



MINUTES
REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
MOSS LANDING, CA 95039
June 25, 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.
4. Confer with real property negotiators pursuant to Government Code §54956.8 regarding parcel(s) currently used for E & F Dock access easements (MBARI). Negotiating parties: General Manager and District Counsel.
5. Confer with Labor negotiators pursuant to Government Code §54857.6 re Carpenters 46 No. California Conference – Chief Negotiator General Manager Linda G. McIntyre.

B. OPEN SESSION CALL TO ORDER - PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:10 p.m. After the Pledge of Allegiance, roll was called.

Commissioners present:

Russ Jeffries – President

Vince Ferrante – Secretary

Frank Gomes, Jr. – Commissioner

Tony Leonardini - Commissioner

Commissioners excused:

Yohn Gideon – Vice President

Staff present:

Linda G. McIntyre – General Manager

Tommy Razzeca – Asst. General Manager

Mike Rodriguez – District Counsel

Marie Della Maggiore – Executive Assistant

Wendy Cumming, CPA

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.

President Jeffries moved Item 9, the Treasurer's Report, forward on the agenda.

G. TREASURER'S REPORT

9. Financial Reports – Month ending May 31, 2014 – Ms. Cumming reported that there were no significant changes from the previous month and that marina revenues were in line at 100% of budget. She added that general and administrative costs were below budget by about \$37K and 11 months into the fiscal year we are showing a \$128K loss due to depreciation. Leases and other income are better than budget by \$162K and combined year-to-date operations are better than budget by \$152K. A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to accept the month ending May 31, 2014 financial report. The motion passed 4-0-1;

Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon absent.

In consideration of the public's time, President Jeffries moved Item 18, the Umpqua Bank Refunding, forward on the agenda.

18. ITEM – Consider adopting Resolution 14-04 approving the consolidation and refunding of the District's long-term debts at a lower interest rate with Umpqua Bank.

a. Staff report – GM McIntyre gave the staff report. She gave further clarification of the refunding options and the Harbors and Navigation Code conditions that would apply.

b. Public comment – Mr. Cameron Weist of the Weist Law Firm (bond counsel) gave an outline of the three proposed refunding package options and answered questions from the Board about obtaining an additional loan amount of up to \$1M. Mr. Dean Stevens, Vice President with Umpqua Bank introduced the philosophies and commitments of the bank and their CEO. Umpqua Bank prides itself on being a "community bank".

c. Board discussion – the Board asked questions about details such as the refunding requirements, options, interest and payoff terms which were all answered to their satisfaction by Mr. Weist and Mr. Stevens. Counsel Mike Rodriguez commented that there may be a few minor changes to language and definitions, and tweaks to a couple of provisions but nothing of concern. Ms. Cumming stated the terms are standard and that she will work with the budget committee each year to ensure the annual ratios are adjusted accordingly and in compliance.

d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to select refunding option #2 and adopt Resolution No. 14-04. The motion passed 4-0-1; Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon absent.

D. PUBLIC COMMENTS

No public comment.

E. MANAGER'S REPORTS

1. Projects Status/Update – Written report, no further comments.

2. Community Relations; Requests/Issues – GM McIntyre added that she has included in the report a letter about sea lion deterrent methods the District has tried in its ongoing effort to protect the harbor infrastructure and tenants from the destructive nature of the beasts. The letter was sent to all slip holders along with the annual rate adjustment notice in June. Assistant GM Tommy Razzeca gave a report on the fencing that was installed as an experiment to see if it was sufficient to deter the sea lions from hauling out onto the docks and fingers. The fencing was about 2 ½ feet high composed of chain link and pipe. He said so far it seems to be effective although it is now mating season so most of the troublesome bulls have taken off. There was discussion of using the fencing in different types of configurations and with different size (height) vessels. Mr. Razzeca said there are still adjustments to be made and it is a work in progress but hopefully by doing a few hot spots, we can break the cycle of where the animals have been known to congregate. Mr. Mark Tufts, South Harbor liveaboard, showed the Board a fence design he built out of 4X4 wood and hinges which allows it to be opened for access to cleats. Mr. Tufts said that due to the size and height of his vessel it is difficult to tie up around the fence the harbor put up. Mr. Razzeca responded that this is why they are doing small areas at a time and are making adjustments as they go based on tenant feedback. President Jeffries reminded Mr. Tufts that he cannot install these things himself but to continue to bring his ideas to staff for their consideration.

