

Corrected

MINUTES
BOATING AND WATERWAYS COMMISSION MEETING
PETALUMA, CALIFORNIA
June 12, 2008

Pursuant to due and regular notice, the meeting of the Boating and Waterways Commission was called to order by Chairman Rupf, on June 12, 2008, at 8:30 A.M., at the Sheraton Hotel, 745 Baywood Drive, Petaluma, California.

ROLL CALL

Commissioners Present: Lenora S. Clark
 Robert Y. Nagata
 H.P. "Sandy" Purdon
 Warren E. Rupf
 Edward C. Reno III

Commissioner Absent: Douglas W. Metz

Department of Boating and
Waterways Personnel Present: Raynor Tsuneyoshi, Director
 Lucia Becerra, Chief Deputy Director
 Penny Schulz, Chief Counsel
 Steve Watanabe, Chief, Facilities Division
 David Johnson, Chief, Operations
 Debra DeVerter, Chief, Administration
 Harold Flood, Manager, Facilities Division
 Marcia Carlock, Manager, Aquatic Weed Unit
 Phaedra Bota, Manager, Education Unit
 Renae Anub, Associate Governmental Program Analyst
 Veronica Bryan, Associate Governmental Program Analyst
 Joleane King, Associate Governmental Program Analyst
 Margarita Sanchez, Administrative Assistant

COVENE

Chairman Rupf convened the meeting and called for a short break at 8:32 am. The meeting resumed at 8:35 am.

APPROVAL OF MINUTES

MOTION: It was moved by Commissioner Clark and seconded by Commissioner Nagata that the Boating and Waterways Commission minutes of the April 25, 2008, meeting be approved. The motion carried unanimously.

CHAIRMAN'S REPORT

Chairman Rupf reported that the second mid-term meeting with the Director and Chief Deputy Director went well. He indicated many of the items discussed at the meeting are now on today's agenda. He thanked Department staff for their work on the Commission and especially thanked David Johnson who is attending his last Boating and Waterways Commission meeting.

DIRECTOR'S REPORT

Mr. Tsuneyoshi reported that AB 2110, the mandatory education bill, is dead for the year, but Recreational Boaters of California hopes to introduce a bill on this issue next January.

He reported two legislative budget subcommittees approved \$6.5 million from the Harbors and Watercraft Revolving Fund for appropriations to the Department of Parks and Recreation, Food and Agriculture and Fish and Game for Quagga/Zebra mussel activities. He said \$1.4 million will be used by State Parks and Recreation for a pilot project at Lake Perris and for boat wash down stations at the lake. \$5.1 million will be used by Fish and Game and Food and Agriculture for Quagga mussel activities. Mr. Tsuneyoshi stated the Department will continue to work with representatives from state and federal to halt the invasive species.

Mr. Tsuneyoshi reported that in 2007 boating accidents were up about six percent from 2006 and the information could be found in the Department's Boating Safety Report which is available on the Department's website.

As requested by Commissioner Metz at the previous Commission meeting, Mr. Tsuneyoshi gave an update on the Abandoned Watercraft Abatement Fund (AWAF) program. He stated the Department recently approved a contract for a consultant to develop regulations for seven Department grant programs, including the AWAF. The contract, he said, will take about 2 ½ years to complete. Mr. Tsuneyoshi added that each regulation will be provided to the Commission for comment.

Mr. Tsuneyoshi announced David Johnson's retirement. He noted Mr. Johnson has 34 years of State Service and began working for the Department in June 1974 and will be retiring at the end of June. Mr. Johnson was instrumental in justifying the need for having an attorney at the Department and fought for funding of the Clean and Green program which provides clean boating practices to boaters.

Mr. Johnson, he said, worked to develop and implement the carbon monoxide legislation which was the first of its kind in the nation. He also was instrumental in developing a safer personal watercraft law that restricted personal watercraft use and the banning of wake jumping. This law

dropped the accident rate considerably. Mr. Tsuneyoshi thanked Mr. Johnson for all his hard work and dedication. He will be missed.

