

OPEN LETTER  
TO MARK SANDOVAL IN RESPONSE TO THE FUEL FACILITIES SURVEY

We reviewed your survey options for the reworking of the Long Beach Marina fuel facilities at our BOA Board meeting on August 17, 2010. BOA's position is that we cannot support either option. We propose that the private sector be invited to a competitive bid process for the operation, management and liability of all Marina fuel facilities.

BOA suggests that the fuel service facilities be put out to competitive bid under a twenty (20) or thirty (30) year contract. Included within the bid specs would be the requirement that the bidder would bear the cost to retrofit the fuel facilities to meet all current California safety requirements for fuel storage and service. Of course, the bidder would be required to meet all the approval requirements of the City of Long Beach. At the end of the period, the fuel facilities will become City property. There will be no issue of a lease back or lease payments. As a point of interest, this procedure would essentially copy the process that has already been implemented through BANCAP for the building improvements for the Seal Beach Yacht Club and other facilities at ABM. The advantage of the BOA plan is that no Long Beach permittee would be faced with an increase in slip fees or surcharges to pay for the refuel dock rebuild.

BOA is aware of the Complaint for Civil Penalties and Injunctive Relief filed by the State Water Resources Control Board on Jan 21, 2010. It is the intent of BOA to cooperate and work with you in resolving this Water Resources lawsuit on the fuel dock issue.

However, we cannot support the proposals as written for the following reasons:

- 1) Most sailboat owners seldom, if ever, use the fuel docks to refuel their sailboats. It is unfair to expect sailboat owner to pay for a fuel dock facility that they do not use.
- 2) Vessels from the entire cruising area of California are permitted to use the fuel docks to refuel their boats. It is unfair to expect Marina boat owners to pay for fuel dock facilities for the benefit of non-Marina permittees.
- 3) Internationally flagged boats as well as ocean going boats can use our fuel docks. It is unfair to expect Marina boat owners to pay for fuel dock facilities for the benefit of internationally flagged/ocean going vessels.
- 4) A privately owned and operated fuel facility would have to price their products competitively because of competition from the Los Angeles Harbor and Huntington Harbor fuel facilities. We currently have some large scale fuel users who already find it more economical to go to Los Angeles Harbor to fuel up because of the lower price per gallon of fuel in Los Angeles Harbor.

Regards,  
Carl Kimbauer  
President  
Long Beach Marinas Boat Owners Association