



MINUTES
REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
MOSS LANDING, CA 95039
September 24, 2014, 7:00 p.m.

A. CLOSED SESSION

The Board adjourned to closed session at 6:00 p.m. to discuss the following:

1. Confer with real property negotiators pursuant to Government Code §54956.8 regarding Moss Landing Commercial Park (formerly National Refractories). Negotiating parties: General Manager and District Counsel.
2. Confer with real property negotiators pursuant to Government Code §54956.8 regarding APN 413.022.003 (NH Restaurant Pad). Negotiating parties: General Manager and District Counsel.
3. Confer with legal counsel and General Manager regarding one matter of litigation pursuant to Government Code § 54956.9(a): Cramer vs. MLHD, et al. and one matter of potential litigation pursuant to Government Code §54956.9(e) (2) involving damage to the Santa Cruz Cannery Building.

The Board came back into Open Session at 6:30. District Counsel informed the Board that subsequent to the posting of the agenda, an item of potential litigation, subject to discussion in Closed Session, had arisen. Counsel explained that pursuant to Government Code Section 54954.2, the Board could add the item to the agenda, by a 2/3 vote, upon a finding that the matter had arisen after the agenda was posted and required immediate action. Motion by Commissioner Gideon, Seconded by Commissioner Leonardini to add an item concerning potential litigation (Government Code Section 54956.9), to the Closed Session Agenda. The motion passed unanimously on a roll-call vote. Adjourned back into Closed Session at 6:31. Adjourned Closed Session at 7:20; break.

B. OPEN SESSION CALL TO ORDER AT 7:30 - PLEDGE OF ALLEGIANCE

Roll Call

Commissioners present:

Russ Jeffries – President

Yohn Gideon – Vice President

Vince Ferrante – Secretary

Frank Gomes, Jr. – Commissioner

Tony Leonardini - Commissioner

Staff present:

Linda G. McIntyre – General Manager

Mike Rodriguez – District Counsel

Marie Della Maggiore – Executive Assistant

C. PRESIDENT'S REMARKS

President Jeffries reported the Board had met in closed session; no reportable action was taken and direction was given to the General Manager and District Counsel. He added that pursuant to Government Code §54954.2, discussion of potential litigation had been added to the closed agenda as an emergency item; no action was taken.

D. PUBLIC COMMENTS

Karen Turner spoke to the Board regarding AirB&B and her ideas for using her boat as an overnight rental. President Jeffries commented that we do not have that type of permit available at this time but that the General Manager has the issue on her radar for research and review at some time in the future when time allows. President Jeffries also advised her to cease any unauthorized operations and refrain from advertising her vessel for overnight accommodations.

E. MANAGER'S REPORTS

1. Projects Status/Update – Written report, no further comments.
2. Community Relations; Requests/Issues – Written report. Commissioner Ferrante commended the GM and staff for a job well done maintaining a record of no workers compensation claims.
3. Summary of Permits Issued – Written report, no further comments.
4. Meeting Announcements – Written report, no further comments.
5. Assigned Liveboard Report – Written report, no further comments.
6. Assigned Slip Income Report – Written report, no further comments.
7. Incident Report – Written report, no further comments.

F. CONSENT CALENDAR

8. Approval of the August 27, 2014 Regular Meeting Minutes. – A correction was made to Item 18 of the minutes (the motion passed 5-0-0 on a roll call vote, not 4-0-0 as written). A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to approve the August 27, 2014 regular meeting minutes as corrected. The motion passed unanimously on a roll call vote.

G. TREASURER'S REPORT

9. GM McIntyre gave the financial report for the month ending August 31, 2014. Marina revenues are above budget by \$17K mostly due to SH parking revenues. Marina expenses are lower than budget by \$15K mostly due to lower personnel costs and repair expenses. Marina operations show a YTD profit of \$20K better than budgeted. Lease and other income is higher than budget largely due to an increase in Sea Harvest Restaurant percentage rent while lease and other expenses are lower than budget mostly due to interest reduction attributable to the refinancing that occurred on August 1. Combined operations show a YTD profit of \$70K, \$54K better than budget. Commissioner Ferrante asked about write-offs and bad debt; GM explained extensive process in place and that it has been extremely successful; Commissioner Gideon asked about utilities expenses.