Chairman Rupf asked why will it take 2 ½ years for the consultant to do the regulation report. Mr. Johnson replied the consultant will be reviewing seven different programs and then develop regulations, which is time consuming.

Commissioner Clark asked if the abandoned vessel process will change the Department's regulation. Mr. Johnson responded there is currently no regulations in place only statutory law and the regulation will implement the wording of the grants and the Department's process.

Commissioner Purdon asked if the application process will now change. Mr. Johnson replied the application process will not change for now, but may in the future.

Chairman Rupf asked that the Commission members be given a copy of the RFP for review and comment. Mr. Tsuneyoshi replied a copy will be sent to them.

LEGISLATIVE REPORT

David Johnson reviewed the Legislative Report and gave the Commission an update of legislative matters concerning the Department. Copies of the Legislative Report were available to the public and Mr. Johnson was available to answer questions from the Commission members.

Mr. Johnson reported on the following bills:

AB 990, Berg, the bill passed in the Senate Natural Resources and Water Committee with two amendments. He noted, committee staff wanted to indicate what the composition of the advisory committee will be and wanted it to remain representative of the users. The Committee, he said, did not like the phrase "not withstanding any of the provision of law" and so it was changed.

AB 3029, Tran, the Department has received an oppose position on the bill. The bill would make federally recognized Indian tribes eligible for funding under the Department's small craft launching facility and vessel pumpout station grant programs. The Department has an oppose position, but will continue to work with the Indian tribes.

SB 1435, Ducheny, a Department sponsored bill, is passing through the legislature. The bill would expand the existing private marina loan program administered by the Department by allowing loan funds to be used for non-construction expenses associated with marina construction, such as permits and appraisals.

Mr. Johnson stated it has been his pleasure working for the current Commission members.

Commissioner Clark stated that Recreational Boaters of California has provided a letter of support for AB 1950, Vessels: abandonment: abatement. Mr. Johnson indicated the bill has passed the Assembly with votes of 78-0 and is on its way to the Senate.

CONSIDERATION OF PUBLIC GRANTS

Mr. Flood presented to the Commission for its advice and consent the following requests for public grants.

Knights Landing Boat Launching Facility

Yolo County has applied to the Department of Boating and Waterways for a public grant of \$732,000 for improvements to the Knights Landing Boat Launching Facility. The Knights Landing Boat Launching Facility is located near the town of Knights Landing in northeastern Yolo County.

Mr. Flood indicated the proposed project will consist of: widening the existing ramp to accommodate boarding floats; installing two new boarding floats; constructing a turnaround; adding slope protection; constructing sidewalks; constructing a new restroom; adding potable water system; adding electrical and lighting, and installing a project sign and directional signs.

Mr. Flood stated Chairman Rupf visited the proposed project site.

Scott Lines, County of Yolo, Parks and Resources Department, was available to answer questions from the Commission. He said the current boat launching facility is poorly designed and with the proposed improvements it will be easier and safer for boaters to access the river. He added that an old bridge located near the project site will be removed so that boaters will have easy and safe access on the river.

Chairman Rupf stated that both the Knights Landing and Colusa proposed projects are impressive because of the high level of local support with regional benefits. He recommends approval.

Commissioner Clark asked if there have been any environmental concerns with the proposed project. Mr. Lines responded there have not been any concerns and with the proposed improvements it will actually help the banks which have been eroding. He indicated the banks will be armored to prevent any more erosion and native plants will be planted.

Mr. Flood stated staff recommends that the Boating and Waterways Commission consent to grant funding of \$732,000 to the County of Yolo for improvements to the Knights Landing Boat Launching Facility.

MOTION: It was moved by Commissioner Purdon and seconded by Commissioner Clark that the Commission approve grant funding of \$732,000 to the County of Yolo for improvements to the Knights Landing Boat Launching Facility. The motion carried unanimously.

CONSIDERATION OF PUBLIC LOAN

Mr. Flood presented to the Commission for its advice and consent the following request for a public loan.

