



**HARBOR COMMISSION BOARD MEETING  
Minutes September 25, 2018**

Commissioners present: Drew Brandy, Bob Vessely, Jim Blecha, Bill Barrow and Mary Matakovich

Commissioners absent: None

Staff present [for Closed Session]: Andrea Lueker, Harbor Manager; Kristen Stout, Business Manager

Staff present [for Open Session]: Andrea Lueker, Harbor Manager; Kristen Stout, Business Manager; Chris Munson, Facilities Manager; Matthew Ashton, Chief Harbor Patrol Officer; Phil Sexton, Treasurer

Legal Counsel present: Jeff Minnery

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**CALL TO ORDER / PUBLIC COMMENT**

President Brandy called the meeting to order at 5:05 p.m.

All Commissioners were present.

There was no public comment.

**CLOSED SESSION**

President Brandy adjourned to closed session at 5:30 p.m., **Pursuant to Government Code Section 54956.9(a)**: Conference with legal counsel regarding the matter of *Lowry v. Port San Luis Harbor District*.

**Pursuant to Government Code §54957.6**: Conference with labor negotiators. Agency designated representatives: Harbor Manager, Andrea Lueker; Business Manager, Kristen Stout. Employee Organization: Service Employees International Union, Local 620.

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**ADJOURN TO OPEN SESSION / ROLL CALL / FLAG SALUTE**

President Brandy reconvened the meeting to open session at 6:08 p.m., and reported that during closed session, the Board had voted unanimously in favor of accepting SEIU Local 620's counter proposal for Certification Pay for Captain's Licenses and Crane Operation, 5-0.

President Brandy led the flag salute.

All Commissioners were present.

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## PUBLIC COMMENT

President Brandy called for public comment, of which there was none.

President Brandy advised that, out of respect for those in attendance to speak about the item, a request to hear *Discussion Item D* prior to *Discussion Item A* would be honored.

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## CONSENT ITEMS

Consent Items **A, B, F** and **G** were pulled for discussion by the Harbor Commission.

Upon a motion made by Commissioner Blecha and seconded by Commissioner Matakovich, the following Consent Items were approved by a vote of 5-0 without discussion:

- C. Monthly Payables:** August 2018 check register was received.
  - D. Minutes:** August 9, 21, and 28, 2018 minutes were approved.
  - E. Lighthouse Keepers:** August 2018 update was received.
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## DISCUSSION OF PULLED CONSENT ITEMS

Following discussion among the Commissioners and staff, the Consent Items below were approved by motions moved, seconded and carried:

- A. Activity Reports:** August 2018 reports were received.
- B. Treasurer's Report:** July 2018 report was received.
- F. Avila Pier Update:** September 2018 update was received.
- G. Harbor Terrace Project Report:** August 2018 update was received.

Public comment for **Consent Item G** was given by Anne Brown of Avila Beach, who had requested an update on the status of the Harbor Terrace Project, and then thanked the Board for their response.

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## DISCUSSION ITEM D): TRAILER BOAT BUILDING LEASE SITE – REVIEW WRITTEN PROPOSALS AND RECOMMENDATIONS FROM THE PROPERTY COMMITTEE AND THE REVIEW TEAM; SELECT A FINALIST

Commissioner Barrow recused himself from the discussion on the advice of counsel at 6:34 p.m.

Harbor Manager Andrea Lueker announced that legal counsel would be present for Discussion Item D only.

Harbor Manager Andrea Lueker presented the item, went over the key points in the staff report, and answered questions from the Board, alongside Jeff Minnery as Legal Counsel, Treasurer Phil Sexton, Business Manager Kristen Stout, and Facilities Manager Chris Munson.

Commissioner Blecha and President Brandy spoke as members of the Property Committee, who were recommending Crazy Pelican Oyster Bar as a finalist. Both Commissioners expressed concern over previous Markets not having sustained successful enterprises, and spoke in favor of giving a different type of business a chance to succeed.

