



MINUTES
REGULAR MEETING
OF THE BOARD OF HARBOR COMMISSIONERS
MOSS LANDING HARBOR DISTRICT
7881 Sandholdt Road
MOSS LANDING, CA 95039
June 24, 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. 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 unimproved lot next to Cannery Building. Negotiating parties: General Manager and District Counsel.
4. Confer with legal counsel and General Manager regarding two (2) matters of potential litigation pursuant to Government Code § 54956.9(a): Claim of Catalano and Claim of Adventure Alley, LLC.
5. 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 7:32 p.m. After the Pledge of Allegiance, roll was called.

Commissioners present:

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

Staff present:

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

Commissioners excused:

Frank Gomes, Jr.

C. PRESIDENT'S REMARKS

President Jeffries sadly announced the passing of Commissioner Frank Gomes, Jr. GM McIntyre said a prayer for Frank and his family & friends. President Jeffries then asked for a moment of silence.

Per Government Code §54954.2B, an action item was added to the agenda. Item 27 will be to declare a vacancy on the Board and to discuss and consider filling the vacant seat by appointment. President Jeffries said the Board will return to closed session at the end of the open session.

D. PUBLIC COMMENTS

Harbor tenants Tom Hart, Vicki Crow and Dempsey Bosworth spoke to the Board about their concerns navigating around two large whale watching vessels in and out of the channel between A and B docks. GM McIntyre and Assistant HM Tom Razzeca will look into the issue.

E. CONSENT CALENDAR

1. Approval of the May 20, 2015 Special Meeting Minutes.
2. Approval of the May 27, 2015 Regular Meeting Minutes.
3. Approval of the June 17, 2015 Special Meeting Minutes.

SERVING COMMERCIAL FISHING AND RECREATIONAL BOATING SINCE 1947

4. Approve Amendment No. 6 to the ML Community Plan EIR Services Contract.

A motion was made by Commissioner Amaral and seconded by Commissioner Leonardini to approve Items 1 and 2 on the Consent Calendar. The motion passed 4-0-1 on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.

F. FINANCIAL REPORT

5. GM McIntyre gave the financial report month ending May 31, 2015. She said Marina Revenues are higher than budgeted by \$120K mostly due to transient and temporary berthing. Marina Expenses are lower than budgeted largely due to a combination of repairs and maintenance costs coming in under budget. Marina Operations show a year-to-date loss of \$9K which is better than budgeted by \$112K. This includes \$433K in depreciation expense which is a non-cash item. Lease and other operating revenues are higher than budget by \$164K due primarily to higher than anticipated property tax revenue which came in higher than budget by \$149K. Lease and other operating expenses are under budget by \$172K primarily due to lower than anticipated election costs and the refinancing of District debts. Lease and other operations show a year-to-date profit of \$350K which is \$336K higher than budget. There were no questions.

A motion was made by Commissioner Ferrante and seconded by Commissioner Amaral to approve the month-ending May 31, 2015 financial report. The motion passed on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.

In consideration of the speakers present, President Jeffries moved Items 21 thru 26 forward on the agenda.

I. NEW BUSINESS

21. ITEM – Consider DWD MOU.

- a. Staff report - GM McIntyre gave the staff report indicating that she had been approached by the MBNMS and the State Lands Commission asking MLHD to participate in an MOU for joint participation in reviewing the DWD project environmental documents.
- b. Public comment - No public comment.
- c. Board discussion - District Counsel Rodriguez commented that this was a standard procedure and that one way or another we would be asked to review the EIR.
- d. Board action - A motion was made by Commissioner Leonardini and seconded by Commissioner Amaral to participate in the MOU and the Joint Review Panel the State Lands Commission has proposed in relation to the Deep Water Desal project. The motion passed 4-0-1 on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.

22. ITEM – Consider NOP for People’s desal.

- a. Staff report - GM McIntyre gave the staff report. She added that the NOP had not been received until late last night and that this is the final version for the Board's approval. She assured the Board that she, District Counsel Rodriguez and Susan Lee, ASPEN Project Manager for CEQA compliance, have all reviewed and approved the document.
- b. Public comment - Susan Lee said her team believes the document is now worthy of approval as does project Counsel Dennis Lewis, appearing for David Balch who is out of the country.
- c. Board discussion - There was discussion of the pipelines and how they would be used. The dates and location of the public meetings need confirmed to complete the document and once that is done, the NOP will be published as required by law.
- d. Board action - A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to approve the NOP subject to approval of the meeting dates to

be added. The motion passed 4-0-1; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.

