

CITY OF REDONDO BEACH

Budget Response Report #15

June 9, 2020

Question:

What is the cost of maintenance for the Harbor moorings and what has been the utilization rate?

Response:

In 2011 the Fire Department obtained two grants, one from the United States Fish and Wildlife Service ("USFWS") and the other from the California Department of Boating and Waterways ("DBAW") (with a 15% match fronted by the City), to create a field of transient vessel moorings in the main channel of Redondo Beach Harbor. Installation of the 25 moorings was completed in 2014. The moorings provide a recreational opportunity for boaters and also provide a safe haven for vessels caught in severe weather conditions.

The DBAW Grant Agreement includes a 20-year performance period (term of the contract) from the date of acceptance which was 11/16/2011. There is an audit provision under which the State may review the City's records associated with the management of the moorings.

Maintenance

As Public Works staff does not have the expertise or resources needed to perform the specialized maintenance the moorings require, maintenance is provided through an outside contract. Maintenance activities are provided on a quarterly, bi-annual and annual basis, and include the following:

- Cleaning buoys and removing marine growth
- Monitoring sand lines and bow/stern lines for wear and tear and replacing as needed
- Inspecting underwater mooring hardware and replacing as needed
- Providing photographs to document the condition and deterioration of underwater mooring hardware

On July 19, 2016, the City Council awarded a five-year contract to Marine Tech Engineering. Initially, the annual not to exceed cost was \$101,789. Beginning with the 2018/2019 budget year, the not to exceed cost was reduced to \$60,000.

Usage

Since June 2017, transient moorings rentals have been administered by Leonardo Management, the property management company used by the City to oversee the

Redondo Beach Marina leasehold. Based on information provided by Leonardo Management, usage levels have been as follows:

	# of Moorings	Mooring Days Available	Mooring Days Used	Percentage Used
2018	25	9,125	342	3.7%
2019	25	9,125	672	7.4%
2020 (Jan-May)	25	3,880	53	1.4%

Revenue

Total revenue collected for mooring rentals for calendar years 2018, 2019 and 2020 through May was as follows:

2018	\$9,036
2019	\$17,556
2020 (Jan-May)	\$1,446

Grant Requirements

It is important to note that the Grant Agreement with the State requires that “The Grantee shall ensure the facilities will continue to serve their intended purposes throughout their useful life (20 years). Facilities constructed or improved with Federal Aid Funds must continue to serve the purpose for which acquired or constructed by the Grantee.” The Agreement goes on to state that failure to comply with the requirements of the provision of the grant are a breach of contract for which DBAW may require repayment of the grant on a prorated unexpired term basis as determined by the Department. During the contract term the City is required to do the following:

- Ensure that the moorings continue to serve their intended purpose
- Allow reasonable access to the moorings during their useful life
- Maintain and repair the moorings in safe and usable condition

Staff will explore potential maintenance modification options that may result in annual expenditure savings of \$25,000 or more, while remaining in compliance with grant requirements. Since usage of the moorings is very low, the City could also seek authorization from the State to remove a certain percentage of them, which would further reduce maintenance costs.