

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

**December 1, 2004
7:00 p.m.**

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

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

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
John Draper, Assistant Harbormaster
Robert Johnson, Harbormaster
Marc L. Zafferano, District Counsel

**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.

Draper expressed thanks to Dan Stucky and the crew of the vessel *Seabird* for their efforts in making a rescue of a distressed vessel the previous week.

New Business

- 1 TITLE: **Selection of District Officers**
 RECOMMENDATION: Select District Officers

Action: Padreddii stated that at the last selection of officers, the Commission approved a rotation system so everyone gets a chance to be an officer. He said further that the term of officers to be selected now would be from January 1, 2005 through December 31, 2005.

Campbell said that she has a problem with last year's rotation, and that the rotation should begin from this year. Three commissioners had held officer positions during the last three years and that it is vitally important to give everyone a chance. There would be hard feelings, otherwise. Padreddii said the matter was decided last year. Campbell replied that she was concerned because of unfairness.

Parravano said that the Board should maintain the rotation from last year and fine-tune it this year. Last year, there was not complete acceptance of the rotation selection. He then stated that he wanted to offer a proposal for this year and hoped all would agree: to use seniority of tenure on the Commission as the criterion. The sitting President would then start the cycle at the bottom of the list. Padreddii said that, with this approach, the Commission would start from now with seniority and go from there. Parravano urged that this be done, so it is an open and fair process, and accessible to all.

Padreddii asked for Tucker's and Lundie's comments. Both Tucker and Lundie said they favored this approach.

Padreddii then opened the discussion for nominations. He nominated Campbell for President, Lundie seconded. With no other nominations, Campbell was approved unanimously for President, starting January 1, 2005.

Tucker nominated Parravano for Vice-President, Campbell seconded. With no other nominations, Parravano was approved unanimously for Vice-President.

Campbell nominated Tucker for Treasurer, Lundie seconded. With no other nominations, Tucker was approved unanimously for Treasurer.

Campbell nominated Lundie for Secretary, Padreddii seconded. With no other nominations, Lundie as approved unanimously for Secretary.

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.

2 TITLE: **Certified Employment List for Accounting Specialist Classification**
RECOMMENDATION: Approval

3 TITLE: **Certified Employment List for Human Resources Manager Classification**
RECOMMENDATION: Approval

Action: Motion by Tucker, second by Campbell to approve Consent Calendar. Motion carried by 5 Ayes, 0 Nays.

Public Hearing - None

Continued Business - None

New Business

4 TITLE: **Study Item: Amendments to Commercial Activity Permit and License Agreement Provisions For Sportfishing Vessels**
RECOMMENDATION: To be determined

Action: Grenell presented this item. Campbell asked if the sportfishing vessel operators were buying passenger tickets. Grenell answered that they are. He said that discussions are underway with the vessel owners and operators regarding several issues concerning the permit provisions, and that possibly an action item could be brought to the Board by December 15 in South San Francisco. Lundie said it would be preferable to have the item heard by the Commission in Half Moon Bay. Grenell replied that the item could be on the agenda for the first meeting in February; the question should be considered before fishing season starts again around March.

Bill Beckett, proprietor of Huck Finn Sportfishing, spoke. He stated he has been operating in Pillar Point for over 30 years. His shop pays 8% on gross sales, and a couple of his boats pay

10%. The Harbor gets a share of that income. He said further that people don't realize that there are no "freebies". Even if someone receives a free pass, the District still collects its share of income. Beckett said further that his lease provides that the District can raise the percentage of its revenue any time. He said that everyone should receive the same requirement.

Beckett continued that all the District needs to do to get more revenue is charge for vehicle parking. Boating customers then would not have to worry. Lundie said he was not clear on this idea: is the proposal for independent sportfishing operators only? Beckett answered that it needs to be for everyone. Lundie asked if Beckett is in favor of the status quo? Beckett replied that for years, boats could run only out of the two sportfishing concession shops. Now, almost all have separated from the shops. Lundie asked if Beckett wants all boats to do the same. Beckett said yes.

Tucker said that is probably not necessary with two shops. The concern is with getting the 8% of gross onboard sales from the independent operators. He said let's wait and see how the discussions proceed.

