

CITY OF MORRO BAY
HARBOR ADVISORY BOARD

SYNOPSIS MINUTES

The regular meeting of the City of Morro Bay Harbor Advisory Board was held Thursday, March 2, 2006 at 7 P.M. in the Veteran's Hall, 209 Surf ST, Morro Bay, California.

I. ROLL CALL

Present	Members:	Rodger Anderson Mandy Davis Gene Doughty Ed Ewing Don Lockwood Lynn Meissen Jim Phillips
	Staff:	Rick Algert, Harbor Director Susan Lichtenbaum, Business Coordinator

II. MINUTES

Mr. Anderson moved the February 2, 2006 Harbor Advisory Board minutes be approved as submitted. The motion was seconded by Mr. Ewing and carried unanimously.

III. ORAL COMMUNICATIONS

Mike Hall addressed the Board regarding a problem he is having with the Coakley's, the leaseholders of the old Fuel Dock at 201 Main ST. He stated the Coakely's gave him a notice of eviction because he notified the City they had placed no parking signs on City property. Mr. Hall also stated that Mr. Coakley is parking his truck in the area, thereby blocking others from using the spaces. Mr. Algert said the City is in the process of notifying Mr. Coakley he may not post signs on City property. Chairman Lockwood asked if there is anything the City can do to help. Mr. Algert said the City is taking action regarding the parking, but not regarding the eviction notice.

Chairman Lockwood suggested agendizing review of the status of Lease Site 30W-33W for the next meeting.

Mr. Anderson said that following the near-drowning accident on the State Park beach, he has been in contact with Mr. Nick Franco of State Parks and is requesting the State Park place signs on the beach indicating the presence of rip tides and instructions on what to do if caught in one. Mr. Anderson also requested agendizing review of this item for a future meeting.

Ms. Davis noted that during the last big storm a piling broke loose from the former "Cannery" dock and asked if anything can be done about the dock's disrepair. Mr. Algert said that if a piling breaks loose, the Harbor Department should be contacted to deal with the situation. Mr. Algert said the issue of the dock and ownership of the dock is still not resolved.

IV. ACTION ITEMS

IV-1. ASSESSMENT OF CURRENT HARBOR SERVICES AND DEVELOPMENT OF A HARBOR STRATEGIC PLAN

Mr. Algert briefed the Board on the status of harbor services. He added that some letters were provided to the Board from waterfront businesses. Mr. Algert noted that the upcoming closing of Giannini's Marine Supply is the latest in a series of problems for marine related businesses in

the harbor. Currently there is only one boat repair yard in the harbor, operating at a reduced level, the one remaining sport fishing operation is shut down 7 months due to rockfish closures and has laid off employees, the MBCFO (currently leasing the City dock for offloading fish) has also had to temporarily lay off employees, and the one remaining fuel dock has been losing money over the last year. There has been some positive news, the Nature Conservancy will be granting funds to the MBCFO to assist in keeping the dock open for the next 3 years. The City must look towards the future of fishing and marine related businesses to determine the best solutions. Some issues that can be considered include:

Boat Yard/Dry Storage Facility: Ideal site as recommended by the Boating Access Facility Committee is north of the Duke Intake building.

Work with other agencies (i.e. Nature Conservancy, etc. to obtain Sustainable Harvest Certification)

Keep the fuel dock open

Change marketing strategy for fish

Raise awareness of the issues in the state and with the general public

Chairman Lockwood opened the meeting for public comment.

Giovanni DeGarimore, owner of the fuel dock, stated that they are struggling to keep the fuel dock open. He referenced the letter he sent to the Board regarding the fuel dock status and said he would be happy to answer any questions the Board might have.

Chairman Lockwood asked for Board comments.

Mr. Anderson said he felt that a boat yard haul out and dry storage facility is a critical need for the harbor, but voiced concern about the recent Coastal Commission designation of the dune habitat north of the intake building as "sensitive". He also stressed there is a market for premium local fish product and it is important to maintain the infrastructure for commercial fishing, such as an ice machine, fuel dock and chandlery. Mr. Anderson asked what the impact of losses in revenue will have on getting federal funding for dredging. Mr. Algert said that in the past, port revenue was one of the main considerations at the federal level when allocating funds, but that in recent years designation of Morro Bay as a Harbor of Safe Refuge and as a base of operations for the U.S. Coast Guard and local Homeland Security are the primary factors for review at the federal level.

Mr. Ewing noted he provided copies of several letters regarding the impact of increased fishing regulations and closures on Morro Bay businesses. He stated it is becoming a struggle for many local businesses to survive. Mr. Ewing stated that much of the scientific data used to determine closures of the rockfish areas were done with poor data and no peer review. He noted that 90% of the local fishing areas are now closed. In regards to the boat yard, Mr. Ewing agreed that is a much-needed facility, but voiced concern about the potential impact of the Coastal Commission findings on habitat designation. He said it is ironic that they are considering the dune habitat as "sensitive" when it was all created by fill and is mostly non-native plants. Mr. Ewing said he was not aware of any studies done on that area by Fish and Wildlife or other regulatory agencies and that no Coastal Commission staff has seen the area other than in photographs.

