



MINUTES
RESCHEDULED REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
Moss Landing, CA 95039
March 30, 2016, 7 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 Building Pad). Negotiating parties: General Manager and District Counsel.
3. Confer with legal counsel and General Manager regarding two (2) matters of litigation pursuant to Government Code § 54956.9(a): 1. Catalano vs. MLHD and 2. Deyerle vs. MLH.
4. Confer with legal counsel and General Manager regarding two (2) matters of significant exposure to litigation pursuant to Government Code §54956.9(d)(2).

B. OPEN SESSION CALL TO ORDER - PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:14 p.m. After the Pledge of Allegiance, roll was called.

Commissioners present:

Russ Jeffries – President

Tony Leonardini – Vice President

Vince Ferrante – Secretary

Margaret "Peggy" Shirrel - Commissioner

Commissioners absent:

Andrew Amaral - Commissioner

Staff present:

Linda G. McIntyre – General Manager

Mike Rodriguez – District Counsel

Tom Razzeca – Assistant General Manager

Marie Della Maggiore – Dir. Of Administrative Services, Assistant to the GM

C. PRESIDENT'S REMARKS

President Jeffries reported that the Board met in closed session; no reportable action was taken and direction was given to the General Manager and District Counsel.

D. PUBLIC COMMENTS

No public comments.

E. CONSENT CALENDAR

A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to approve the February 24, 2016 Regular Meeting Minutes. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.

F. TREASURER'S REPORT

2. GM McIntyre gave the financial report for the month ending February 29, 2016. The highlights were:

- Marina Revenues are higher than budgeted by \$29k. South Harbor parking is better than budget by \$38k, which is offset by assigned and transient berthing below budget by \$12k. The crab season closure affected assigned and transient berthing revenue and explains this \$12K dip in berthing income.

SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947

- Marina Expenses are lower than budgeted by \$105k. The variance is a largely due to a combination of repairs and maintenance costs not yet expended and personnel expenses under budget.
- Marina operations shows a year to date profit of \$32k, which is higher than budgeted by \$134k.
- Lease and other operating revenues are better than budget by \$61k. The \$61k is largely made up of higher than anticipated property tax revenue and higher key and dry storage revenue. This is offset by lower than anticipated revenue for N.H. Use income. The N.H. Use income is below budget by \$11k, again due to El Niño conditions and the crab season closure.
- Lease and other operating expenses are slightly below budget by \$4k.
- Lease and other operations shows a year to date profit of \$436k, which is higher than budget by \$65k.
- Overall for the eight month period combined operations show a profit of \$467k, higher than budget by \$199k.

Commissioner Ferrante asked whether attorney fees incurred by the People's Desal project were included in Item 5260 on page 11 of the Financial report to which the GM replied they are, but elsewhere in the report there would be a revenue item reflecting reimbursement by the project proponent that would offset the portion of attorney fees attributable to the project. A motion was made by Commissioner Leonardini and seconded by Commissioner Shirrel to approve the month ending February 29, 2016 financial report. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.

G. MANAGER'S REPORTS

3. Projects Status/Update – Written report, no additional comments.
4. Community Relations; Requests/Issues – Written report, no additional comments.
5. Summary of Permits Issued – Written report, no additional comments.
6. Meeting Announcements – Written report, no additional comments.
7. Assigned Liveboard Report – Written report, no additional comments.
8. Assigned Slip Income Report – Written report, no additional comments.
9. Incident Report – Written report, no additional comments.

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 Commissioners attended at District Expense (AB 1234 requirement) – No meetings reported.

I. NEW BUSINESS

18. ITEM – Update on North Harbor wharf/visitor dock access erosion emergency repair project.
 - a. Staff report – GM McIntyre gave the staff report. She added that CalTrans has expressed an issue regarding an encroachment permit which may delay the emergency repairs

indefinitely, while the erosion damage continues to undermine the shoreline and the infrastructure.

b. Public comment – No public comment.

c. Board discussion – No further discussion. Counsel Rodriguez advised the Board to state a consensus that emergency conditions still exist.

d. Board action – The Board was in agreement that the emergency conditions necessitating the project still existed and that all terms and conditions of Resolution 16-01 remain in effect.

19. Item - Update on B Dock emergency finger replacement project.

a. Staff report – GM McIntyre gave the staff report. She added that the forms to pour the concrete fingers have been ordered and should arrive by the end of April.

b. Public comment – No public comment.

c. Board discussion – No further discussion.

d. Board action - The Board was in agreement that the emergency conditions necessitating the project still existed and that all terms and conditions of Resolution 16-02 remain in effect

20. ITEM – Consider adopting Resolution No. 16-09 approving a proposal for audit services.

a. Staff report – GM McIntyre gave the staff report, stating that the only proposal received was from the Jolley CPA firm and that staff was very pleased with their services.

b. Public comment – No public comment.

c. Board discussion – President Jeffries said he liked to obtain new firms periodically to have fresh eyes on the District's finances; Commissioner Ferrante mentioned that some firms assign different staff members each year within the same firm so you can still have new people who may see different issues.

d. Board action – A motion was made by Commissioner Shirrel and seconded by Commissioner Leonardini to adopt Resolution No. 16-09 awarding the audit services contract to the firm of Bryant L. Jolley CPA . The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.