San Francisco Marina-West

The Boating and Waterways Commission is being asked by Department staff to consider two proposals for the City and County of San Francisco. 1) to approve a Phase IV loan in the amount of \$5.3 million to fund the San Francisco Marina-West Harbor improvements, and 2) transfer \$500,000 in loan funds already approved for the East Harbor project to the West Harbor Project.

The City and County of San Francisco applied to the Department of Boating and Waterways for a loan of \$42,000,000 to improve the San Francisco Marina. After numerous discussions, it was agreed to divide the project into two smaller projects, the East Harbor project (\$20 million) and the West Harbor project (\$16.5 million).

The Boating and Waterways Commission has to date, consented to loans totaling \$11.2 million to the City and County for the San Francisco Marina West Harbor project. However, new cost estimates indicate that the West Harbor project cost has risen from \$16.5 million to \$25.85 million since Department phase funding began.

Mr. Flood indicated the proposed project consists of demolition of existing berths and construction of: reconfigured berths in the West Harbor; upgrading of electrical and water dock utilities; installation of new barrier-free access gangways with security gates; construction of a new breakwater; replacement of revetment; mole removal; dredging, and improvement of buildings.

Mary Hobson, Project Director and Larry White, Acting Manager of Marina Operations, were available to answer questions from the Commission.

Commissioner Purdon asked if there has been approval for a berthing rate increase. Ms. Hobson replied that there has been approval for fee increases and an annual increase with a stipulation that there will be a larger increase at the time the renovation is completed. She said the maximum amount was set in legislation previously, but legislation will be done to increase the rate in order to support the loan.

Commissioner Purdon asked if there is a waiting list. Mr. White responded there is a waiting list of about 256 but it is actually about 40 to 50 more. He added that in the last two months 10 more boaters have been added to the list. He also indicated the marina is Clean Marina certified.

Commissioner Reno asked what the current berth rates are. Brad Gross, Director, Dana Point Harbor, formerly from the San Francisco Marina, responded that rates for the West Harbor start below \$8 but the range is up to \$9.50. He added that the project cost has become more expensive; in 2002 the project was \$45 million and the Department asked that the project be cut in half, creating two projects for the West and East Harbors. Mr. Gross stated future projects

will be higher in cost as projects near construction because of delays, funding process, and material cost.

Commissioner Reno asked if there is a mechanism that makes the adjustments to this inflation cost. Mr. Flood responded there is, but not for existing projects; adjustments have to be done in the future. He said the Department will redo the budget to take care of the projects one at a time and get them to construction as soon as possible.

Commissioner Reno asked the Chairman when can there be a more lengthy discussion on this issue. Chairman Rupf replied that this issue can be brought up at the mid-term meeting with the Director.

Commissioner Reno asked based on the berthing rates, does the Department know what the market will bear. Mr. Flood responded that the marina is in the San Francisco Bay and will be full even at the higher berthing rate. He added that due to the location and the high demand, the harbor can ask for a higher rate to cover the increase in cost. Commissioner Reno asked what are the berthing rates being asked for in the future. Ms. Hobson replied she did not have that information with her but can obtain it for him. Mr. Gross added that the rates that were projected are similar to the rates in southern California. The rates, he said, will be the highest in the area, but there will still be a high demand for them.

Commissioner Reno asked what other means of revenue will there be other than the Department's grant. Mr. White responded in the West Harbor the revenues are from the berths and the two yacht clubs in the area, concessionaire, and permits for events and parking fee are being considered. The revenues from the West Harbor will stay in the West Harbor.

Chairman Rupf asked when the first phase was approved. Mr. Flood responded the first phase was approved in 2004 and construction will begin in 2010.

Commissioner Purdon asked what the arrangement with the San Francis Yacht Club is. Mr. Gross responded that there is a section of slips included in the lease hold that the yacht club maintains and owns; the yacht club controls them like any other yacht club. He added there are four other slips that are written into the lease that belong to the marina yacht club and they (St. Francis Yacht Club) pay the same rate as anybody else.

