

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

**August 1, 2007
7:00 p.m.**

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

Roll Call

Commissioners

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

Staff

Peter Grenell, General Manager
Eileen M. Wilkerson, Human Resource Manager
Marcia Schnapp, Director of Finance
Robert Johnson, Harbormaster
Dan Temko, Harbormaster
Theresa N. Hayes, Deputy Secretary
Linda Noeske, District Counsel

x- absent

Public Comments/Questions - None

Staff Recognition – Temko recognized Deputy Harbormaster Cary Smith, Acting Lead Maintenance Specialist Mike Williams and Assistant Harbormaster John Draper for successfully leading a fire fighting effort at Pillar Point Harbor. Temko passed out a draft letter of commendation to the Board which he intends to send to Smith, Williams and Draper.

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calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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 July 18, 2007**
REPORT: Draft minutes
PROPOSED ACTION: Approval

Action: Motion by Campbell, second by Padreddii to approve item 1. The motion passed.

Ayes: 2

Nays: 0

Abstention: 1 (Parravano)

Public Hearing -

2 TITLE: **Amendment to Ordinance Code Section 3.2 to Provide for Event Permits**

A. Declare Meeting Open: Acting President Leo Padreddii
B. Report of Notice Given: Grenell, Resolution 24-07
C. Staff Report and Recommendation: Adopt Resolution 24-07 to Approve Amendment to Ordinance Code Section 3.2 to Provide for Event Permits
D. Public Testimony:
E. Harbor Commission Questions:
F. Close Public Testimony: Acting President Leo Padreddii
G. Commission Deliberation:
H. Recommended Commission Action: Adopt Resolution 24-07 to Approve Amendment to Ordinance Code Section 3.2 to Provide for Event Permits

This item has been postponed to August 15, 2007.

Continued Business

The Board took up Item 10.

10 TITLE: **Limited Commercial Activity Permit for American Legion Post 474 Fireworks Display at Pillar Point Harbor for July 4, 2008**
REPORT: Memo
PROPOSED ACTION: Approve in Concept Limited Commercial Activity Permit for American Legion Post 474 Fireworks Display at Pillar Point Harbor for July 4, 2008

Grenell explained to the Board that staff recommends that the permit for American Legion Post 474 July 4th fireworks display for the 2008 event be approved in concept in order for the

Legion to start fundraising and planning for the event. Grenell recommended that in the approval it be noted that this is the only fireworks event that the District will approve.

Campbell stated that the Legion took over a very bad situation last year and turned it into a very positive event for the community. She added that she supports this permit for conditional approval. Campbell suggested the County or the City of Half Moon Bay as possibilities for donations.

Action: Motion by Campbell, second by Parravano to approve Item 10 with the condition that no other permit is given to any other entity or person for a fireworks display on District property.

Ayes: 3

Nays: 0

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|---|------------------|---|
| 3 | TITLE: | Oyster Point Marina/Park Launch Ramp Project:
Approval of Plans and Specifications and Authorize
Issuance of Sealed Bid Notice |
| 4 | REPORT: | Staff Report |
| | PROPOSED ACTION: | Approve Plans and Specifications and Authorize General
Manager to Publish Bid Notice |

Johnson informed the Board that prior to the meeting some items have come up that he would like to have incorporated into the plans that were previously submitted to the Board. Johnson stated that the addenda would entail the following: 1- The San Mateo County Environmental Health Dept. wants inclusion of a specific membrane which the engineer is currently working on; 2- The Environmental Health Department also requested control plans for the disposal of excavated waste material for installation of light bulbs; and 3- The City of South San Francisco is requiring that the boat wash facility be connected to the sanitary sewer. Johnson said he recommends removal of section B on page 17-20 and 18-20 and the reference to a perforated pipe in the plans and specifications. Johnson informed the Board that another addendum involving LED lighting in the parking lot would be brought before the Board at the August 15th meeting.

Campbell asked what the expense is for the three addenda. Johnson stated that the sanitary sewer pits were approximately \$10,000 each when the fishing pier was done, but feels it would be more cost-effective to have his staff install the sewer pits. He added that there is no additional cost to the District for the addenda.

Parravano asked if any of this would affect the ferry terminal service in terms of traffic. Johnson said the project would not affect the ferry terminal service.

Campbell stated that after seeing some of the work that Oyster Point staff has done, she would encourage Johnson to have staff do everything they are able to do. Johnson said he intends to do this. Campbell said she is very confident in the Oyster Point staff and their qualifications.

Action: Motion by Campbell, second by Parravano to approve item 3. The motion passed.
Ayes: 3
Nays: 0

5 TITLE: 71-Berth and Haul-Out Project: Task 2 Haul-Out Feasibility Study
REPORT: Memo
PROPOSED ACTION: Authorize Winzler and Kelly Engineers to Complete Task 2 Haul-Out Feasibility Study

Grenell informed the Board that he has received a report on the initial task (dredging study) from the engineers. Grenell said a 71-berth and Haul-Out Committee (Tucker, Lundie) meeting was held to review the study and consider next steps. Grenell stated that pursuant to the Committee's recommendation, task 2 may begin. Grenell added that task two is budgeted at \$12,210 and will take approximately 5 weeks to complete. He concluded that the Committee recommended staff do a market study after completing task 2 to find out whether any berths that are built can be filled.

