

San Mateo County Harbor District Board of Harbor Commissioners Meeting Minutes

July 20, 2011
7:00 p.m.

Municipal Services Building
33 Arroyo Drive
South San Francisco, Ca. 94080

Roll Call

Commissioners

Pietro Parravano, President
James Tucker, Vice President
Leo Padreddii, Treasurer
Robert Bernardo, Secretary
x Sally Campbell, Commissioner

Staff

Peter Grenell, General Manager
x Marietta Harris, Human Resource Manager
Robert Johnson, Harbormaster
Kathleen Kane, District Counsel
Debbie Nixon, Deputy Secretary

x-absent

Public Comments/Questions – None.

Staff Recognition- Johnson introduced and welcomed Amanda Morrison who is the Accounting Technician/Administrative Assistant at Oyster Point Marina.

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calendar are approved by one motion unless a Commissioner requests at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.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 6, 2011**
 REPORT: Draft minutes
 PROPOSED ACTION: Approval

Action: Motion by Tucker, second by Padreddii to approve the consent calendar. The motion passed.

Ayes: 3
Nays: 0
Abstentions: 1 (Bernardo)
Absent: 1 (Campbell)

Public Hearing - None

New Business

- 2 **TITLE:** **Independent Commercial Activity Permits for *F/V Gravy* and *F/V New Gravy***
 REPORT: Grenell, Memo, Applications, Attachments
 PROPOSED ACTION: Approve Independent Commercial Activity Permits for *F/V Gravy* and *F/V New Gravy*

Grenell stated the *F/V Gravy* and *New Gravy* have operated out of Huck Finn owned by Peggy Beckett. Owner Manuel Escobar was informed by Beckett that she will be assigning her lease and suggested he start advertising to solicit business to obtain a clientele base. Grenell stated Escobar was in the audience if any questions needed to be answered.

Escobar stated that he is applying for an Independent Commercial Activity Permit due to Beckett's situation.

Action: Motion by Padreddii, second by Tucker to approve the Independent Commercial Activity Permit for *F/V Gravy* and *New Gravy*. The motion passed.

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

- 3 **TITLE:** **Amendment to Commercial Activity Permit for Tom Mattusch Operator of *F/V Huli Cat***
 REPORT: Grenell, Memo, Attachments
 PROPOSED ACTION: Do not approve amendment to commercial activity permit for Tom Mattusch operator of *F/V Huli Cat*

Grenell stated that Mattusch spoke at a previous Commission meeting and asked for an amendment to his Commercial Activity Permit. The item was placed on this agenda. His

request is to pay his passenger service fees annually instead of monthly like all permits of this kind. Grenell stated that by allowing this, the District is potentially losing out on funds by not collecting them on a monthly basis; it could also be considered a gift of public funds. Grenell stated that staff recommendation is to deny his request. He stated that if an amendment was approved, then other permit holders will request the same exception.

Padreddii asked if Mattusch was asking to pay his fees at the beginning of the year. Grenell clarified that only the permit fee can be paid at the beginning of the year. There is no way to calculate passenger service fees ahead of time because you don't know how many passengers you will have.

Mattusch stated that his request to pay passenger service fees at the end of the year is something he has done for many years. He stated that his request is more of a technicality to correct the verbiage in his permit to reflect this.

Parravano quoted a line from the staff memo and asked Mattusch if it was a correct statement. "A file review showed that Mattusch signed his ICAP without any language changes for 2007, 2008, and 2009. He wrote in an unauthorized change in his 2010 ICAP and in 2011 as noted above." Mattusch stated that was a correct statement. Mattusch stated that his payment history will also show that he pays once a year and wanted that reflected in the permit. Grenell stated that the actual permit language states that he is to pay monthly and the fact that he has paid annually is not in compliance with his permit. He also stated that if the Board makes an exception for Mattusch or anyone else it is likely that others will ask for the same consideration and the amount of money that would be collected by the District will be significantly less. Tucker asked Grenell if anyone else, was paying their passenger service fees on an annual basis. Grenell stated not to his knowledge.

Action: Motion by Tucker, second by Bernardo to deny Mr. Mattusch's request to pay passenger service fees on a annual basis. The motion passed.

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

- 4 TITLE: **Oyster Point Marina/Park: Draft Capital Improvements Program: 2010-2015; and Draft Management Plan to Increase Berth Occupancy and Direct Revenue**
- REPORT: Grenell, Memos
- PROPOSED ACTION: Approve Capital Improvements Program and Management Plan and authorize General Manager to forward these documents to the City of South San Francisco for review and approval

Grenell stated he is pleased to present two documents to the Board, a 5 year capital improvements program for the Marina and berthing occupancy and revenue enhancement plan. If the documents are approved tonight, they will be forwarded to the South San Francisco City Manager for immediate review and approval. That approval is a condition of the District's March 2011 agreement with the City. Within an 18 month period, the City will

give the District \$2.6 million for Marina capital improvements in docks. There is reference in the draft management plan to increase berth occupancy and direct revenue for potential promotion and attracting new custom to the Marina for the America's Cup events.