Grenell said that staff had no problem changing the provision so that when vessels carried non-paying passengers from nonprofit organizations, government, or legitimate research institutions, the operators would not get charged.

Campbell inquired whether the boats keep records. Marks said that accounting staff has not gotten cooperation from the boaters regarding reporting on percentage sales. Campbell asked whether we could insert a sanction against this. The boaters should provide information from their records.

Parravano raised a question for investigation regarding what the shops and the independents charge relative to volume, range of items, etc.

Grenell stated that staff has researched what several other representative harbors are charging their sportfishing tenants; it varies, with several different systems being used, including flat fees, flat fees that vary during different seasons, and percentage charges.

Sherri Ingles asked how many independent sportfishing vessels now operate from Pillar Point. She said that when she and her husband operated their vessel out of Huck Finn, they paid \$2 per ticket plus 8% of gross sales. The Harbor does not provide anything by way of services relative to the 8% in comparison to Huck Finn; she asked what the \$2 passenger fee money goes for. Further, she asked why party boats and no other user groups are subject to such charges. They have received fee waivers when they take school groups on board. But, charges should be uniform with respect to the per person charge. There seem to be no provision with a reduction for shops relative to independent operators. A uniform system would be most fair. The operators should pay on the basis of what services are provided.

No action was taken and the item put over until February.

New Business ---Continued

5 TITLE: **Cancellation of January 5, 2005 Harbor Commission Meeting**

RECOMMENDATION: Cancel January 5, 2005 Harbor Commission Meeting

Action: Motion by Tucker, second by Parravano to cancel the January 5, 2005 Commission meeting. Motion carried unanimously.

6 TITLE: **Purchase of new Telephone System for Pillar Point Harbor**

RECOMMENDATION: Approve Purchase of New Telephone System from ACD Telecommunications in an Amount Not to Exceed \$4,995.00

Action: Grenell summarized the item. Campbell said she had called Pillar Point Harbor and was put on hold – silence – for a long time. The new system should provide something to indicate that the connection is still active. Parravano asked whether the recommended new system has wireless capability. Draper said it does, but not right now. Parravano said that the District should not purchase outdated equipment right away. Draper said that the proposed system can transfer calls to cell phones, and that while it does not have dedicated wireless, the system can be programmed to include it. Parravano asked about walkie-talkie capability. Draper said the system does not have this capacity.

Campbell inquired about the situation at Oyster Point. Johnson said their system was upgraded three years ago. Campbell said it is better to have a solid land line. Tucker said that it can also be enhanced with Nextel wireless system. Johnson affirmed.

Motion by Campbell, second by Lundie, to approve the purchase from ACD Telecommunications. Motion carried by 5 Ayes, 0 Nays.

7 TITLE: **Identify Real Property Negotiator Pursuant to Government Code Section 54956.8**

RECOMMENDATION: Identify Real Property Negotiator Peter Grenell

Action: Zafferano suggested that this item and the closed session might be continued to the next meeting. The item was not continued.

- 8** **TITLE:** **Bills and Claims in the Amount of \$86,015.29**
 RECOMMENDATION: Approval of Bills & Claims and a Transfer for Payment in
 the Amount of \$86,015.29

Action: Tucker stated he had reviewed an updated revised Bills and Claims. He said there had been some partial payments made on some bills, plus three hand checks had been written. Tucker then stated that the revised total amount for action is \$86,015.29.

Motion by Tucker, second by Lundie to approve the Bills and Claims and transfer. Campbell asked what the Half Moon Bay Review bill was for. Marks said it was for the public notice regarding the District Conflict of Interest Code amendments for the Harbor Commission. Motion carried by 5 Ayes, 0 Nays.

Reports for Possible Discussion/Action

Administration and Finance

9 General Manager Grenell

Action: Grenell added a brief statement regarding the forthcoming boat tour in and around Pillar Point Harbor to be provided for Congress Member Eshoo's Washington and District staff. Padreddii said he would try to go but that if he cannot, Campbell could go. Campbell said that Padreddii is President and should go.