3. Summary of Permits Issued – Written report, no further comments.

4. Meeting Announcements – Written report, no further comments.

5. Assigned Liveaboard 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 May 28, 2014 Regular Meeting Minutes. – A motion was made by Commissioner Leonardini and seconded by Commissioner Gomes to approve the May 28, 2014 regular meeting minutes. The motion passed 4-0-1, Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon absent.

H. COMMITTEE REPORTS

10. Finance Committee – Ferrante/Gideon – Nothing to report
11. Elkhorn Slough Advisory Committee – Leonardini/Alternate - Gomes – Nothing to report
12. Special Districts/LAFCO – Commissioner Ferrante said the next meeting is scheduled for July 15th and he and President Jeffries will be attending.
13. Liveaboard Committee – President Jeffries said he will speak with the Committee Chair, Commissioner Gideon, about scheduling a meeting.
14. Harbor Improvement Committee – Gideon/Gomes – Nothing to report
15. Real Property Committee I – Jeffries/Leonardini – nothing to report
16. Real Property Committee II – Gomes/Gideon – nothing to report?
17. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (Per AB 1234 requirements). – Commissioner Ferrante reported that he attended CSDA Board meeting June 20, 2014.

I. NEW BUSINESS

19. ITEM – Consider options to determine the outcome of an election in the event of a tie between qualified candidates.
 - 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 Gomes and seconded by Commissioner Leonardini to select “By Lot” as the process for determining the winner in the case of a tie in the upcoming November election and direct the General Manager to inform the Monterey County Elections Department of their decision. The motion passed 4-0-1; Commissioner Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon absent.
20. ITEM – Consider requiring vessel insurance for slipholders.
 - a. Staff report – Written report. Assistant GM Razzeca reported on the information gathered such as how the insurance requirements would be monitored, staff time required, how to deal with short term transient vessels, possible daily or uninsured fees, and vessels that just don’t qualify for insurance.
 - b. Public comment – Harbor tenant Vicki Crow asked if the District was able to get any insurance payment for the removal of the sunken LOYAL II to which GM McIntyre responded there was none available at the time but we have since acquired coverage. Ms. Crow said the tenants pay for the District insurance now so why would they agree to pay an assessment for more? She would like the District to send out a questionnaire to all tenants on the issue. Harbor tenant Mark Tufts said he likes the idea of establishing a fund.
 - c. Board discussion - Commissioner Gomes said it very important to pursue and thinks the best way would be to impose an “access” fee and hire clerical help to monitor. President Jeffries said he feels the issue needs further investigation and would like to see it built into the next budget as a reserve but need to determine how much. Commissioner Ferrante said he does not want uninsured vessel owners here, costs us too much.
 - d. Board action – The Board directed GM McIntyre to gather more information and research on the ideas presented
21. ITEM – Consider letter of support for the reappointment of Russ Jeffries to the California Regional Water Quality Control Board Central Coast Region.

- 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 Gomes and seconded by Commissioner Leonardini to approve the letter of support for the reappointment of Russ Jeffries to the CWQCB and direct GM McIntyre to submit the letter on behalf of the Board and District. The motion passed 4-0-1; Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon absent.

22. ITEM – Consider approving Memorandum of Understanding with Carpenters 46

- a. Staff report – GM McIntyre pointed out a few non-substantive changes.
- b. Public comment – No public comment.
- c. Board discussion – No further discussion.
- d. Board action – A motion was made by Commissioner Gomes and seconded by Commissioner Ferrante to approve the Memorandum of Understanding. The motion passed 4-0-1; Commissioners Jeffries, Ferrante, Gomes and Leonardini voting aye; Commissioner Gideon absent.

J. COMMISSIONERS COMMENTS AND CONCERNS

Commissioner Ferrante thanked the Board for their support in the CSDA Board election. President Jeffries said the CSDA training conferences are a good opportunity for the Commissioners; the next one is being held in Palm Springs.

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