



MINUTES
SPECIAL MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
MOSS LANDING, CA 95039

May 20, 2015, 3:00 PM

A. OPEN SESSION – PLEDGE OF ALLEGIANCE – ROLL CALL

The meeting was called to order at 3:00 p.m. After the Pledge of Allegiance, roll was called.

Commissioners present:

Russ Jeffries - President
Tony Leonardini – Vice President
Vincent Ferrante – Secretary
Frank Gomes – Commissioner
Andrew Amaral – Commissioner

Staff present:

Linda G. McIntyre – General Manager
Mike Rodriguez – District Counsel
Tom Razzeca – Assistant General Manager
Marie Della Maggiore – Executive Assistant

B. PUBLIC COMMENTS

No public comments.

C. NEW BUSINESS

1. ITEM - Peoples Moss Landing Desalination Project – Introduction of EIR Consultant Candidate's team members and discussion of Project and consultant's duties and obligations.

- a. Staff report - No written report.
- b. Public comment - No public comment.
- c. Board discussion - Susan Lee, Project Manager for Aspen Environmental Group, introduced the Aspen team: Sandra Alarcon Lopez, Public Information Coordinator; Chris Huntley, Senior Biologist and Biology Team Leader, and; Vicky Hill; NEPA consultant. Also present from the Peoples Moss Landing Desal Project were Attorney David Balch and Environmental Consultant Steve Brown. Ms. Lee said the site visit went well and there were no notable obstacles apparent. President Jeffries commented that the CEQA Consultant services would be paid by the project owner and there was discussion of the next steps in the CEQA process and timeframes. Ms. Lee said the timeframe for completion depends largely on the quality of the document received. President Jeffries asked Mr. Balch when the draft CEQA document would be ready. Mr. Balch responded that they first need to incorporate the comments from the scoping meetings and added delays due to such things as adding in North Harbor [County] and the transfer of the lead agency agreement from Pacific Grove. District Counsel Mike Rodriguez asked for clarification that we would not be seeing any form of the document until the NOP process is complete to which Mr. Brown replied "correct". President Jeffries asked why a copy of the draft so far could not be presented to the consultant to which Mr. Brown replied it is not ready for any kind of distribution, there are still lead agency issues, financial issues, ownership issues and contractual issues between himself and the project owner Nader Agha. Commissioner Gomes commented that it sounds like they either can't or won't finish (the document) and without good faith, we will not be able to help you. Mr. Brown said that he just needs more time and refuses to turn over a "half baked" product to which President Jeffries responded "we have heard this many times, over a year ago." Counsel Rodriguez asked for clarification that Mr. Brown is representing that the draft NOP he is prepared to submit will be a complete representation of what is to be covered in the EIR to which Mr. Brown

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answered yes. Counsel Rodriguez added that although we are only deciding whether to approve Aspen to move forward, this is definitely a different proposal than we were given a year or more ago by Mr. Agha. Mr. Balch commented that back in January or March they had stated to the Board that Mr. Brown had gone as far as he could go without the NOP to which President Jeffries replied this is not new; this has come up long before you (Balch) were even involved. He added that if his client (Agha) continues to fail to produce, he may lose the District as lead agency. Commissioner Leonardini said he feels the same and he also wants to ensure the General Manager and District Counsel are not left out of the loop on any point here on out. There was discussion of the recent financial issues over the Agha property, the threat of foreclosure and refinancing efforts and the upcoming injunction hearing. Mr. Balch stated that 4 of 5 investors have executed forbearance agreements but the 5th one will not sign and the hearing on the injunction is scheduled for May 27 so he will be able to report the results at the next Board meeting. The GM asked what happens if the injunction is not granted and Mr. Balch stated they could file Chapter 11 or take out emergency funding. Under Chapter 11 they could continue to perform unless the Trustee advises otherwise. Ms. Lee then asked about communication protocol and GM McIntyre responded that everything should go through her and District Counsel. President Jeffries reiterated that Aspen is the consultant for the District and even the simplest phone request from any party should be brought to the GM's attention. There was discussion of other desal projects on which Aspen had consulted and the testing of slant wells in Monterey County. Aspen asked for copies of any studies or reports that have been conducted on wells, biological studies, etc. and for a good mailing list of property owners, agencies, etc. within the scoping area.

d. Board action - Counsel Rodriguez stated that no action was required; this was a meeting with the consultant per the conditions of contract approval. President Jeffries thanked them for coming. Commissioner Leonardini offered to connect the Aspen team with any Agriculture representatives and Commissioner Gomes offered an aerial tour of the site.

D. ADJOURNMENT

The meeting was adjourned at 4:00 pm.

Respectfully submitted,

Vince Ferrante, Secretary
Board of Harbor Commissioners

ATTEST:

Linda G. McIntyre, Deputy Secretary
Board of Harbor Commissioners