Action: motion by Padreddii, second by Tucker to approve the draft capital improvements program and management plan and authorize the General Manager to forward the documents to the City of South San Francisco for review and approval. The motion passed.

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

Grenell stated he is in the process of preparing a grant application for Federal grant funds through Department of Boating and Waterways for \$600,000 to rebuild the Oyster Point Marina guest dock which is a component of the Capital Improvements program.

Padreddii stated that is a good idea because if you don't put in for the grants you don't know if you are going to get them.

Grenell stated that he is getting excellent assistance from Johnson and White regarding completion of the application.

- 5 **TITLE:** **Study Item: District Events Policy Development**
 REPORT: Grenell, Memo
 PROPOSED ACTION: To be determined

Bernardo stated that this is a really good starting point with very good frame work. He stated that there are great filters like revenue generation, impact on staff and environmental impact. Grenell stated that this has been a group effort by all staff, who have helped formulate the ideas.

- 6 **TITLE:** **Bills and Claims in the Amount of \$208,948.36**
 REPORT: Bills and Claims Detailed Summary
 PROPOSED ACTION: Approval of Bills and Claims for payment and a transfer in the amount of \$208,948.36 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 by a roll call vote.

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

Continued Business

- 7 **TITLE:** **Amendments to Memorandum of Understanding (MOU) with Teamsters Local Union 856**
 REPORT: Grenell, Memo
 PROPOSED ACTION: Approve amendments to MOU

Grenell stated that this item was on a previous agenda. The Board approved the amendments to the Teamsters MOU. After a review, it was discovered that no formal action was taken. This item is back on the agenda for formal action. Grenell stated that staff is waiting for the final signed MOU from Teamsters.

Tucker asked Grenell for the amount of PTO time each individual member currently has. Grenell stated he will get that to him.

Action: Motion by Tucker, second by Padreddii to approve the MOU with Teamsters Local Union 856. The motion passed.

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

- 8 **TITLE:** **Local Sponsor Cost Share to Complete Plans and Specifications and Construction Award of Oyster Point Marina/Park Floating Breakwater Wave Attenuators**
 REPORT: Grenell, Memo, Attachment
 PROPOSED ACTION: Authorize disbursement to the U.S. Army Corps of Engineers of an amount not to exceed \$387,136.00 for local sponsor cost share for Oyster Point Marina/Park Wave Attenuator

Grenell stated that this is the next installment to the U.S. Army Corps for the wave attenuators final phase of the Oyster Point Marina/Park breakwater project. The funds that are given to the U.S. Army Corps are part of the 20% local sponsor share and that the monies will be reimbursed by the City of South San Francisco pursuant to the agreement.

Action: Motion by Padreddii, second by Parravano to disperse an amount not to exceed \$387,136.00 to the U.S. Army Corps for the Oyster Point Marina/Park wave attenuators. The motion passed unanimously by a roll call vote.

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

- 9 TITLE: Change Order for Applied Remediation: Pillar Point Harbor Waste Oil Tank Removal for Workers Comp USL&H coverage**
REPORT: Johnson, Memo
PROPOSED ACTION: Approve change order for Applied Remediation in an amount not to exceed (amount to be provided at July 20, 2011 Board meeting)

Grenell stated that the Board has been given an informational item that was not in the Commissioners' packets. Johnson stated that any time you work over the water you need United States Longshore & Harborworkers' Compensation coverage. This was an oversight in creating the contact documents. Applied Remediation does have the policy in place and prepared for payment. They are scheduled to remove the tank July 25th and 26th. The amount of the grant funds are up to \$7,000 from the original \$5,000.

Action: Motion by Bernardo, second by Tucker to approve the change order in an amount not to exceed \$3,114.20. The motion passed unanimously by a roll call vote.

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

- 10 TITLE: Selection of Lowest Responsible Bidder for Oyster Point Marina/Park Asphalt Repair Project and Authorization to Execute Contract**
REPORT: Johnson, Memo
PROPOSED ACTION: Do not select lowest responsible bidder and terminate bidding process

Johnson stated that there is asphalt degradation at the West Basin at Oyster Point Marina/Park. Without going out to bid, there was no way to know the potential cost of the repairs. All the bids were very close, but the work is quite expensive. Staff recommends rejecting all bids and terminating the bidding process.

Action: Motion by Tucker, second by Parravano to not select the lowest responsible bidder and terminate bidding process. The motion passed.

Ayes: 4
Nays: 0

Absent: 1 (Campbell)

URGENCY ITEM

TITLE: Sponsorship of the San Mateo County Historical Association's 2011 History Makers Dinner
REPORT: Grenell, Oral Report, Attachment
PROPOSED ACTION: Authorize the General Manager to indicate Harbor District sponsorship of the 2011 History Makers Diner at the Benefactor or Patron level.

Action: Motion by Bernardo, second by Tucker to add the urgency item to the agenda.

Grenell stated he was asked by Supervisor Horsley if the District was able and willing to be a sponsor at the San Mateo County Historical Association Dinner. There are several levels of sponsorship. This is an Urgency item is because the due date to notify the Association is Friday, July 22nd.