Chairman Rupf asked if the consultant will look at this issue of phase funding of Department loans. Ms. Becerra responded that the consultant previously reported on will look at the Department's regulation development. She stated another consultant, who is familiar with the banking industry, will be looking at the phasing of the Department's loan program and will also look at the process of approving the funds. She added that currently money is being banked and not being expended in the year it is approved. Chairman Rupf asked that in the future if there is phase funding on a proposed project before the Commission, that Mr. Flood give the presentation so that the Commissioners can have a better understanding of what is being presented.

Bruce Monroe, spoke on behalf of the Harbor Association. He indicated that the marina has been deteriorating for the past 30 years and the pilings are more that 50% gone due to worms and

the boards in his slip are rotting. He added everyone is in agreement that the marina is in need of renovation. Mr. Monroe asked that the Commission approve the loan.

Mr. Flood indicated staff recommends that the Boating and Waterways Commission consent to Phase IV loan funding of \$5,300,000 to the City and County of San Francisco for improvements to the San Francisco Marina-West Harbor. In addition, staff recommends that funds of \$500,000 originally anticipated for the San Francisco Marina-East Harbor project be used to complete funding of the West Harbor project.

MOTION: It was moved by Commissioner Clark and seconded by Commissioner Purdon that the Commission approve the Phase IV loan funding of \$5,300,000 to the City and County of San Francisco for improvements to the San Francisco Marina-West Harbor and funds of \$500,000 originally for the San Francisco Marina-East Harbor project be used to complete funding of the West Harbor project. The motion carried unanimously.

CONSIDERATION OF PUBLIC GRANTS (Cont.)

Colusa Boat Launching Facility

The City of Colusa is asking the Boating and Waterways Commission to consider a \$340,000 public grant to fund a study which will determine the feasibility of moving forward with the construction of a new Colusa Boat Launching Facility and identify the appropriate scope and estimated cost for such a potential future project.

The City of Colusa (City) and the California Department of Parks and Recreation (DPR) are proposing a joint project to construct a new boat launching facility on city and state property. The Department of Boating and Waterways' engineers will work with the City and DPR to determine the final scope. A budget package will be completed and provide a detailed construction cost estimate as well as timelines for working drawings and construction. Once all parties are satisfied with the project location, scope and the budget package has been prepared, the Department will move forward with obtaining funds for working drawings and construction; and the project will come back before the Boating and Waterways Commission for working drawing funds and approval at that time. Project scope, schedule and cost changes will not be allowed without Commission consideration once the budget package is complete.

Mr. Flood indicated the proposed project to be studied with the public grant funds would potentially include: construction of a new two-lane boat launching ramp; addition of slope protection; construction of an intake culvert system; addition of two boarding floats; resurfacing of the existing parking area; construction of a new access road; construction of site sidewalks; construction of a fish-cleaning station; addition of electrical and lighting; construction of an entrance kiosk; re-vegetation and irrigation; construction of a security fence and addition of a project credit sign and directional signs.

Patty Hickel, Public Works Administrator, and Denise Reichenberg, Department of Parks and Recreation, were available to answer questions from the Commission.

Mr. Flood indicated that Chairman Rupf visited the site. Chairman Rupf stated that DPR and the City share a channel with a water district and the study may or may not indicate the proposed project being feasible. Chairman Rupf said the study will bring everything together and the Department can structure something that will make sense. He recommended approval.

Commissioner Purdon asked if this will be a blue print for other proposed projects. Mr. Flood responded yes; the Department will try to continue this process in the future. He said it is hoped that the projects will be done faster and cheaper if done this way.

Commissioner Clark indicated that in the past, the applicants had to do their own studies. Mr. Flood responded yes, and in this instance they have to as well.

Commissioner Reno asked what the role of each party is. Mr. Flood responded the Department of Boating and Waterways is doing the funding, Colusa owns the property where the facility will be built, and the DPR owns the property where the parking lot and the entrance are to be located. Ms. Reichenberg indicated DPR will operate the parking lot and the visitor services facility and will share the responsibility of the launch ramp with the City.

