehabilitation Project, Temko advised that construction is now set to begin in fall because Moffatt & Nichol Engineers did not want to run into time constraints due to the start of salmon season. In early fall, they can begin work on the underside and the deck work will take place in September and October. Temko plans to put up posters advising of the upcoming construction.

He reported that Pillar Point Harbor is 100 percent occupied. He acknowledged the Accounting and Human Resource Departments for their professionalism and assistance in working with the insurance companies recently.

Temko has scheduled two meetings, both on Wednesday, March 1st: The 40-Berth and Haul-Out Project Committee at 10:00 a.m., and the Pillar Point Harbor Citizens Advisory Committee at 11:00 a.m. He advised that the engineer would attend both meetings. Temko will agendize the 40-Berth and Haul-Out Committee meeting.

There was a discussion regarding the Pillar Point Harbor Citizens Advisory Committee and the Princeton Citizens Advisory Committee.

Board of Harbor Commissioners

- 12 A. Committee Reports
- 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.

Action: Tucker reported that the 40-Berth and Haul-Out Committee met with Temko and walked Perched Beach. He stated that, after the March 1st meetings, he wants to schedule a meeting with the public and perhaps the press.

Parravano mentioned a 2006 Salmon Fishery Informational meeting on February 21 from 9:00 a.m. to 4:00 p.m. in Santa Rosa, sponsored by the California Department of Fish and Game (DFG). He said the meeting will focus on the status of ocean salmon populations and the outlook for salmon fisheries in the coming year, as well as management measures and allocation of the salmon harvest commencing May 1, 2006. He provided a letter to Deputy Secretary Shahrok and asked her to have it posted on the website.

Motion by Tucker, second by Campbell to adjourn to Closed Session at 7:57 p.m. Motion carried unanimously.

Closed Session

- 13 TITLE: **Approval of Written Decision of Disciplinary Appeal**
REPORT: Zafferano
PROPOSED ACTION: Approval
- 14 TITLE: **Conference with Legal Counsel--Anticipated Litigation,
Pursuant to Government Code Section
54956.9(b)(3)(A): One Case**
REPORT: Zafferano
PROPOSED ACTION: To be determined

Action: Parravano reconvened Open Session at 8:11 p.m. Zafferano advised there was no reportable action from Closed Session.

Adjournment

Motion by Campbell, second by Padreddii to adjourn the meeting. Meeting was adjourned by unanimous vote at 8:12 p.m.

APPROVED BY:

ATTESTED BY:

Pietro Parravano
President

Michele Shahrok
Deputy Secretary