Campbell asked whether only one study will be done or will there be more studies after this one. Grenell said task two should give the Board enough information for the haul-out facility. Campbell asked if interviews with berthers will be done to see how many of them will use the haul-out facility. Grenell said he would recommend staff do that.

Parravano asked if it is possible to receive a more detailed description of the work that Winzler & Kelly will do so the Board could make sure the work is done according to contract. Grenell said he and Temko would meet with Winzler and Kelly and ask them for a detailed breakdown of the work they will do.

Grenell reiterated that he will get the itemized list of work to be done from Winzler and Kelly and he will direct staff to interview berthers to see if they will use the haul-out facility. Campbell requested obtaining berthers' signatures for more solid evidence of likelihood of use of the haul-out facility.

Parravano requested that staff gather data on the size of vessels that will use the facilities. Grenell said he would direct staff to do so.

Action: Motion by Campbell, second by Parravano to approve Item 5 with the requested conditions stated. The motion passed.

Ayes: 3
Nays: 0

New Business

6 TITLE: Commercial Sublease for Ann Miller dba Southern

Cross Canvas and Marina Collection, LLC
REPORT: Memo, Attachments
PROPOSED ACTION: Approve Commercial Sublease for Ann Miller dba Southern Cross Canvas and Marine Collection, LLC

Grenell reported that Marine Collection, LLC is a lessee at Oyster Point and has requested to have a third subtenant at its location in the Marine Center. Johnson added that Ann Miller would be a great asset to the District and to Marine Collection, LLC.

Action: Motion by Campbell, second by Parravano to approve Item 6. The motion passed.

Ayes: 3
Nays: 0

7 TITLE: Oyster Point Marina/Park: Agreement for Professional Services with Bishop Diving and Salvage for Demolition of Six Abandoned Vessels in an Amount Not to Exceed \$37,300.00

REPORT: Staff Report, Resolution 25-07
PROPOSED ACTION: Adopt Resolution 25-07 and Approve Demolition of Six Abandoned Vessels and Authorize General Manager to Execute Agreement with Bishop Diving and Salvage in an Amount Not to Exceed \$37,300.00

Johnson informed the Board that several vessels have been obtained through the lien process and some are of significant size. He added that the District receives 90% grant funds from DBAW through the Abandoned Watercraft Abatement Fund. Campbell asked if the District receives the funds before the work is actually done. Johnson said the funds are obtained before any work is done.

Action: Motion by Parravano, second by Campbell to approve Item 7. The motion passed.

Ayes: 3
Nays: 0

8 TITLE: Pillar Point Harbor: Agreement for Professional Services with Parker Diving Services for Demolition of Five Abandoned Vessels and Agreement for Professional Services with Dave Spurr for Demolition of One Sunken Vessel

REPORT: Staff Report, Resolution 26-07
PROPOSED ACTION: Adopt Resolution 26-07 and Approve Demolition of 6 Abandoned Vessels and Authorize General Manager to Execute Agreements with Parker Diving Services in an Amount Not to Exceed \$36,000.00 and Dave Spurr in an

Amount Not to Exceed \$6,000.00 for a Total Amount Not to Exceed \$42,000.00

Temko informed the Board that this item is essentially the same as Item 7.

Campbell asked Temko why he is using two different vendors for the job. Temko said the cost for the underwater work is less through Dave Spurr.

Parravano said that page 1 of the staff report under the Analysis section in paragraph one states that the vendor being used is Bishop Diving and Salvage. He asked Temko to clarify who is being used. Temko said that it is a typographical error and that Parker Diving Services is doing the work.

Action: Motion by Parravano, second by Campbell to approve Item 8. The motion passed.

Ayes: 3

Nays: 0

9 TITLE: Limited Commercial Activity Permit for Leukemia and Lymphoma Society Event at Pillar Point Harbor on August 25, 2007
REPORT: Application
PROPOSED ACTION: Approve Limited Commercial Activity Permit for Leukemia and Lymphoma Society at Pillar Point Harbor

Temko said this is one of a series of events that the Leukemia and Lymphoma Society holds at Pillar Point Harbor. He added that it is very low impact, it introduces new people to the Harbor and it is for a good cause. He recommended approval with waiver of the fee.

Action: Motion by Campbell, second by Parravano to approve Item 9. The motion passed.

Ayes: 3

Nays: 0

Campbell requested that this item be put on the website. Temko said that would be done.

