

- **Board of Directors**
Business and Finance Committee

January 13, 2009 Board Meeting

8-2

Subject

Options for Diamond Valley Lake Marina Operations

Description

Given Metropolitan's current water supply and fiscal challenges, a review of options for marina operations at Diamond Valley Lake (DVL) is timely.

Background

On Monday, October 13, 2008, private boat launches were suspended indefinitely when DVL water levels reached the end of the existing boat ramp at an elevation of 1,682 feet (about 480,000 AF of storage). The lake remains open to the public through rental boats, kayaks and canoes, shoreline fishing, and hiking and biking on the Lakeview Trail. The duration of the suspension will depend on water supply availability to refill DVL and extension of the boat ramp. At the October 2008 board meeting, the Board directed staff to seek external funding for extending the boat ramp. Staff is working with the California Department of Fish and Game to secure funding in order to extend the boat ramp while the water level is down.

Following suspension of private boat launches, staff has worked closely with Urban Park Concessionaires (Urban Park), the DVL marina operator, to further reduce operations and maintenance costs. Excluding Metropolitan staff, the O&M budget for fiscal year 2008/09 is just under \$700,000. Two Metropolitan employees manage all recreation agreements. However, both employees have other duties, including: group budget development/management; reserve management; and oversight of recreation at Lake Skinner. Staff recently initiated termination of the agreement for \$275,000 annually with the Riverside County Sheriff's Department for additional law enforcement. Urban Park will assume lake patrol duties and will call 911 in the case of emergencies. Securitas will continue to provide security protection for the entire DVL area. Staff does not anticipate increased risk associated with the termination of this agreement. Staff has also significantly reduced other components of the budget such as materials and supplies, repairs, and outside services.

Fishing at DVL continues to be good, with a 15.06-pound lake record rainbow trout caught on December 3, 2008. Overall visitor usage of the marina is strong despite the temporary suspension of private boat launches. In November 2008, boat rentals increased by 58 percent over the previous November.

Metropolitan currently has three options to consider for DVL marina operations. Under Option #1, Urban Park would continue to operate the marina as it is today (e.g., boat rentals, kayaks/canoes, shoreline fishing, hiking/biking) until either the water level drops to a point that the boarding docks are no longer serviceable or the water level returns to a level when private launches can again be allowed. The current projected O&M costs for this option are \$284,600 annually. Option #2 would suspend all on-water activities, but Urban Park would continue to manage shoreline fishing, hiking, and biking. Suspending on-water recreation reduces the annual O&M costs to \$234,300. Under Option #3, DVL would be closed to the public indefinitely. The annual O&M cost would be reduced to \$4,500 to perform minimal drain clearing and weed abatement. Should the Board direct staff to close DVL to the public, the public reaction is anticipated to be negative.

The staff recommendation is Option #1—maintaining current operations, which is also the option that is included in the proposed FY 2009/10 budget.

Policy

Board actions of October 13, 1998, February 9, 1999, and August 20, 2002, allow certain recreational activities, including boating, at Diamond Valley Lake and adopt rules and policies regulating such activities.

California Environmental Quality Act (CEQA)

CEQA determination for Options #1, #2, and #3:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to the provisions of CEQA pursuant to Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

Board Options

Option #1

Adopt the CEQA determination and direct staff to keep Diamond Valley Lake open to the public through boat rentals, kayaks and canoes, shoreline fishing, and hiking and biking on the Lakeview Trail as long as the boarding docks are serviceable.

Fiscal Impact: Approximately \$284,600 in ongoing operations and maintenance costs annually

Business Analysis: Allows continued public access to Diamond Valley Lake

Option #2

Adopt the CEQA determination and direct staff to suspend boating on Diamond Valley Lake indefinitely, but allow public access through shoreline fishing and hiking and biking on the Lakeview Trail.

Fiscal Impact: Operations and maintenance costs of approximately \$234,300 annually

Business Analysis: Allows limited continued public access to Diamond Valley Lake

Option #3

Adopt the CEQA determination and direct staff to close Diamond Valley Lake to the public indefinitely.

Fiscal Impact: Annual operations and maintenance costs drop to \$4,500 for drain clearing and weed abatement

Business Analysis: Anticipated adverse public reaction to closing down Diamond Valley Lake to the public

Staff Recommendation

Option #1



Jill Wicke
Manager, Real Property Development and
Management
12/26/2008
Date



Jeffrey Kightlinger
General Manager
12/29/2008
Date