Commissioner Purdon asked how the amount of \$340,000 for the study was determined. Mr. Watanabe stated that the study may only cost about \$150,000 and about 30% will be in design. He added the \$340,000 was in the budget and the remainder will be applied to the rest of the design. Commissioner Purdon indicated that he is not comfortable with the process of the study.

Pat Kettle, private business owner, stated that the ramp will be used for fishing and hunting and it will benefit everyone from the Bay area and Sacramento who come to recreate in the area. He asked that the Commission approve this study.

Commissioner Nagata stated this issue is like an open checkbook. He said when applicants come before the Commission for approval and more money is needed, then they have to come back before the Commission with an explanation on why more money is needed. This process will not give the Commission an opportunity for those explanations.

After discussion, Mr. Flood stated staff recommends that the Boating and Waterways Commission approve a grant of \$340,000 to study which will identify the potential scope and cost of a new Colusa Boat Launching Facility.

MOTION: It was moved by Commissioner Clark and seconded by Commissioner Purdon that the Commission approves a public grant funding of \$200,000 to the City of Colusa to fund a study which will identify the potential scope and cost of a new Colusa Boat Launching Facility.

Commissioner Reno asked what the urgency for the study is and what the desirable outcome will be. Mr. Flood responded if the study is approved at \$200,000 and the study actually cost \$205,000, the remaining \$5,000 will not be available until another year and a half when it will be added into the Department's budget. Mr. Watanabe added that on June 30 if \$200,000 is approved leaving a balance of \$140,000, that money goes back to the revolving fund and is inaccessible to this project.

After discussion, Commissioner Clark amended the motion:

MOTION: It was moved by Commissioner Clark and seconded by Commissioner Purdon that the Commission approves a public grant funding of \$340,000 to the City of Colusa to fund a study which will identify the potential scope and cost of a new Colusa Boat Launching Facility. The motion carried unanimously.

Chairman Rupf asked for a break at 10:29am; the meeting resumed at 10:44am.

NEW BUSINESS

Boating and Waterways Commission Meeting Schedule

Chairman Rupf said the Commission should now be planning for the February meeting. Mr. Flood indicated the Commission has already visited all the projects for the coming year.

Commission Purdon asked if dates and places could be selected for the coming year. Mr. Flood responded he cannot make recommendations until the next budget is planned in September. Mr. Tsuneyoshi reminded the Commission that until the budget passes, travel for August may not be feasible.

After discussion, Chairman Rupf noted that today's meeting is still held even though there are no projects that have to be visited by the Commission, so meeting locations do not have to be planned according to project locations.

Mr. Gross suggested that the Boating and Waterways Commission take into account the Coastal Commission's meeting schedule so the public can attend both meetings. He indicated the Coastal Commission normally holds their meetings in the first half of the month.

Chairman Rupf suggested this item can be discussed in the mid-term meeting and then at the next Commission meeting there can be further discussions.

Poll of Commissioners-Mandatory Commission Meeting attendance by Grant and Loan Applicants

Chairman Rupf indicated it has been the policy of the Commission that proposed project applicants have to be present when their projects are before the Commission. Commissioner Nagata added applicants need to be present to answer any questions on their projects. Commissioner Reno agreed with Commissioner Nagata. Commissioner Clark stated that although Mr. Flood does a great job with his presentations, it is good to hear from the applicants as well. Commissioner Purdon stated it should be made clear to the applicant that their presence may be needed to answer any questions.

Scott Lyons, Yolo County, stated he is from a small and poor municipality and it would benefit the Commission and applicants if there is clear guidance on what the Commission is looking for. He added since his county is small, it is expensive to attend the meetings, but is worthwhile. Mr. Flood responded that is one reason the Commission meetings are held in the north and south, so it would be easier for applicants to attend. He added the Department tries to alternate with northern and southern California according to where projects are.

Chairman Rupf stated the consensus is there will be no change with current policy.

