



MINUTES
REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
MOSS LANDING, CA 95039
March 25, 2015, 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 Restaurant and Visitor Dock). Negotiating parties: General Manager and District Counsel.
3. Confer with real property negotiators pursuant to Government Code §54956.8 regarding the Santa Cruz Cannery Building (lease proposal). Negotiating parties: General Manager and District Counsel.
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 District Counsel regarding one matter of potential litigation pursuant to Government Code §54956.9D2.

B. OPEN SESSION CALL TO ORDER - PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:13 p.m. After the Pledge of Allegiance, roll was called.

Commissioners present:

Russ Jeffries – President
Tony Leonardini – Vice President
Vince Ferrante – Secretary
Frank Gomes, Jr. – 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

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 comment.

E. SPECIAL PRESENTATION

Mr. Brent Constantz, Founder, Manager and CEO, and members of the Deep Water Desal Project team; George Riley, Chief Development Officer, Dennis Ing, CFO, Jim Heisinger, Co-founder and General Counsel, Grant Gordon, COO, Scott Jackson, Co-founder and Program Manager, and Jane Ricci, Co-founder and Business Manager; were present to give an update on the status of their project. Mr. Constantz reviewed the basis of the desal project co-located with a 150 megawatt Data Center complex. Mr. Armanasco said the Monterey Bay region is greatly underserved by the lack of broadband fiber infrastructure and data storage capability and the Deep Water Desal Project addresses these issues,

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and more, such as creating high tech fiber links to the Silicon Valley, and the corridor from Northern to Southern California and bringing high tech, high paying jobs to the area. Mr. Grant added that the integration of the data center with the desal allows them to use enough power to buy it “off the grid” which will reduce the cost of water which would provide Salinas and the extended agricultural growing with severely needed infrastructure required to remain competitive. This data center and high speed access will also enable regional municipalities to take advantage of broadband fiber assets to empower a remote workforce to compete for jobs on a minor or major scale without requiring workers to commute to Silicon Valley for good paying jobs. Mr. Armanasco also commented that local shareholders from Monterey and Santa Cruz Counties and the Silicon Valley have successfully funded the project so far. The project application was submitted to the State Lands Commission in January and they are now going into the EIR process with SLC as the Lead Agency. In response to comments by the SLC they will now slant drill under the water instead of a pipeline. In response to questions from the Board, Mr. Constance said that 1,000 acre feet of water has been dedicated to Castroville Water District, CAL AM will be using 10,000 acre feet, and the Soquel Creek Water District may also want an agreement after they conduct their independent verification of the project. He said they met with County and CalTrans department heads regarding the traffic concerns and also met with Castroville Community Services District regarding the septic and sewage capacities. He also said the data center would employ approximately 150 in three shifts. Mr. Jackson stated the TDS levels of the water will be less than 500 which are drinking water limits; the World Health Organization limit is 1,000. He added the levels can also be tiered and adjusted depending on use. Mr. Constantz spoke to the use of the existing Dynegy pipeline. He said although it is abandoned at the moment, it has been maintained in caretaker status and Deep Water Desal owns the easement and intends to repurpose it for conduit, cable and data lines. Mr. Jeffries said we may need a legal opinion on the use of the oil pipeline for other purposes.

With no further questions, President Jeffries called for a 5-minute break.

The Board returned to open session at 8:03 AM

F. CONSENT CALENDAR

1. Adopt Resolution No. 15-04 renewing Monterey Bay Electronics lease of space at 7881 Sandholdt.
2. Adopt Resolution No. 15-05 authorizing the execution of a one-year lease with Running Stream Food and Beverage, Inc. for space in the Santa Cruz Cannery Building.
3. Approval of the February 25, 2015 Regular Meeting Minutes.

A motion was made by Commissioner Ferrante and seconded by Commissioner Gomes to adopt the Consent Calendar. The motion passed unanimously on a roll call vote, Commissioners Jeffries, Leonardini, Ferrante, Gomes and Amaral voting aye.

G. TREASURER’S REPORT

4. Financial Reports – Month ending February 28, 2015 – Written report; in response to questions GM gave overview; we are on track. A motion was made by Commissioner Leonardini and seconded by Commissioner Ferrante to approve the month-ending February 28, 2015 financial report. The motion passed unanimously on a roll call vote, Commissioners Jeffries, Leonardini, Ferrante, Gomes and Amaral voting aye.

H. COMMITTEE REPORTS

5. Finance Committee – Chair Ferrante/Vice Chair Leonardini – No meetings reported.

6. Elkhorn Slough Advisory Committee – Amaral/Alt. Leonardini – No meetings reported.
7. Special Districts/LAFCO – Jeffries/Ferrante – Next meeting in April.
8. Liveaboard Committee – Chair Jeffries/Vice Chair Amaral – No meetings reported.
9. Harbor Improvement Committee – Chair Gomes/Vice Chair Amaral – No meetings reported.
10. Real Property Committee I – Chair Jeffries/Vice Chair Leonardini – Nothing to report
11. Real Property Committee II – Chair Gomes/Vice Chair Ferrante – No meetings reported.
12. Ad Hoc Budget Committee – Chair Gomes/Vice Chair Leonardini – Meetings will begin next week.
13. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (AB 1234 requirements). – No other meetings reported.

I. NEW BUSINESS

14. ITEM – Consider adopting proposed Ordinance clarifying guest policies.
 - a. Staff report – Written report. GM McIntyre noted that this proposal was brought to the Board at the last meeting and based on input from the Board at that time; some changes were made to the language as submitted this evening.
 - 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 Amaral to adopt Ordinance 198 amending Chapter 6, Section 6.115 “Guests and Contractors” of the Ordinance Code. The motion passed unanimously on a roll call vote, Commissioner Jeffries, Leonardini, Ferrante, Gomes and Amaral voting aye.

J. COMMISSIONERS COMMENTS AND CONCERNS

Commissioner Ferrante mentioned that CSDA offers scholarships and webinars. No further comments.

K. ADJOURN MEETING

The meeting adjourned at 8:13 pm.

Respectfully submitted,

Vince Ferrante, Secretary
Board of Harbor Commissioners

ATTEST:

Linda G. McIntyre, Deputy Secretary
Board of Harbor Commissioners