23. ITEM – Consider approving the District’s insurance renewal package
 - a. Staff report - GM McIntyre gave the staff report, stating the package came in only slightly higher than last year’s premium.
 - b. Public comment - No public comment.
 - c. Board discussion - No discussion.
 - d. Board action - A motion was made by Commissioner Leonardini and seconded by Commissioner Ferrante to approve the District’s insurance renewal package. The motion passed on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.
24. ITEM – Consider financing options for insurance renewal premiums.
 - a. Staff report - GM McIntyre gave the staff report recommending approval of a financing proposal rather than paying over \$100,000 out all at once.
 - b. Public comment - No public comment.
 - c. Board discussion - There was discussion of financing versus paying the premium in full.
 - d. Board action - A motion was made by Commissioner Ferrante and seconded by Commissioner Jeffries to select Premium Assignment Corp financing option #2. The motion passed 4-0-1 on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.
25. ITEM – Discuss and consider options regarding bid for North Harbor Restaurant Project.
 - a. Staff report - GM McIntyre gave the staff report.
 - b. Public comment - No public comment.
 - c. Board discussion - President Jeffries recommended having Real Property Committee I meet, review the issues and bring back their recommendations to the Board.
 - d. Board action - A motion was made by Commissioner Leonardini and seconded by Commissioner Amaral to table Item 25 to the next meeting. The motion passed 4-0-1 on a roll call vote; Commissioner Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.
26. ITEM – Consider and select a candidate for CSDA Board of Directors, Coastal Network, Seat A.
 - a. Staff report - GM McIntyre gave the staff report.
 - b. Public comment - No public comment.
 - c. Board discussion - Commissioner Ferrante said he has worked with the candidates and would recommend Elaine Magner.
 - d. Board action - A motion was made by Commissioner Ferrante and seconded by Commissioner Leonardini to cast a vote for Elaine Magner in the CSDA Coastal Network, Seat A Board of Directors election. The motion passed 4-0-1 on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.

G. MANAGER’S REPORTS

6. Projects Status/Update - Written report, no comments.
7. Community Relations; Requests/Issues - Written report, no comments.
8. Summary of Permits Issued - Written report, no comments.
9. Meeting Announcements - Written report, no comments.
10. Assigned Liveboard Report - Written report, no comments.
11. Slip Income Report - Written report, no comments.
12. Incident Report - Commissioner Amaral asked about the report of a man falling in the water from B dock. Assist GM Razzeca clarified the incident. No further comments.

H. COMMITTEE REPORTS

13. Finance Committee – No report.
14. Elkhorn Slough Advisory Committee – No report.
15. Special Districts – Next meeting July 21, 2015.
16. Liveaboard Committee – Meeting scheduled for July 14.
17. Harbor Improvement Committee – No report.
18. Real Property Committee I – Chair Jeffries reported one meeting on June 11, 2015.
19. Real Property Committee II – Vice Chair Ferrante reported one meeting on June 10, 2015.
20. Meetings attended by Commissioners at District expense since the last regular meeting of the Board (AB 1234 requirements). - No additional meetings reported.

Added Item 27 - Filling the Board Vacancy.

- a. Staff report - District Counsel said that Harbors and Navigation Code section 6050.3 states in part that the District has 30 days from the declaration of a vacancy to appoint someone to fill the vacancy or it will go to the County Board of Supervisors who would then appoint someone. The vacancy is declared this evening.
- b. Public comment - No public comment.
- c. Board discussion - There was discussion of potential candidates. Commissioner Leonardini said he would prefer someone who would be willing to run in the next election as well. President Jeffries said this person is going to be thrust into the middle of two big projects and recommends previous Board member Peggy Shirrel. He said he spoke with her and she is willing to step in and fill the vacancy. Commissioner Ferrante said Ms. Shirrel would be the most up to speed on the issues. There was logistical discussion of the swearing in process.
- d. Board action - A motion was made by Commissioner Jeffries and seconded by Commissioner Ferrante declaring a vacancy on the Board and accepting Margaret "Peggy" Shirrel, PhD. as the candidate to fill the seat. The motion passed 4-0-1 on a roll call vote; Commissioners Jeffries, Leonardini, Ferrante and Amaral voting aye; Commissioner Gomes absent.

J. COMMISSIONERS COMMENTS AND CONCERNS

Commissioner Leonardini said he spoke with Jim York who is the Pastor at the Harbor Chapel Church in Moss Landing. He said Mr. York is interested in volunteering to be the Chaplain for the District. District Counsel will look into any separation of church and state issues there may be by a public agency having an official religious representative. Commissioner Ferrante appreciated the flag being flown at half mast at the Harbor Masters office to honor Frank Gomes. He said the District should do something to honor his memory and President Jeffries suggested a Resolution or a plaque to present to the family. Commissioner Amaral said he hopes the issue of the whale watching boats and navigation in the channel will be resolved quickly and GM McIntyre suggested he direct any further comments directly to her and she will handle as appropriate. No further comments.

K. ADJOURN MEETING

President Jeffries adjourned the open session at 8:45 pm. He said the Board will take a five minute break and then returned to closed session. Any action taken will be reported out when the Board returns to open session for final adjournment.

9:25 pm reconvened in Open Session so President Jeffries could report that no action took place during Closed. Meeting Adhourned.

Respectfully submitted.

Vince Ferrante, Secretary
Board of Harbor Commissioners

ATTEST:

Linda G. McIntyre, Deputy Secretary
Board of Harbor Commissioners