

**MINUTES
REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
Moss Landing, CA 95039
AUGUST 24, 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 APN 413.022.003 (NH Building Pad). Negotiating parties: General Manager and District Counsel.
2. Confer with legal counsel and General Manager regarding one (1) matter of significant exposure to litigation pursuant to Government Code §54956.9(d)(2).
3. Confer with legal counsel and General Manager regarding one (1) matter of potential litigation pursuant to Government Code § 54956.9(a): Claim of Samuel Frazier.
4. Confer with legal counsel and General Manager regarding one (1) matter of potential litigation pursuant to Government Code § 54956.9(a): Claim of Camilla Corvin.
5. Consider personnel matter pursuant to Government Code §54957 – General Manager annual performance evaluation.
6. 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.
7. Confer with legal counsel and General Manager regarding two (2) matters of litigation pursuant to Government Code § 54956.9(a): 1. Catalano vs. MLHD 2. Deyerle vs. MLHD and (3) Monterey County RDA vs. State of CA Department of Finance

B. OPEN SESSION CALL TO ORDER - PLEDGE OF ALLEGIANCE

Roll Call

Russ Jeffries – President
Tony Leonardini – Vice President
Vince Ferrante – Secretary
Andrew Amaral - Commissioner
Peggy Shirrel - Commissioner

Linda G. McIntyre – General Manager
Mike Rodriquez – District Counsel
Tom Razzeca – Assistant General Manager
Marie Della Maggiore – Dir. Of Administrative
Services, Executive 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

David Balch, Attorney representing the Peoples Moss Landing Desal Project, said the decision about shifting outfall focus should be finalized in the next couple of weeks. The team has met with NEPA and should have their responses back to NEPA by end of September.

Cass Shrock, owner of Monterey Bay Kayaks in Moss Landing, expressed her concerns and ideas about the parking permit process. She said it is currently very burdensome on their staff to make change, explain parking, etc. She said they have six permits that allow them to do business "legally" compared to Kayak Connection. She said Kayak Connection is able to offer free parking and pay less rent. She estimates \$10,000 purchase of prepaid parking permits by her business. She is asking for a reduction in the permit fees for her customers and a revised parking fee schedule to include a lesser 4-hour fee.

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Bob Goode, owner of Pot Stop Moss Landing, asked the Board to consider a long term lease for his business. He has been on a month-to-month for almost 11 years. He agreed the parking fees are an issue and the \$8 fee turns away a lot of customers that only need an hour or less to shop. He also asked that upgrades be made to the North Harbor restroom facilities.

E. SPECIAL PRESENTATION

1. Eric Tynan, General Manager of the Castroville Community Services District (CCSD) gave a presentation on the Moss Landing Sewer Allocation Plan (MLSAP). He said the original plan was put in place in 1984 and the Monterey County Board of Supervisors has recommended the sewer allocations be reviewed more often. He said so far this has not been done until Castroville Community Services District took over the system in 2013. They have now discovered the system has a lot more capacity than previously allocated. The capacity is broken into five areas and very unevenly distributed. In July 2015, the CCSD voted to increase areas that needed more allocation for growth and development bringing the total from 105,000 to 140,000. Right now only 79,000 is being used. He said the reallocation will only affect current users; new users would be allocated as they apply and pay for any upgrades or equipment needed to add them. Coastal Plan dictates that ag land must be septic. New pump station has over 2M gallons capacity compared to 105K in 1984. He added that the Coastal Commission has approved the allocations parameters and gives CCSD the flexibility on the details. North Harbor still has 90% capacity available and MLHD could apply to the CCSD Board if more is ever needed. Mr. Tynan said that since taking over the system, CCSD has paid off over \$65,000 in loans but still has a lot of work to do before they can consider reducing rates. There are antiquated, rusted out lift stations that need to be replaced and CCSD is applying for a \$25M grant to do a badly needed upgrades to the area around Struve. He added that the Moss Landing system gets more cleaning and maintenance than any other areas and his testing shows no seawater intrusion on the "island".

President Jeffries said his Board directed him to oppose the removal of the allocations. Mr. Tynan responded that no area will lose any rights to allocations. Commissioner Ferrante asked who is paying for the new lift station on Moss Landing Road to which Mr. Tynan replied MRWPCA. He added that he will ensure the Moss Landing Community Plan includes the correct verbiage regarding allocations. A Castroville resident, Mr. Padilla, commented that he does not understand the opposition; MLHD is getting more allocation, more improvements, new equipment and yet we are asking for a refund. President Jeffries responded that we are only opposing the wording that does not sufficiently protect our allocations. Josh Stratton, aide to Monterey County Supervisor John Phillips, said Sup. Phillips office will offer any assistance they can provide to mediate or resolve any language issues. President Jeffries said the language written by John Ford will be seen at the Monterey County Planning Department September 1st meeting. Mr. Stratton said he will contact John Ford.

President Jeffries thanked the speakers for their time.

