

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: June 21, 2012
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: **Marina One Reconstruction / "F" Finger Endtie Alternatives**

RECOMMENDATIONS: That Harbor Commission:

- A. Consider alternative uses for the Marina One "F" Finger endtie water lease area; and
- B. Recommend temporary priority use for berthing Clean Seas' new rapid Oil Spill Response Vessels until berthing becomes available in the Marina 4-B end tie lease area.

DISCUSSION:

With the removal of the dry dock from the Marina One "F" Finger endtie, staff is considering two alternative uses for the area. A brief description of the alternatives and cost analysis for each follows:

Alternative 1 – Install Temporary Docks

The Marina One Replacement Project includes the expansion of "F" Finger to create eight 35' slips where the dry dock was previously located (Exhibit A). Temporary slips can be installed during Phase 4 scheduled for winter 2012/2013.

Construction: Phase 4 includes the replacement of "L" and "M" Fingers. Docks demolished from "M" Finger can be re-used as temporary docks for "F" Finger expansion. Permanent piles would be installed as part of the expansion, but the temporary docks would have to be removed to install permanent docks during Phase 7. Demolition and installation of the temporary docks will result in an estimated expense of \$41,921.

Slip Assignment: It is assumed that the eight temporary 35' slips and one 78' endtie will be assigned off the waiting list. It is also assumed that the endtie will encroach just beyond the previous dry dock lease area and therefore not be used for a future lease. Expansion of "F" Finger during Phase 4 will result in potential revenues of \$167,419 between FY 2013 and FY 2017.

Potential Net Revenue: \$125,498

Alternative 2 – Clean Seas Lease

Construction: Phase 7 includes the replacement of "E", "F", and "G" Fingers and is scheduled for construction in FY 2017. "F" Finger will be expanded to create eight new 35' slips. The cost of the expansion is part of the larger project with no duplication of work necessary similar to constructing temporary docks. Therefore there is no additional expense associated with this alternative.

Clean Seas Lease: The former dry dock lease area can be leased to Clean Seas for one of their new quick response vessels at a rate of \$2,200 per month beginning September 2012. A lease agreement with Clean Seas will result in potential revenues of \$118,800 prior to Phase 7 when the expansion is scheduled by March 2017.

Potential Net Revenue: \$118,800

Alternative 1, installation of temporary slips, would net \$6,698 more than Alternative 2, leasing the site to Clean Seas prior to expanding "F" Finger as originally planned during Phase 7 in FY 2017.

Oil spill cleanup has evolved since the Gulf of Mexico spill in 2010 to include the development of quick response vessels. With several oil rigs located immediately off Santa Barbara, there is significant interest by the U.S. Coast Guard and staff to provide lease space to Clean Seas oil spill quick response vessels. Without the use of "F" Finger endtie, staff would attempt to provide temporary berthing, when available, to Clean Seas. Since temporary berthing is either restricted as first come, first serve, transient berthing by resolution, or available on a temporary basis by vessels on "Temporary Cancellation" status, full time berthing for Clean Seas may be difficult to guarantee. Staff expects that other waterside leases, such as Marina 4-B endtie, will become available for Clean Seas before or immediately after Phase 7 construction begins.

The Harbor Commission Marina Construction Committee met with staff on Monday June 4 and agreed that leasing to the Clean Seas OSRV is the best use of the site until other berthing opportunities in the Marina 4-B lease area become available.

Dry Dock RWQCB Site

Since 2003, the Regional Water Quality Control Board (RWQCB) has been the lead regulatory agency responsible for overseeing investigation and testing of bottom sediments beneath the former Dry Dock site and upgrades to other Waterfront facilities to improve storm drain runoff from Harbor Marine Works and other areas. Waterfront staff has worked with RWQCB since 2003 on the Dry Dock, Harbor Marine Works, Fuel Dock and other sites with little or no correspondence the past couple years.

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After consideration of all the tests and other relevant data, RWQCB is considering closing the Dry Dock site case with "No Further Action." A notice was sent to all slipholders and adjacent property owners soliciting comments on the proposed action by RWQCB. Three letters were submitted to RWQCB and are currently under consideration. Staff expects the RWQCB Board of Directors to consider the "No Further Action" proposal in late summer or early fall.

It's important to note that the RWQCB action will have little or no bearing on the "F" Finger endtie alternatives under consideration. Regardless of RWQCB's decision, regulatory authority will remain with this agency related to the Waterfront's permits for the Marina One Replacement Project, Stormwater Pollution Prevention Plan and Stormwater Management Plan. The disposition of the RWQCB's proposed site closure and "No Further Action" will be brought back to the Harbor Commission, as appropriate.

Prepared by: Karl Treiberg, Waterfront Facilities Manager