Commissioners Vessely and Matakovich both expressed a desire to adhere to the concept of a retail market and deli set forth in the RFP, and expressed that a retail market better meets the needs of the patrons at Port San Luis.

Treasurer Phil Sexton spoke about the financials submitted by both parties, and expressed concern that both proformas seemed optimistic, and presented a view of stabilized operations in the beginning years as opposed to a more realistic picture of a business in its initial years.

President Brandy called for public comment.

Missy Lintner, Port San Luis, spoke in support of the Hooked Up Market & Deli's proposal. Mrs. Lintner stated that customers of the Port San Luis Boatyard ask, on a daily basis, for a local place to get coffee, beer, bottled water and R.V. supplies, amongst other items listed on the market's proposal, and that there have not been inquiries made about restaurants.

Barbara Powers, Nipomo, spoke in support of her submitted proposal for the Crazy Pelican Oyster Bar, and expressed her belief that a restaurant/bar would fare better than a market. Mrs. Powers presented hard copies of her comment to the Board and staff, and spoke about permit requirements and the RFP process.

Butch Powers, Nipomo, reiterated Mrs. Powers' sentiments, and stated that local fishermen have expressed their affinity for oysters and would likely stop by an oyster bar after a day of fishing. Mr. Powers stated that Avila Beach Paddlesports' clientele would appreciate healthy fare, and that the Crazy Pelican Oyster Bar can meet those needs.

Tyler Noble, Bakersfield, spoke in support of his submitted proposal for the Hooked Up Market and Deli, and stated that, as a long-time patron of the Port, he knows what people are looking to purchase. Mr. Noble spoke about the requirements for code compliance and expressed his confidence that he could meet the needs set forth by the District and local patrons of the harbor.

Commissioner Blecha moved to select the Crazy Pelican Oyster Bar as the District's tenant at the Sport Launch Building contingent upon satisfactory assessment of financials, with clarification of questions from the Selection Committee. President Brandy seconded, and the item was brought back to the Board for further discussion before a vote.

Commissioner Matakovich suggested that if further assessment of financials were to be offered to one proposer, it should be offered to both.

Staff was given direction to further assess the financials for each proposed business, and Commissioner Blecha withdrew his motion prior to a vote.

There was no action taken.

**DISCUSSION ITEM A): RESTAURANT LEASE SITE (END OF HARFORD PIER, EAST SIDE)  
– MARKETING CONCEPT AND RFP PROCESS; RECEIVE REPORT**

Commissioner Barrow was present for the discussion, and legal counsel left the meeting, at 8:21 p.m.

Business Manager Kristen Stout presented the item and went over the key points in the staff report.

The Board thanked staff for the information, and there was consensus that a similar concept for the area formerly known as BJ's Live Fish would be helpful.

President Brandy called for public comment, of which there was none.

The item was informational only and required no action be taken.

**DISCUSSION ITEM B): DISCUSSION OF MANAGER CONTRACTS, BENEFITS AND COMPENSATION – REVIEW, PROVIDE DIRECTION TO STAFF**

Harbor Manager Andrea Lueker presented the item, went over the key points in the staff report and answered questions from the Board.

The Commission discussed the proposed increases.

Commissioner Barrow expressed his support for a COLA, but not equity, noting that managers are relatively new, and haven't yet reached the top of their salary range, and that Harbor Patrol had already been bumped up recently in their salaries across the board. Commissioner Barrow stated that it's difficult to compare the District's salary range with that of a larger District or city with a police department, and that he still considers District salaries competitive as there were a lot of applicants for the positions offered within the current range.

President Brandy echoed Commissioner Barrow's sentiments, noting that more than a five percent equity increase seems too much if the employee hasn't yet reached the top of his or her range.

Commissioner Matakovich went over the numbers and expressed support for equity increases over an extended period of time – five years, as was recently done with Harbor Patrol salaries, and stated that it should be based on merit and not automatic. Commissioner Matakovich confirmed with staff that the Board approves the initial contract, but that the Harbor Manager has the authority to grant increases within the entire salary range.