Tucker asked if anyone is planning on going. He stated that the date of the dinner is September 7th and the Commission will be at the Harbor Commission meeting. He suggested donating at the \$500 level.

Action: Motion by Tucker, second by Padreddii to donate to the History Makers Dinner at the \$500 level. The motion passed unanimously by a roll call vote.

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

Tucker suggested that maybe Harbormaster Johnson could attend along with his wife and represent the District.

Bernardo wanted to clarify that this organization is a non-profit. Grenell stated he believed so, but he would check and get back to him.

Reports for Possible Discussion/Action Administration and Finance

11 General Manager - Grenell

Grenell stated that a few months ago he attended Legislative Days in Sacramento. He received an e-mail from the CSDA requesting a tour of the Harbors. The CSDA is thinking of featuring the Harbor District in their September/October magazine issue. The tour is scheduled for August 5th and will begin at Pillar Point Harbor; they will then visit Oyster Point Marina/Park. Their focus is matters that are green. Grenell sat with Harbormaster Johnson and Deputy Harbormaster Stern and reviewed ongoing staff operations and development of green Marina program activities.

Grenell stated that on August 2nd at 11:00 a.m. is the Interpretative Sign Panel unveiling.

Grenell stated that there is a meeting scheduled for July 25th to meet with County Elections Officer Church.

12 Director of Finance - Harris

Nothing further to add to written report.

13 Human Resources Manager – Harris

Nothing further to add to written report.

Operations

14 Oyster Point Marina/Park - Johnson

Johnson stated that the final plans for the wave attenuator project are complete and ready to go out to bid.

15 Pillar Point Harbor – Johnson

Johnson stated that the waste oil tank removal project will move forward and it will be removed.

Johnson stated the gutters have been installed.

Johnson stated the metal door replacement project will have to be extended; the doors are on back order and should be in around 2-3 weeks.

Johnson stated that he received a request from a tenant regarding the condition of the restrooms. Johnson stated that once the doors are installed there will be improvements done to the restrooms.

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 on September 12th, the Culinary Institute of America activity continues regarding the sustainable food systems of California. There will be a group coming to visit Pillar Point Harbor from Singapore, accompanied by Culinary Institute of America. The tour will begin at 9:30 a.m.

Parravano stated that Sherry Ingles from Half Moon Bay Sportfishing would like to speak in regard to the closed session item.

Sherry Ingles from Half Moon Bay Sportfishing stated that it has been 6 years since they stood before the Commission and requested approval of the assignment of Captain John's Lease. She stated that there have been a number of bumps starting with the closure of Devils Slide for several months their first year, there was a complete salmon closure for 2 years and now they are enduring one of the worst economies in decades. But through it all they have invested a lot of time and a lot of money and have turned the business around. Ingles stated that they hope that they have been an asset to the Harbor and stated that they would like to continue their tenancy at the Harbor.

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

Kane identified Grenell as the real property negotiator.

Action: Motion by Tucker, second by Padreddii to adjourn to closed session. The motion passed unanimously at 7:54 p.m.

Closed Session

Parravano recused himself from item 18. Tucker took the chair.

- 18 TITLE: **Conference with Real Property Negotiator: Pursuant to Government Code Section §54956.8**
- PROPERTY: **Pillar Point Seafood, Area 3, Johnson Pier, Pillar Point Harbor, El Granada, APN 047-083-060: Three Captains Sea Products, Inc., Area 2, Johnson Pier, Pillar Point Harbor, El Granada, APN 047-083-060: Morning Star Fisheries, Area 1, Johnson Pier, Pillar Point Harbor, El Granada, APN 047-083-060: Half Moon Bay Sportfishing, Parcel 4, Concessionaires Building, Pillar Point Harbor, El Granada, APN 047-083-060**
- REPORT:
- NEGOTIATING PARTIES: San Mateo County Harbor District, Pillar Point Seafood, Three Captains Sea Products, Inc., Morning Star Fisheries, Half Moon Bay Sportfishing
- UNDER NEGOTIATION: Lease Price, Terms and Conditions

Action: Motion by Padreddii, second by Bernardo to adjourn to Open Session. The motion passed unanimously at 8:15 p.m.

Ayes: 3
Nays: 0
Recused: 1 (Parravano)
Absent: 1 (Campbell)

Open Session

Kane reported out of Closed Session. Parravano recused himself. The Board identified for the draft Public Notice, the lease term of ten years plus one five year option to extend, and minimum annual rent of \$36,000.00, and authorized the General Manager to send the draft Public Notice to the Department of Boating and Waterways for review and approval. There was no other reportable action.

Adjournment

Action: Motion by Bernardo, second by Padreddii to adjourn the meeting. The motion passed unanimously at 8:17 p.m.

The next scheduled meeting will be held on August 4, 2010 at the Comfort Inn, 2930 Cabrillo Highway, Half Moon Bay at 7:00 p.m.

Debbie Nixon
Deputy Secretary

Pietro Parravano
President