11 TITLE: Limited Commercial Activity Permit for Kilohana Outrigger at Oyster Point Marina/Park
REPORT: Memo
PROPOSED ACTION: Approve Limited Commercial Activity Permit Kilohana Outrigger at Oyster Point Marina/Park

Johnson stated that Kilohana Outrigger plans to launch from Oyster Point, race to Hunters Point and end at the Port of Redwood City. He added that each vessel launched will be charged and anyone who docks overnight will be charged the appropriate dockage fee. He recommended approval with waiver of the fee.

Action: Motion by Parravano, second by Campbell to approve Item 11. The motion passed.

Ayes: 3

Nays: 0

- 12 TITLE: Draft Financial Statements and Independent Auditors' Report for the Fiscal Year Ended June 30, 2006**
- REPORT: Schnapp, Draft Financial Statements and Independent Auditors' Report**
- PROPOSED ACTION: To Be Determined**

Grenell informed the Board that the draft is pending acceptance from the Board. If accepted, the auditors will provide the District with the final audited statement for FY2005-2006.

Schnapp stated that, for FY2005-2006, there was a surplus of \$460,000, resulting from selling the Firehouse parcel to Half Moon Bay Fire District for \$450,000 and the vessel at Oyster Point for \$10,000. Campbell asked why the sale of the parcel to the HMB Fire District is being counted as income. Schnapp said that the proceeds in excess of original cost show up as income on the income statement and then move into the Administration office reserve on the balance sheet. Campbell questioned the results of the District net of extraordinary items. Schnapp said that in absence of the above asset sales, the District broke even for the year versus the budgeted \$400,000 plus loss, due to the excess ERAF refunds.

Schnapp stated that the District would continue to benefit from both excess ERAF refunds and no election expenses for FY2006-07 and FY2007-08. Starting in FY2008-09 the District would have to find alternative sources of revenues or expense savings to offset these items.

Parravano asked if the Board should wait to approve the draft until Lundie and Tucker return. Schnapp said that this item would be brought back for final approval. The Board agreed that was acceptable.

Parravano questioned why the entries for vessel destruction were not used with funds from DBAW Abandoned Watercraft Abatement Fund. Schnapp said that grant funds were not allowed to be used as an offset to the expense. She added that the grants show up on the income side.

Padreddii complimented Schnapp for the work done on the report. He said it was one of the best he has ever received. Campbell and Parravano agreed.

Action: Motion by Campbell, second by Parravano to accept the draft statements as presented, with no changes. The motion passed.

Ayes: 3

Nays: 0

- 13 TITLE: Bills and Claims in the Amount of \$200,306.73**
REPORT: Bills and Claims Detailed Summary
PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$200,306.73 to cover payment of Bills and Claims

Padreddii stated that he has reviewed the bills and claims and found them in order. He stated that there is an addition to the amount that changes the total to \$201, 306.73. He recommended approval.

Action: Motion by Padreddii, second by Campbell to approve the bills and claims in the amount of \$201, 306.73. The motion passed.

Ayes: 3

Nays: 0

Reports for Possible Discussion/Action

Administration and Finance

14 General Manager – Grenell

A) Update on Study Session Priority Items

Nothing further to add to written report.

B) General Manager’s Report

Nothing further to add to written report.

15 Director of Finance - Schnapp

Nothing further to add to written report.

16 Human Resources Manager - Wilkerson

Nothing further to add to written report.

Operations

17 Oyster Point Marina/Park - Johnson

Nothing further to add to written report.

18 Pillar Point Harbor – Temko

Nothing further to add to written report.

Board of Harbor Commissioners

19 A. Committee Reports

Pillar Point Restrooms (Campbell, Parravano)

Parravano said that the committee met on July 31st and that Temko has plans to share. Temko handed the plans to the Commission.

Campbell stated that the Committee was firm on making sure that the budget for the restroom does not go over \$300,000. She added that there has been discussion about fixing up the outside of the building. Campbell directed staff that if the estimated cost exceeds \$300,000 to bring it to the Board as an option for approval or denial.

Promotion and Marketing (Campbell, Parravano)

Parravano said he and Campbell met with the lessees and with RRM Design Group and it was a very good meeting. Campbell said the participation from the lessees was great. Padreddii added that the back entrance to Ketch Joanne's really looks great and feels it's better for business.

Campbell said a minimum of two alternative designs are supposed to be done by the designer within a two month period and the Committee asked the designer to keep costs in mind and be conservative in at least one of the designs.

Parravano asked Grenell if he plans to follow up with Half Moon Bay Sportfishing since they were unable to attend the meeting. Grenell said he would contact this lessee for their input.

71-Berth and New Haul-Out Facility (Lundie, Tucker)

See Item 5.

20 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.

None

Closed Session - None

Adjournment

Action: Motion by Campbell, second by Parravano to adjourn the meeting. The motion passed unanimously at 7:53 p.m.

APPROVED BY:

Leo Padreddii

Leo Padreddii
Acting President

ATTESTED BY:

Theresa N. Hayes

Theresa N. Hayes
Deputy Secretary