10 Director of Finance Marks

Action: Marks had no written report, and stated that she had been on vacation, so the Bills and Claims were prepared in haste. Tucker said that we need to meet regarding the Wells Fargo and lock box issues. Campbell suggested that the District may want to shift business to U. S. Bank.

Operations

11 Oyster Point Marina/Park — Johnson

Action: Johnson had nothing to add to his report.

12 Pillar Point Harbor — Temko

Action: Draper stated that staff lost use of one engine on the patrol boat during recent stormy weather, and needed help from a fishing boat to assist on a rescue mission. Draper said he has found a new motor for the boat at one-third the price; for the East Coast price, but obtained on the West Coast. Padreddii asked when the new patrol boat will be ready. Draper said about eight months, with ten months to actually receive the vessel.

Board of Harbor Commissioners

- 13 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 El Granada firehouse lease ad hoc committee met with Half Moon Bay Fire Protection District representatives, two commissions and the fire chief. He said that roughly 2 ½ years are left on the Fire District's lease. He asked if there is a closed session item on this agenda. Zafferano affirmed that there is. Tucker then inquired whether either Fire District director or the chief wished to speak.

Fire District Commissioner Jerry Donovan thanked the Harbor Commission for meeting with the Fire District. He said it has been a good exchange of ideas. He expressed the desire to meet further to discuss a proposal to take back to the Fire District Board for consideration.

Campbell asked if the Fire District wants to stay in El Granada. Donovan said that is part of the discussion. A lease extension would help provide a cushion for the Fire District to explore its options. The District intends to eventually build a new fire station, but do not have definite plans now. They are exploring different possibilities regarding a new location, and maybe a joint venture.

Fire Chief Jim Asche stated that the lease will expire in June 2006, approximately 18 months from now. It is not too early to discuss this matter. There are lots of alternatives to consider. The current fire station location has very good access. Asche stated, to remind everyone, that the lease was considered a mutually beneficial document: for the Harbor, the need for fire and rescue services at Pillar Point. It is a good location, though a little small. A major renovation would be desired, but only if the lease is extended and the Fire District has provided for necessary funds. He referred to the gas spill in the Harbor several months ago as an example of service provided to the Harbor.

Parravano then referred to a current newspaper article that could affect the District. He referred to the federal government's intention to reduce salmon habitat as sensitive habitat by at least 75%, for all fisheries. This move has serious revenue implications for the Harbor District. The District needs to be involved with respect to the 60-day comment process. Parravano said

that this matter needs to be brought to the attention of Congress Member Eshoo. Further, he said that many efforts have been made to keep and increase salmon stocks, and this federal action will make it impossible to continue any improvement.

Campbell then proposed that, in preparation for January, the Commission should hold a retreat in January to set priorities. Padreddii said it may be hard to have it so quickly. Tucker suggested the end of January, with February being better. Campbell replied that February would be all right. Padreddii noted that Campbell will be President at that time.

Bill Beckett spoke out that the government has already closed all the rivers this week, and that there is no more fishing.

Zafferano then made a correction regarding agenda item 7 stating that the closed session concerning items 14 and 15 (typo corrected) should be held, following which Tucker moved to identify Grenell as real estate negotiator.

Motion by Tucker, second by Lundie to adjourn to closed session. Motion carried by unanimous vote at 8:05 p. m.

Closed Session

14 TITLE: Conference with Real Property Negotiator: Parcels E, E-1, E-2, E-3 and E-4, Oyster Point Marina/Park, South San Francisco, San Mateo County Harbor District and Marine Collections, LLC, Regarding Lease Terms and Conditions Pursuant to Government Code Section 54956.8

RECOMMENDATION: To be determined

15 TITLE: Conference with Real Property Negotiator: Parcel AP 047-264-030, El Granada, San Mateo County Harbor District and Half Moon Bay Fire District Regarding Lease Extension Terms and Conditions Pursuant to Government Code Section 54956.8

RECOMMENDATION: To be determined

Action: Zafferano stated that there was no reportable action from the closed session.

Adjournment

Motion by Tucker, second by Lundie to adjourn the public meeting. Motion carried by unanimous vote at 8:28 p.m.

APPROVED BY:

ATTESTED BY:

Leo Padreddii
President

Deputy Secretary