

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: November 20, 2014
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: **Marina One Replacement Project – Phase 5 Construction**

RECOMMENDATION: That Harbor Commission:

- A. Receive a report on the Marina One Replacement Project – Phase 5 Construction;
- B. Direct staff to reduce the “F” finger expansion from eight slips to four slips during Phase 7 of the project; and
- C. Direct staff to continue to operate the endtie at “F” finger as lease space.

BACKGROUND:

Construction of the Marina One Replacement Project – Phase 5 is scheduled to begin in January 2015. The contractor, Bellingham Marine Industries (BMI), is under contract to construct Phases 5 through 8 and would like to complete shop drawings for the remaining phases at this time although only one phase will be constructed per year.

Preparing shop drawings for Phase 7, which includes “F” finger, requires Waterfront direction to BMI as it relates to an expansion of that finger. Several options were considered during design and permitting for the project.

The proposed “F” finger expansion was considered in anticipation of the Dry Dock ceasing operations. The Dry Dock ceased operating in 2012 and the facility was removed from the harbor. There are several options as to how the endtie is operated in the future considering the proposed “F” finger expansion.

DISCUSSION:

1. **Phase 5 Construction**

The multi-phased Marina One Replacement Project commenced in 2009 with the construction of Phase 1, replacement of the main headwalk. Staff combined Phases 2–4 into a single bid package in 2010 with Bellingham Marine Industries (BMI) submitting a low bid of \$4,215,000. Phase 2, including “O” and “P” fingers, was completed in the spring of 2011, Phase 3, including “N” finger, was completed

in the fall of 2011 and Phase 4, including “L” and “M” fingers, was completed in the spring of 2012.

Upon completion of Phases 1-4 construction, staff hired URS Corporation to design the remaining four phases of the eight-phase Marina One Construction Project. Similar to the bid for Phases 2–4, the final four phases were combined into a single bid package. BMI submitted the low (and only) bid of \$6,851,250, and is scheduled to begin construction of Phase 5, including “J” and “K” fingers, in January 2015. The contract allows for construction of one phase per year.

Construction includes installation of new concrete docks, electrical system, dock boxes, power centers, domestic and fire water systems. Significant work on the utility system was completed during Phase 1 along the main headwalk in anticipation of building out future phases with the expectation that the duration of construction during future phases would be minimized.

Similar to the recently completed Phases, construction consists of three main tasks: demolition, dock installation, and utility installation. A considerable amount of pre-project planning has gone into Phase 5 with the expectation that construction will be completed in 6–7 weeks, including time necessary to relocate vessels. Staff will contact slipholders on “J” and “K” fingers, informing them of the proposed construction. A relocation plan will be developed with the goal of accommodating all slipholders impacted by construction in Santa Barbara Harbor. Both “J” and “K” fingers are relatively large and relocating all of the vessels within the harbor may be a challenge. The Waterfront has the option of asking boaters to raft or possibly relocate to another harbor but these weren’t necessary during preceding phases. Similar to previous phases, transient vessel berthing will be extremely limited during construction.

The Waterfront received a \$7,300,000 loan from the California Parks Department – Division of Boating and Waterways (DBW) for the design and construction of Phases 5–8. The DBW loan will cover the cost of all construction. Nevertheless, in an effort to limit debt service associated with the DBW loan, Phase 8 may be funded entirely out of the Waterfront’s Harbor Preservation fund (HPF), assuming revenues remain strong. The decision whether or not to fund Phase 8 out of the HPF will be made during preparation of the FY 2017-2018 budget.

2. **“F” Finger Expansion**

The Dry Dock occupied “F” finger endtie for several decades. The Dry Dock provided an alternative to the boatyard for vessel maintenance activities requiring a boat to be hauled out of the water. Despite applying several best management practices (BMPs) to keep anti-fouling bottom paint out of the harbor, the Dry Dock operation was monitored by the Regional Water Quality Control Board (RWQCB) for years. Although the RWQCB never suggested that they would require the

operation to cease, Waterfront staff assumed it might cease and therefore, during design of the Marina One Replacement project in 2007, considered options for the lease space.

Considering the long standing wait list for slips in Santa Barbara Harbor, staff directed the design engineers to expand “F” finger into the footprint of the Dry Dock adding eight 35’ slips, occupying an area slightly larger than the Dry Dock. This expansion was included in plans submitted for permits obtained for the entire project although it would be constructed over approximately 10 years. At the time, it was prudent to obtain permits for the maximum expansion, realizing the actual extent of the expansion could be modified (reduced) when it came time to reconstruct “F” finger. Since BMI wants to complete shop drawings for the remaining phases, now is the time to provide final direction as to the extent of the “F” finger expansion to be constructed during Phase 7.