Commissioner Blecha echoed Commissioner Barrow's sentiments, and inquired to staff if a full step could be broken up into increments of three or one percent, based on merit, instead of an automatic five percent. Commissioner Blecha suggested a 10 percent equity increase, and holding off on further equity increases.

Commissioner Vessely supported COLA increases and an immediate 10 percent equity increase while holding off on further equity adjustments.

President Brandy called for public comment.

There was no public comment and the following action was taken:

**Action:**

Commissioner Vessely moved that all managers receive the same COLA and equity adjustments as received by SEIU, and the Business Manager, Facilities Manager, and Chief Harbor Patrol Officer receive a one-time 10 percent increase, effective July 1, 2018. Commissioner Blecha seconded, and the item was brought back to the Board for discussion. Commissioner Blecha confirmed the motion did not include progressive steps with a five-percent increase. A vote was taken and the motion failed, 3-2. [President Brandy and Commissioners Matakovich and Barrow dissenting.]

Commissioner Barrow moved to grant management employees a Cost of Living increase (COLA) as received by SEIU. President Brandy seconded and the item was brought back to the Board for discussion. Commissioner Barrow clarified the COLA increase will be for the range as it currently exists, with continued raises offered to employees as seen fit by the Harbor Manager within that range, and as deserved. The motion passed, 5-0.

Commissioner Blecha moved to provide a one-time, ten percent equity increase retroactive to July 1, 2018 for the Business Manager, Facilities Manager and Chief Harbor Patrol Officer.

Commissioner Vessely seconded, and the motion passed, 3-2. [President Brandy and Commissioner Barrow dissenting.]

**DISCUSSION ITEM C): METERED PAKING IN HARFORD LANDING AND ON HARFORD PIER – SUBMISSION OF COASTAL DEVELOPMENT PERMIT; RECOMMEND APPROVAL**

Harbor Manager Andrea Lueker presented the item, went over the key points in the staff report and answered questions from the Board.

Commissioner Vessely confirmed with staff that the proposed paid parking would be permitted, instead of metered.

President Brandy called for public comment.

Butch Powers, Nipomo, spoke about parking, and expressed his belief that charging for parking will be upsetting to commercial fishermen and business owners, unless parking passes become an option. Mr. Powers also stated that elderly fishermen require more handicapped parking on the Harford Pier, and stated that a 2-hour limit would not be preferable for fishermen.

Missy and Brent Lintner, Port San Luis, spoke about creative alternatives businesses can utilize to help patrons get to and from their vehicles. Additionally, Mr. Lintner expressed that another permit machine is needed in the Avila parking lot, stating that he does not park in that lot as it takes too long to purchase the required permit.

There was no further public comment and the following action was taken:

**Action:**

Commissioner Vessely moved to approve staff's recommendation to allow metered parking in the spaces facing Avila Beach Drive, the spaces parallel to Avila Beach Drive between the Sewer Lift Station and the Boat Launch, and the spaces on the Harford Pier. Commissioner Matakovich seconded, with a request that "metered parking" be changed to "paid parking." Commissioner Vessely accepted the requested change. Commissioner Barrow requested that the motion include a 2-hour limit for paid parking. Commissioner Matakovich declined to accept the revision as part of the motion she had seconded; President Brandy seconded the motion with revisions as requested, and the motion carried, 4-1. [Commissioner Matakovich dissenting.]

**DISCUSSION ITEM E): LUMBER SUPPLY – CONSIDERATION OF ADDITIONAL FUNDING; RECOMMEND APPROVAL**

Facilities Manager Chris Munson presented the item, went over the key points in the staff report and answered questions from the Board.

The Board inquired about the difference between screws and spikes, and Facilities Manager Chris Munson explained why lags don't work well on the Harford Pier as they are prone to being stripped.

President Brandy called for public comment.

There was no public comment and the following action was taken:

**Action:**

Commissioner Barrow moved that the Board approve spending of \$20,000 towards the purchase of additional lumber and \$7,500 towards stainless steel screws out of budgetary surplus for the 2018/2019 fiscal year. Commissioner Matakovich seconded, and the motion passed, 5-0.