Mr. Doughty asked about the Grand Jury report's comment that Morro Bay could survive without commercial fishing as a tourist destination and why the Grand Jury did not provide specific recommendations about Morro Bay as they did for Port San Luis. Mr. Algert noted that the Grand Jury report did not provide specific recommendations for Morro Bay because Morro Bay is not a Port District operated under the County but a department within the City of Morro Bay. Mr. Doughty agreed about the importance of a boat yard/dry storage facility and added that a

marine research facility should be included at that site. Mr. Doughty said he thinks there are fuel tanks in the ground at Marina Square and asked about utilizing those. Mr. Algert said there are fuel tanks in the ground however, there are no pumps and that one fuel dock for the size of the harbor is probably sufficient.

Ms. Davis said that habitat studies were done in the dune area by State Parks and others when the Duke modernization plan was being looked at. Ms. Davis asked what changed to make the area available to the City. Mr. Algert said that some of the property (formerly known as Den-Dulk) will be transferred to the City through the recent lease agreement with Duke Energy. Ms. Davis asked how quickly a boat yard project could be built if funding was available. Mr. Algert said a project like that would take several years. Ms. Davis suggested upgrading the current boat yard. Mr. Algert noted that the current boat yard site is problematic as it is in the middle of a residential area and has no room for dry storage. Ms. Davis asked about new ways of marketing fish and making sure there is sustainable fishing. Mr. Algert noted that currently all California fisheries are sustainably harvested under law. In terms of marketing, Mr. Algert said there are new marketing strategies such as: direct to consumer marketing, value-added sales, etc. All these things need to be addressed.

Mr. Phillips said there is a long list of issues; he suggested the City must be pro-active and positive in looking for solutions to keep Morro Bay viable such as: building the ice plant, keeping the fish dock open, keeping the fuel dock open, plan for a boat haul-out. Mr. Phillips stressed that the harbor is utilized by varied users, commercial fishing, recreational fishing, general recreation, port security and tourism.

Ms. Meissen said that while the current fish populations may be healthy, if fishing is re-opened it could jeopardize the populations. Mr. Algert noted that under the Magnusen Stevens Act, all fisheries are required to be sustainable for any harvest to occur, which would require more data on species distribution, life cycle and stock assessments to prove that these fish can be harvested sustainably.

Chairman Lockwood said that especially now, when there is no year-round fishery, the City needs to help keep the port viable by supporting off-boat fish sales and making sure data is being collected so we can develop sustainable fisheries. He agreed this item should be reagendaized. Chairman Lockwood said the issue needs to be brought up to the City Council and to state and federal levels as well. Mr. Ewing said the City needs to take action and notify state and federal agencies of the problems. Mr. Doughty said it would be a good idea to seek professional assistance with the transition of Morro Bay harbor into the future.

Motion: Mr. Ewing moved the Harbor Advisory Board ask Mr. Algert to draft a letter for the City Council, to include copies of the letters presented to the Board at tonight's meeting, addressing the socio-economic impacts of increased fishing regulations and the potential future impacts of implementing Marine Protected Areas on the City of Morro Bay's harbor services such as the Fuel Dock and request the Council relay this information to the Governor and Fish & Game Commission. Mr. Doughty seconded the motion.

Discussion: Ms. Davis objected to including the MPA as that is still in process and the impacts are unknown at this time. Mr. Doughty said he would withdraw his second if the reference to MPAs were taken out. Chairman Lockwood noted that there is a motion and a second.

VOTE: The motion passed with Ms. Davis voting no.

Chairman Lockwood said he is turning over the rest of the meeting to Vice-Chairman Anderson due to his laryngitis.

V. INFORMATION ITEMS

V-1. City Harborwalk Project

Mr. Algert noted this item was for information as an update on the status of the Harborwalk Project. Mr. Algert noted that the Coastal Commission recent staff report recommends conditions on the project (environmental designations and mitigation requirements) that could add up to \$2 million to the cost of the project. He added that the potential increased costs and delays could jeopardize the project and the current grant funding for the project. Mr. Anderson said he was pleased that the City invited the Coastal Commission staff to come down and look at the project. Mr. Algert said this project will go before the Coastal Commission next month in Monterey.

V-2. Harbor Status Report

Ms. Lichtenbaum briefed the Board on the following items:

Dredging Issues

Marine Life Protection Act

Ice Machine Update

Salmon Seminar 3/18/06

Marine Interest Group Eco-Systems Based Management

Harbor Walk Project

Blessing of the Fleet 4/9/06

Fishery Management Forum 3/31/06

Summer Beach Lifeguard Program

Junior Lifeguard Program

National Estuary Program Update

City Council Update: One-Way Embarcadero Traffic, Windy Cove Mooring Area, Board Attendance Resolution

Harbor Office/Coast Guard Joint Facility

Grand Jury Report

City Council Public Hearing on FY 06-07 Budget: 3/27/06

Yacht Club Opening Day: 3/26/006

VI. ADDITIONAL COMMENTS

Ms. Davis stated she has been away for several months on a conservation ship in the southern hemisphere, and that while she learned a lot and saw some amazing places, Morro Bay is an extraordinary place. Ms. Davis also said it was disturbing to see degradation of so much near-shore coastal areas.

Chairman Lockwood left the meeting at 8:00 PM.

VII. FUTURE AGENDA ITEMS

April: Strategic Planning

Lease Site 30W-33W Update

State Park Beach Signage and Potential for Lifeguard Coverage on State Parks

VIII. ADJOURNMENT

This meeting was adjourned at 8:20 PM.

Submitted by,

Susan Lichtenbaum
Harbor Department