As previously noted, the original plan was to expand “F” finger by eight slips (Attachment 1). This expansion encroaches into water space beyond the Dry Dock lease space. The Dry Dock often moored vessels on the outside (north side) of their facility but these vessels were typically small with narrow beams. The endtie is 76’ long and could accommodate a vessel with a beam of 20.5’ per state guidelines. A wide vessel beam along with an eight slip expansion would encroach into the water area currently used as a turning basin adjacent to the fuel dock.

Staff believes this expansion would significantly limit the area (or “turning basin”) required for vessels to maneuver and has therefore considered reducing the expansion to four slips (Attachment 2). A four-slip expansion with a vessel on the endtie with a 20.5’ beam lies almost entirely within the Dry Dock lease space and therefore maintains the historic water area available for vessels maneuvering between the Fuel Dock and Marina One. Maintaining adequate water space for maneuvering vessels in this high traffic area in the harbor is a Waterfront priority. Therefore, staff recommends reducing the “F” finger expansion from eight slips to four.

3. **“F” Finger Endtie**

As previously noted, “F” finger endtie has been operated as lease space for over 35 years. The Dry Dock provided valuable vessel maintenance services, and though the RWQCB monitored its operation, it never proposed formal action or regulations. The Dry Dock operator went bankrupt and ceased operations in 2012. In 2013, the RWQCB formally closed its case with the understanding that the area would eventually be covered by docks, making it unlikely that the sediment on the seafloor below the Dry Dock would ever be disturbed.

Clean Seas, a local oil spill response company, approached the Waterfront about leasing water space for its three new, quick oil spill response vessels they were commissioning. The 65'-long quick response vessels were temporarily berthed at 4B endtie until the Dry Dock was removed and then relocated to "F" finger endtie. A 5-year lease was negotiated with Clean Seas and they have been operating from this location since the Drydock left in 2012.

The issue of expanding "F" finger brings up the question of how to continue to operate the endtie. There are basically three options:

1. Continue to operate the area as a lease.
2. Dedicate the endtie as a transient slip, or
3. Assign the endtie off the waiting list.

Staff has considered several factors in deciding how to continue operation of the endtie such as accommodating ocean-dependent uses, revenue, history of operations, and operations that the Corps of Engineers (Corps) promotes to prioritize funding for dredging. Lease rates are higher than transient vessel berthing rates or slip fees. "F" finger endtie has historically been operated as a lease and the Corps generally values commercial activities over recreational boating when considering funding dredge operations.

Continuing to use the water lease area at F-Finger as it has been historically used is consistent with the Department's use of the Marina 4-B endtie lease area. When MariPro terminated its lease for the 4-B endtie in 2003, the Harbor Commission evaluated different alternatives for developing the lease area. After reviewing cost/benefit analysis and the lack of mooring space for larger, commercial vessels within the harbor, the Commission concurred with the staff recommendation of retaining the space as a lease area and developing three new berths. Each berth has been successfully leased.

Clean Seas' fast-attack response vessel represents is an ocean-dependent use that provides vital service along Santa Barbara's coast considering the number of oil rigs located just offshore. They have expressed an interest in maintaining a long-term presence in Santa Barbara Harbor for at least one vessel and possibly another if lease space becomes available in the future.

Clean Seas' lease space of 1800 sq. ft. at "F" endtie, when added to the four-slip expansion of "F" finger and superimposed on the footprint of the Dry Dock (Attachment 3) extends approximately 15' beyond the limits of the Dry Dock but within the Dry Dock's original lease space that allowed for smaller vessels tying up on the outside (north side) of the facility.

Considering the Corps' interest in operations such as Clean Seas', increased revenue from a lease, and the historic use (leasing) of the endtie, staff recommends

that the "F" finger endtie continue to be operated as a lease for the foreseeable future. Staff recommends construction of four new 35 foot slips and retaining the F endtie as lease space because it is in the City's best interest, both in terms of revenue potential and public benefit.

Attachments 1. Drawing plan - 8 slip expansion
 2. Drawing plan - 4 slip expansion
 3. Drawing plan - 4 slip expansion with 1,800 s.f. water lease area

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