**DISCUSSION ITEM F): FACILITIES VEHICLE – DISCUSS REPLACEMENT AND/OR REPAIR OF CURRENT VEHICLE; PROVIDE DIRECTION TO STAFF**

Facilities Manager Chris Munson presented the item, went over the key points in the staff report and answered questions from the Board.

Harbor Manager Andrea Lueker stated that a Vehicle Replacement Program with a five-year plan had been established, and that the Harbor Patrol Department will pass down their vehicles to the Facilities Department as they are replaced. Ms. Lueker also noted that the Facilities Department vehicle in question is slated to be replaced in FY 2019/2020.

The Board briefly discussed the options presented by staff.

President Brandy allowed for public comment.

There was no public comment and the following action was taken:

**Action:**

Commissioner Vessely moved to approve the use of 2017/18 fiscal year budgetary surplus in the amount of \$15,000 toward the purchase of a used pickup truck with utility bed. Commissioner Matakovich seconded, and the motion passed, 5-0.

**DISCUSSION ITEM G): “LITTLE GIANT” CRANE – CONSIDERATION OF REPOWERING THE DISTRICT’S “LITTLE GIANT” CRANE; PROVIDE DIRECTION TO STAFF**

Facilities Manager Chris Munson presented the item, went over key points in the staff report and answered questions from the Board.

Facilities Manager Chris Munson stated that the estimate for repower and labor is \$100,000, which was more than the previously projected \$60,000, and noted that staff’s proposal is a 50/50 match with the Air Pollution Control District (APCD) if funds are still available, with the District paying \$54,000. Mr. Munson expressed his concern that only a few of the engines appropriate for this repower remained, and that other engine options may cause idling when dredging.

President Brandy allowed for public comment.

There was no public comment, and the following action was taken:

**Action:**

Commissioner Matakovich moved to approve use of the 2017/2018 fiscal year budgetary surplus up to \$50,000 toward the repowering of the Little Giant with a tier 4 engine. Commissioner Vessely seconded, and the motion passed, 5-0.

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**COMMUNICATIONS**

Commissioner Matakovich stated that she’d had an opportunity to attend the PG&E Repurposing Panel Meeting on the previous Saturday, and that Harbor Manager Andrea Lueker had done a nice job representing the District’s proposed repurposing opportunities.

Harbor Manager Andrea Lueker announced that she would be speaking during public comment and distributing copies of the District’s presentation on proposed repurposing to the Engagement Panel at a meeting scheduled for the following evening, on the 26<sup>th</sup> of September.

Harbor Manager Andrea Lueker also thanked the Board for their patience during the slow transition to paperless Board packets. Ms. Lueker stated that the District would be installing a software upgrade that would hopefully resolve the issues experienced by the Commission.

District Treasurer Phil Sexton spoke about PERS software which would provide a look at alternatives on liability, and a real-time analysis to see the impact of different actions available to the District. Staff confirmed that obtaining the software would be beneficial prior to a Financial Workshop.

Commissioner Matakovich requested two Financial Workshops – one to take place in the near future and another once the PERS software is acquired. Commissioner Matakovich stated her concern about going into the next budget cycle without serious conversation about the District's sustainability.

Harbor Manager Andrea Lueker responded that the last Financial Workshop was held in January, and that she didn't see a need to rush for a Financial Workshop.

President Brandy and Commissioner Vessely expressed support for a workshop in January.

Harbor Manager Andrea Lueker confirmed that a Special Harbor Commission meeting would likely be held on the 11<sup>th</sup> of October to further the conversation on *Discussion Item D*.

There were no further communications.

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**ADJOURNMENT**

The meeting adjourned at 10:42 p.m. to the next regularly scheduled meeting on Tuesday, October 23, 2018 at 6:00 p.m.

  
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Drew Brandy, President

Attest:

  
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Jim Blecha, Secretary

Respectfully submitted by: April Brannum, Administrative Secretary