A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to accept the month ending August 31, 2014 financial report. The motion passed unanimously on a roll call vote.

H. COMMITTEE REPORTS

10. Finance Committee – No meetings reported.
11. Elkhorn Slough Advisory Committee – No meetings reported.
12. Special Districts/LAFCO – No meetings reported.
13. Liveboard Committee – No meetings reported.
14. Harbor Improvement Committee – No meetings reported.

15. Real Property Committee I – No meetings reported.
16. Real Property Committee II – No meetings reported.
17. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (AB 1234 requirements). – Commissioner Ferrante reported he attended a CSDA meeting in Sacramento on September 5, 2014.

I. NEW BUSINESS

18. ITEM – Consider approval of Amended Reimbursement Agreement relating to the People’s Desalination Project.

- a. Staff report – Gm McIntyre gave the staff report.
- b. Public comment – Attorney David Balch spoke to the Board on behalf of the Peoples Desal Project. He commended the GM for the letter sent to the County in response to issues with the ML Community Plan draft and thanked her for including the importance of a desalination plant. Mr. Balch stated the project proponents have agreed to all the changes and amendments made to the Reimbursement Agreement by the District and District Counsel. There was discussion of the EIR process and the next steps for moving forward. President Jeffries asked about the status of the agreement in place with the City of Pacific Grove and said the Board will take no further action until a termination of the Pacific Grove agreement is provided in writing. There was clarification of the proposed delivery pipeline. Mr. Balch discussed the scoping process and said input from the District will be critical. Commissioner Gomes responded that he does not want the public to think that this Board is determining where and how much water is being distributed and wanted to go on record as such; the Harbor District is merely agreeing to act as Lead Agency for CEQA purposes and nothing further. Not everyone is convinced we should be getting into this at all. President Jeffries wanted stronger language in the agreement regarding future stakeholder participation by the District such as a right of first refusal clause. Commissioner Gomes said that a stakeholder position would be way past any discussion we’ve had so far. Commissioner Leonardini agreed and said his sole purpose for doing this is that the County needs water and also does not care which project goes forward adding “let the best man win”. President Jeffries added that the District would hire an expert to represent the District in analyzing the EIR.
- c. Board discussion – No further discussion.

d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to approve the amended Reimbursement Agreement with the Nader Agha and the Peoples Moss Landing Desal Project for the purposes of acting as lead agency for CEQA compliance. The motion passed unanimously on a roll call vote.

President Jeffries called for a 10-minute break. The Board returned to open session at 8:43 p.m.

19. ITEM – Consider approval of a project by Coastal Conservation & Research (John Oliver) and authorize GM to issue a Permit and execute Notice of Exemption.

GM McIntyre reported that the project proponent requested the item be withdrawn from consideration until further notice. No action taken.

20. ITEM – Consider Adopting Resolution No.14-11 authorizing the General Manager to enter into the Abandoned Watercraft Abatement Fund (AWAF) grant contract with DPR, Division of Boating & Waterways in the amount of \$13,700.

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – No further discussion.
- d. Board action – A motion was made by Commissioner Gideon and seconded by Commissioner Gomes to adopt Resolution No. 14-11. The motion passed unanimously on a roll call vote.

21. ITEM – Consider adopting Resolution No. 14-12 authorizing signatories to Umpqua Bank account

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – No further discussion.
- d. Board action – A motion was made by Commissioner Gideon and seconded by Commissioner Gomes to adopt Resolution No. 14-12. The motion passed unanimously on a roll call vote.

22. ITEM – Consider an Amendment to the Architectural Services Agreement with Wald, Ruhnke and Dost Architects for additional Services.

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – There was discussion of the need for architectural landscape services. The Board expressed concern that the architect did not include this necessary component in the original scope of services.
- d. Board action – A motion was made by Commissioner Leonardini and seconded by Commissioner Ferrante to authorize the additional services. The motion passed 4-1-0, Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon voting no.

J. COMMISSIONERS COMMENTS AND CONCERNS

Commissioner Ferrante commented that he has noticed many improvements in the appearance of the Harbor.

K. ADJOURNMENT

The meeting adjourned at 8:55 p.m.

Respectfully submitted,

Vince Ferrante, Secretary
Board of Harbor Commissioners

ATTEST:

Linda G. McIntyre, Deputy Secretary
Board of Harbor Commissioners