Public Outreach Opportunities for Commissioners

Chairman Rupf stated he is in the opinion that the Commissioners should consider attending ribbon cutting ceremonies and plaque presentations.

Commissioner Clark indicated she has asked staff in the past for information on events the Department is attending or sponsoring. Chairman Rupf asked that as events become known to the Department, staff could share the information with the Commission members.

Dept. of Boating and Waterways Budget

Ms. Becerra reported on the Department's budget and indicated Department is asking for 1 PY for the Clean and Green Program. She said changes the Legislature has made to the Governor's proposed budget are:

- \$2.8 million going to Department of Fish and Game to prevent the spread of Quagga mussels.
- \$2.4 million going to Department of Food and Agriculture for Quagga mussels related activities.
- \$1.4 million going to Department of Parks and Recreation for Quagga mussels related activities.

She stated it will be a total of \$ 6.6 million of Harbors and Watercraft Revolving Fund being transferred to other departments.

Commissioner Reno asked if the Motor Vehicle Fund is the same as the gas tax and has that funding gone down. Mr. Johnson responded it is the same. The Department, he said, receives

the boater share of the tax and is based on a formula which stays the same even if gas prices are up or there are more boaters. He said the Department receives \$47 million and \$27 million is transferred to State Parks and the remainder goes to the Harbors and Watercraft Revolving Fund. Mr. Johnson added the only variance is since the vessel registration is on a two-year cycle, the amount of money the Department receives goes up or down accordingly. He added the money received is not based on the price of gasoline or boat usage.

Ms. Becerra reported the Department is currently working on budget concept papers for the FY 09/10 budget. She said this is the first step in the budget process. Chairman Rupf asked if the Commission could be included in this process. Ms. Becerra responded that the Department is open to hearing what the Commission's priorities are and will get back to the Chairman.

Boating Safety Program and Accidents

Phaedra Bota introduced Department staff, Joleane King, who gave a presentation on the Boating Safety Program and Accidents. Ms. King reported on the messages the Department sends out to the boating public, the market that is targeted and media venues that the Department utilizes. She indicated Commissioner Metz wanted to know how the Department targets media dollars. Ms. King stated the money the Department receives is from federal funds and the Coast Guard. She said the Department uses the radio, as indicated in a study done several years ago, as the best way to get boating safety messages out to the public. Ms. King reported that media results indicated that owner's responsibility went from 0% to 41% as the most influential part of the advertising and the fatality rate dropped to 41 in 2006 compared with 58 in 2005. She added that 38% of boaters claimed to have changed behavior as a result of the Department's advertising.

Chairman Rupf asked that copies of the PowerPoint presentation be given to all Commissioners.

Aquatic Weed Control Program

Marcia Carlock gave a PowerPoint presentation on the Department's aquatic weed control program. She reported that the program was mandated in 1997 by legislative authority to keep the waterways navigable. The Department treats water hyacinth and Egeria densa in the waters of the Sacramento/San Joaquin Delta its tributaries and Suisun Marsh.

Public Comment

Ms. Burns, Director, Sonoma County, thanked the Commission and the Department for their support in Sonoma County and hoped the Commission enjoyed their field trip to Spud Point.

COMMISSIONER ANNOUNCEMENTS

Commissioner Clark presented the Department with an appreciation plaque for their support and participation in Pacific Inter Club Yacht Association Opening Day 2008. Ms. Bota accepted the plaque for the Department.

Commissioner Purdon reported his Clean Marinas California Program has just certified its 70th marina. He also asked that the Department make the link to his program a little easier to locate or more noticeable on the Department's website.

Commissioner Nagata thanked David Johnson for all his hard work and for all the help he has given the Commission. He added Mr. Johnson will be missed.

Chairman Rupf also thanked Mr. Johnson for dedication. He formally welcomed back Commissioner Purdon who is back from his many sailing adventures. Chairman Rupf indicated the next Commission meeting will held in August in Needles, California.

ADJOURN

Chairman Rupf adjourned the meeting at 12:23 p.m.

Raynor Tsuneyoshi, Secretary