

CITY OF SAN LEANDRO
CITY COUNCIL SHORELINE - MARINA COMMITTEE

November 18, 2008
9:00 a.m. – 10:30 a.m.

San Leandro City Hall
835 East 14th Street
San Leandro, California
Sister Cities Gallery Room

HIGHLIGHTS

Committee Members: Mayor Santos, Councilmember Prola, Councilmember Starosciak

City staff present: Interim City Manager Hollister, Assistant City Manager Diaz, Community Development Director Sims, Engineering Director Udemezue, Public Works Director Bakaldin, Business Development Manager Battenberg, City Engineer O'Driscoll, Planner Penaranda

Public present: Darlene Hayes, Karen Holzmeister (Bay Area Newsgroup), Bob Leigh, Ed Miller (Cal Coast)

The meeting was called to order at 9:00 A.M. Mayor Santos announced that the meeting items would be taken out of order. The fourth item would be covered first.

4. Shoreline Development Citizens Advisory Committee (Shoreline CAC) Tentative Meeting Schedule

Manager Battenberg summarized the Shoreline CAC's tentative meeting schedule. The *kick-off* (first) meeting would be on Wednesday evening, December 3, 2008 at the Marina Inn. On Saturday, January 10, 2009, there would be a walking tour of the existing shoreline. Monthly meetings are scheduled for Wednesday evenings through October 2009. All together there will be approximately 11 Shoreline CAC meetings. Topics such as the history of the San Leandro Shoreline, General Plan objectives, zoning issues, environmental challenges, traffic issues, feasibility studies and market analysis will be discussed in order to develop a master plan by the conclusion of the scheduled meetings. Agenda, reports and highlights will be posted on-line at the City's website.

Mayor Santos stated that the Shoreline-Marina Committee members should attend the kick-off meeting and the remaining City Council members should be invited. He asked staff to include historic information dating from the mid 1950s about the boat ramps, marina, and dredging.

1. Review of Fiscal Year 2007-08 Shoreline Enterprise Fund-Harbor Division Revenue and Expenditures

Manager Battenberg gave a powerpoint presentation reviewing the Fiscal Year 2007-08 Shoreline Enterprise Fund-Harbor Division Revenue and Expenditures. The highlights included

that in FY 2007-08, the Harbor Division had a shortfall of \$874,000. The addition of required capital costs to continue harbor operations (dredging and improvements) would amount to a \$3,388,000 annual shortfall. The harbor operations debt, as of June 30, 2008, was \$6.9 million, including General Fund and CalBoat Loans.

Councilmember Starosciak asked what the savings to the City would be if harbor operations ceased. Manger Battenberg replied there would be approximately \$1 million in savings, as the \$600,000 in GF and DBW debt service payments would continue. Interim City Manager Hollister added that there would be an additional cost to decommission the harbor.

2. Discussion Regarding Dredging Alternatives including Results of Hydrology Study

Director Udemezue gave a powerpoint presentation reviewing dredging alternatives and results of a hydrology study (see attached). He stated that if dredging ceased completely, the existing harbor area would become mudflats similar to the area north of El Torito 14 to 16 years from the date of the last dredge. He further reviewed information regarding the process of siltation. His presentation additionally covered three options:

- I. No Dredge - resulting in the closure of the Marina and the boat launch ramp. The City would not incur any future dredging costs or capital costs, however, there would be costs to dismantle the boat harbor.
- II. Full Dredge –would include dredging of 310,000 cubic yards of material in 2009 and a return to the four year dredge cycle. The estimated cost for dredging over the next 8 years would be \$15.2 million. An estimated \$10 million in capital costs would also be required.
- III. Modified Dredge – would include a dredge to approximately 5 feet allowing small boats to continue to use the boat launch ramp. The 2009 dredging would be managed by the Army Corps of Engineers and the City would be responsible for disposing of the approximately 85,000 cubic yards of material at an estimated cost of \$2 million. Future costs for a modified dredge to allow small boats access is estimated to be \$2.2 - \$3.7 million every four years. Costs to dismantle the harbor would also be incurred as the harbor in its current configuration would no longer be viable.

Based on the presentation, the Committee was in agreement that the modified dredge option was optimal. Director Udemezue cited that the cost to dispose of dredge material depends upon how far the material must be transported. It could range from \$24 to \$53 per cubic yard. An alternative of pumping the slurry directly to Oyster Bay Regional Park was evaluated and found to be more expensive than utilizing the Dredge Materials Maintenance Site and then hauling the dry material by truck.

The Committee discussed the benefits of meeting with Federal and State politicians as soon as possible to improve the possibility of the City obtaining any funding that may be available to assist in the dredging. They also suggested staff negotiate a long-term disposal agreement with Oyster Bay Regional Park for 50,000 cubic yards of material every four years.

Recommendation:

The Committee recommended Director Udemezue's presentation be brought to the City Council including a recommendation for City staff to work with the Army Corps of Engineers on a modified dredge.

3. Discussion Regarding Potential for Private Development to Support Shoreline Amenities and Improvements

Manager Battenberg began the dialogue regarding future private development at the shoreline that could serve as amenities such as a conference center and more restaurants. There has been a recommendation from Bay Access and the Coastal Conservancy to provide facilities for small boat users. There has also been interest from a children's museum.

Mayor Santos interjected that new private development should be self-sustaining. Over the years there have been various plans that did not materialize such as an office complex or multi-family residential condominiums at the Cable television site, or the consolidation of the Endo properties at the entrance of the shoreline for some type of waterfront development.

Councilmember Starosciak stated that perhaps the future master plan should consider cultural and ethnic diversity and include an Asian restaurant with banquet facilities.

Ed Miller, Cal Coast, noted the comments and stated that the master plan could be made to market to multiple ethnic groups.

Mayor Santos stated that large employers in the City have asked him to have another restaurant in the shoreline area to compete with Horatio's.

Manager Hollister stated that the developer and the Shoreline CAC will look to master plan the area with a solution that will be self-sustainable and that will create an environment that people will enjoy visiting and strolling through.

Ed Miller stated that he understands the Shoreline needs the right combination of improvements to create the synergy that the City needs for a self-sustaining shoreline.

5. Next Meeting – December 16, 2008

The Committee affirmed that the next meeting date, if needed, will be Tuesday, December 16, 2008.

6. Public Comments

Bob Leigh asked for clarification of the CalBoat loan balance and asked if the dredge spoils would be clean fill. Director Bakaldin and Manager Battenberg replied that the debt service annual payments include interest and principal. Director Udemzue replied to the second question that dredged material has different contents; in fact in some cases dredged material could have high levels of lead. Bob Leigh interjected that the East Bay Regional Park District only takes clean fill.

7. Committee Member Comments

The Committee thanked Ed Miller for being present at the meeting

8. Adjourn - The meeting adjourned at 10:35 a.m.