F. CONSENT CALENDAR

2. A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to approve the June 28, 2016 Rescheduled Regular Meeting Minutes. The motion passed 4-0-1; Commissioners Jeffries, Leonardini, Ferrante and Shirrel voting aye; Commissioner Amaral abstaining.

G. FINANCIAL REPORT

3. GM McIntyre reported the following for the month ending July 31, 2016:

- Marina revenues are higher than budgeted by \$3K. Berthing revenues are in line with budget and South Harbor parking revenue is better than budget by \$2K.
- Marina expenses are lower than budgeted by \$27K. The variance is a largely due to a combination of repairs and maintenance costs, personnel expenses and general and administrative costs under budget.

- Marina operations show a year to date profit of \$35K, which is higher than anticipated by \$31K.
- Lease and other operating revenues are in line with budget.
- Lease and other operating expenses are slightly below budget by \$5K.
- Lease and other operations show a month to date profit of \$31K.
- Overall for the year to date, combined operations show a profit of \$66K which is higher than budget by \$22K.

A motion was made by Commissioner Leonardini and seconded by Commissioner Shirrel to accept the month ending July 31, 2016 financial reports. The motion passed unanimously on a roll call vote.

H. MANAGER'S REPORTS

The General Manager will make oral or written presentations on the below listed subjects. The Board may take such action as deemed necessary. The Manager may present additional reports; however, the Board may not take action on any such item not on this Agenda.

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

I. COMMITTEE REPORTS

11. Finance Committee – Chair Ferrante/V. Chair Leonardini – No meetings reported.
12. Elkhorn Slough Advisory Committee – Amaral/Alt. Leonardini – No meetings reported.
13. Special Districts/LAFCO – Jeffries/Ferrante – No meetings reported.
14. Liveboard Committee – Chair Amaral/V. Chair Jeffries – No meetings reported.
15. Harbor Improvement Committee – Chair Shirrel/V. Chair Amaral – No meetings reported.
16. Real Property Committee I – Chair Leonardini/V. Chair Jeffries – No meetings reported.
17. Real Property Committee II – Chair Ferrante/V. Chair Shirrel – No meetings reported.
18. Meetings Commissioners attended at District Expense (AB 1234 requirement) – Commissioner Ferrante reported that he attended the CSDA meetings of the Alliance Counsel, Legislative Committee and the Fiscal Committee in Sacramento on August 19, 2016.

J. NEW BUSINESS

19. ITEM – Update on North Harbor wharf/visitor dock access erosion emergency repair project.
 - a. Staff report – GM McIntyre gave the staff report.
 - b. Public comment – No public comment.
 - c. Board discussion – No further discussion.
 - d. Board action - The Board by consensus agreed that the emergency conditions necessitating the project still exist and that all terms and conditions of Resolution 16-01 remain in effect.
20. ITEM – Consider denying the claim of Camilla Corvin.
 - 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 Shirrel and seconded by Commissioner Ferrante to deny the claim of Camilla Corvin. The motion passed unanimously on a roll call vote.
21. ITEM – Consider approving General Manager Contract Amendment.

- a. Staff report – GM McIntyre gave the staff report.
- b. Public comment – No public comment.
- c. Board discussion – Commissioner Amaral requested that the Board return to closed session for further discussion. GM McIntyre, Assistant GM Razzeca and Executive Assistant Della Maggiore left the room and the Board met in closed with District Counsel present. The Board returned to open session at 8:20 p.m. There was no further discussion.
- d. Board action – A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to approve the amendment to the General Manager's contract. The motion passed unanimously on a roll call vote.

K. COMMISSIONERS COMMENTS AND CONCERNS

President Jeffries commented that he has noticed a lot of trucks loaded with kayaks in North Harbor and wonders if they are all paying permit holders. He will assign a Real Property Committee to look into parking and launching fees. President Jeffries also asked the GM and Counsel to look into the long term lease issue brought up by Pot Stop owner Bob Goode and find out if the constraints imposed by the DBAW loan have been lifted. He also asked staff to bring recommendations to the Board for improving the North Harbor restrooms.

Commissioner Ferrante said he had brought a group from the Japanese Sister City to the harbor and they enjoyed the Elkhorn Slough Safari Tour. He said the grounds look beautiful. He would like to see a new "Welcome to Moss Landing" sign in the channel. Commissioner Amaral commented that he also agreed with the North Harbor parking and restroom issues.

L. ADJOURN MEETING

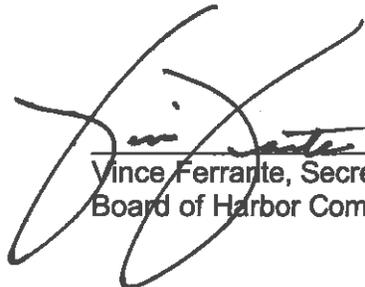
The meeting was adjourned at 8:24 p.m.

Respectfully submitted:

ATTEST:



Linda G. McIntyre, Deputy Secretary
Board of Harbor Commissioners



Vince Ferrante, Secretary
Board of Harbor Commissioners