21. ITEM – Consider Resolution No. 16-10 casting a vote for LAFCO seat election.

a. Staff report – GM McIntyre gave the staff report.

b. Public comment – No public comment.

c. Board discussion – President Jeffries reported that he had received a phone call from candidate Grant Leonard soliciting votes and that President Jeffries invited him to attend the Board meeting but he was not present and that he did not hear from Stephen Snodgrass.

d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to cast the vote in the LAFCO election for Warren Poitras. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.

22. ITEM – Consider adopting Resolution No.16-11 executing the VALIC Plan Document Pension Protection Act (PPA) reinstatement.

a. Staff report – GM McIntyre gave the staff report stating these amendments come before the Board periodically in order to comply with new IRS regulations and are required for the continuing participation in the District's pension plan.

b. Public comment – No public comment.

c. Board discussion – No further discussion.

d. Board action – A motion was made by Commissioner Leonardini and seconded by Commissioner Shirrel to adopt Resolution No. 16-11. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.

23. ITEM – Consider adopting Resolution No. 16-12 canceling the May 25, 2016 Board meeting and rescheduling at a later date.

- a. Staff report – GM McIntyre gave the staff report indicating this occurs every year because the Harbors & Navigation Code requires publication of a Notice of Public Hearing for at least 30 days prior to fixing the final budget, and there are not 30 days between the adoption of the Preliminary Budget and the date for fixing the Final Budget within the regular meeting schedules.
 - b. Public comment – No public comment.
 - c. Board discussion – No further discussion.
 - d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to adopt Resolution No. 16-12 canceling the May 25, 2016 Board meeting and rescheduling it for May 31, 2016. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.
24. ITEM – Consider adopting Resolution No. 16-13 canceling the June 22, 2016 Board meeting and rescheduling to June 29, 2016.
- a. Staff report – Written report, Commissioner Leonardini said he would be out of town; the GM pointed out that there are 5 Wednesdays in June so we would still hold a June meeting in June if the Board adopts the Resolution.
 - b. Public comment – No public comment.
 - c. Board discussion – No further discussion.
 - d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Shirrel to adopt Resolution No. 16-13. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.
25. ITEM – Consider adopting Resolution No. 16-14 declaring the Yamaha outboard engine surplus equipment.
- a. Staff report – GM McIntyre referred to the written report.
 - b. Public comment – No public comments.
 - c. Board discussion – No further discussion.
 - d. Board action – A motion was made by Commissioner Leonardini and seconded by Commissioner Shirrel to adopt Resolution No. 16-14. The motion passed 4-0-1 on a roll call vote. Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral absent.
26. ITEM – Receive status update regarding The People's Desal Project including progress on Administrative Draft EIR; give direction to staff.
- a. Staff report – GM McIntyre gave the staff report stating when the report was prepared she had not received the ADEIR but received it late the previous Friday evening, along with the executed NEPA Reimbursement Agreement.
 - b. Public comment – The People's Moss Landing Desal Project environmental consultant Steve Brown showed the Board binders which he stated contained the Administrative Draft EIR for the project. He did not distribute the document stating he does not want it entered into the public record. Mr. Brown said he had stated two years ago that the same document was 90% complete but the science did not prove out. The team has tried for two years to avoid open ocean intake but has since decided that is exactly what is needed. He said a lot more work was needed after the August 2015 NOP comments were received and that it has taken until just recently for the engineers to complete the work on the intake and outfall locations. Engineering studies have been taking place since October 2015 to satisfy what Aspen and the CCC have asked them to provide. These studies continue as the document is still at 90% complete. Mr. Brown said it is close to completion and ready to go out to the public for CEQA purposes. It is the hope of the team that Aspen will accept it as such.
 - c. Board discussion – President Jeffries said the lengthy delays have cost Mr. Agha (project owner) a lot of money. He asked Mr. Balch (counsel for the project) where is the NEPA

section of the document. Mr. Balch replied that the [Monterey Bay National Marine] Sanctuary has not yet given them the info they need in order to complete the application and they intend to meet with representatives of the Sanctuary soon. Mr. Brown added that they can move forward faster if they get the CEQA document out to the public for comments. This garners public support and puts pressure on the NEPA lead agency to approve faster. He said this document covers marine biology to a level that satisfies the Sanctuary NEPA process and Mr. Balch added that the biggest report on marine biology was done by a biologist from ML Marine Labs on the outfall EIR. President Jeffries noted that the document was not in a format which would allow Aspen to make changes and suggested they provide it in a user friendly version like Word. The project proponents declined to do that. Commissioner Ferrante asked if North County water was put back in the plan. President Jeffries said Mr. Agha had assured the Real Property Committee that it would. He added that there is no justification for being the lead agency if the project does not serve our constituents. Mr. Brown answered that this had been done by taking 3,652 acre feet off the gross production and designating it for North County.

d. Board action – No action taken.

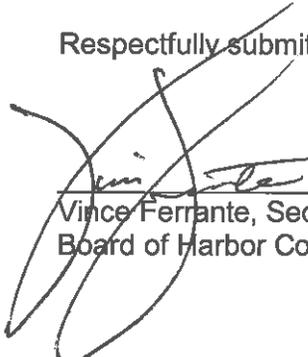
J. COMMISSIONERS COMMENTS AND CONCERNS

Commissioner Leonardini asked if we will have to move boats to install the B Dock fingers to which staff replied that we would have to move several large vessels.

K. ADJOURN MEETING

The meeting adjourned at 8:13 p.m.

Respectfully submitted:



Vince Ferrante, Secretary
Board of Harbor Commissioners

ATTEST:



Linda G. McIntyre, Deputy Secretary
Board of Harbor Commissioners