

X. The “Big Hole in History”: Post-Pensus Blues

A “Modest” Proposal: Give Lake Berryessa to Napa County

(The Lake Berryessa News, March, 2016)

Although lake water levels are low, outrage is high, and building, after the latest Bureau of Reclamation bid process fiasco. Reclamation announced that no successful bids were received in response to the latest Prospectus (the third failed bid process since 2006). Three California companies each bid on one area (Berryessa Point, Monticello Shores and Steele Canyon). All three bids were found to be "non-responsive."

According to Reclamation, if a bid was determined to be non-responsive to any one principal factor, it was determined to be non-responsive overall. The most important factor, and the one that probably led to a bid being declared non-responsive, was the financial issue.

Thousands of people who loved Lake Berryessa spent hundreds of thousands of dollars, donated thousands of hours of effort, sent thousands of letters to Reclamation, the Department of the Interior, and Congress. Some of us delivered more than 10,000 petition signatures to Washington supporting a common sense, fiscally responsible plan simply described as "Preserve the Best, Improve the Rest."

But no one in power listened, and we finally lost the "Battle for Berryessa" - resulting in the ghost lake we see now. This major recreation destination, and its residential and business communities, have been severely damaged - resources important to the State of California and Napa County, both from a social and financial perspective. If the government could pay millions to demolish the lake resorts why can't they pay millions to construct new basic infrastructure like launch ramps, power, water, sewer facilities?

I wrote to Congressman Thompson about the status of the lake revitalization process. He responded but his historical justification outlined in the first several paragraphs is contradicted by the facts. It follows the old saying, "History is always written by the winners." Congressman Thompson's response is to propose a minor change - turn over management of the lake to the Bureau of Land Management. But that is just trading one federal bureaucracy for another with no guarantee of any real progress. Cong. Thompson could, instead, introduce legislation transferring Lake Berryessa from the federal government to the jurisdiction of Napa County. There is sufficient precedent for this action. Other Bureau of Reclamation sites have been transferred to local jurisdictions in the past.

The present situation at Lake Berryessa is reminiscent of the 1966 book title "Been Down So Long It Looks Like Up to Me". It's true of the lake levels that are so low that every foot of rise is welcomed with a cheer! It is true of the last ten years of federal government floundering where even a minor positive step seems like a beam of sunlight to the beleaguered residents of Eastern Napa County. But based on the latest results, there is little practical hope for progress.

Napa County may offer an effective management option. Lake Berryessa could become more significant in the Napa County tourist and recreation industry. Napa could have greater benefit directly from the concessions in funding the services that the County is required to provide. The

County could also conceivably sell some of the lakefront property for controlled sustainable development and benefit from the sales proceeds and additional property tax revenue.

There is also no reason that Napa County could not successfully manage "smart contracts" with major recreation companies to provide additional revenue. Lake Berryessa has missed this opportunity because of federal bureaucratic restrictions. The County has the practical experience, the planning and environmental departments, and the law enforcement and safety services that clearly give Napa the advantage over the federal government in protecting the resources of this important part of the county.

California's third largest lake and the prime outdoor recreation destination in the Bay Area has been mostly shut down for eight years because the federal government can't figure out how to offer a realistic contract - A SMART CONTRACT! We Need To Tell Them To Do It Right. Invest In Infrastructure, Do It Fast, And Let Us Use Our Lake Again!

A Path Forward To Revitalize Lake Berryessa: Fire The Feds!

(The Lake Berryessa News, March, 2016)

We need a revolutionary strategy to stop the death spiral at Lake Berryessa.

The fifteen year failure of the Bureau of Reclamation is not based on simple ineptness, often complex ineptness is involved. But the failure is actually based more on a fatally-flawed policy at the federal level which treats Lake Berryessa as just another "lake in the country" to be dealt with as any other federal rural holding - independent of context.

Lake Berryessa is not another "lake in the country". It is a major economic, social, and recreation resource in an urban-proximate setting whose value to Napa County and the State of California is being utterly wasted. Lake Berryessa clearly falls into the Rural Developed Setting category in the government's own Water and Land Recreation Opportunity Spectrum Users' Handbook (WALROS). Old-school environmental thinking, especially at the Federal level, is pointless in this situation. After 50 years of progress, we know how to implement sustainable practices for wineries, sustainable design outcomes for lake resorts, and sustainable rural development for the good of local people.

The Federal Government needs to be fired! "You're Fired!" We need home-rule closer to the source. Napa County should take control of Lake Berryessa again. The State should do everything it can to support economic development here. Why isn't the Napa County Board of Supervisors outraged by the economic and social damage done to the County by the Feds? Napa County should stop sitting on the sidelines - NOW!

Why have the big guns in the Napa Valley tourism and financial industries ignored the perfect location to expand their businesses and Napa's reputation as a premier recreation destination? Your expertise is needed - NOW! Even Governor Brown wishes to see more rapid progress at Lake Berryessa. The Governor's Office of Business and Economic Development could be a resource for revitalizing an economically-depressed Lake Berryessa region.

Why does the City of Winters care more about being on the ragged southern edge of a phony national monument with no measurable economic benefit to Winters rather than once again being the gateway to a thriving Lake Berryessa which provided enormous economic benefit to the city?

The rationale for revolutionary change is simple:

1. The federal government has shown its inability to successfully implement its own policies for decades, resulting in the destruction of a once-thriving region.
2. Knowledgeable recreation and hospitality companies have pointed out the flaws in the federal government's contract policies, policies which would need to be changed before serious companies would be interested in the lake's investment potential.
3. The federal government (Reclamation or BLM) is unlikely to change its policy on those flawed contract terms - which is a recipe for future lack of action.
4. Napa County successfully ran the lake from 1958 to 1975. Many U.S. counties run major successful concessions - San Diego County, for example.
5. Napa County managing the resorts again is a home-rule issue which solves many problems the County has complained about for decades - cost of public services with no financial return - Sheriff patrol costs, for example. One supervisor infamously called the lake a "black hole in the County budget".
6. There are several precedents for Reclamation turning over management of the land portion of their water projects to local jurisdictions, Elephant Butte, New Mexico, for example.

The parties who could help create a framework for this revitalization of Lake Berryessa are:

1. Napa County Board of Supervisors;
2. The State of California - through Bill Dodd, State Assembly/Senate member and previous County Supervisor for part of Lake Berryessa;
3. Visit Napa Valley, leader of the Napa tourism industry;
4. Congressman Thompson, needed to effect change at the congressional level;
5. Sally Jewell, Interior Secretary, who could be the top-down advocate for this change and who is familiar with Lake Berryessa from her work on the National Monument.

Simply put, the federal government owes the Lake Berryessa community and Napa County BIG TIME. Napa County owes the Lake Berryessa community BIG TIME for its lack of action over the decades. Napa County managing Lake Berryessa in partnership with Napa Valley tourism professionals is the best opportunity for a Renaissance Lake Berryessa. Let's start NOW!

Open Letter to the Federal Government: Get Out of Lake Berryessa!

(The Lake Berryessa News, June, 2016)

OK. We know you tried. We know you think you tried very hard. And look where it got you - nowhere!

We know you didn't think anyone would want to use Lake Berryessa for recreation when it filled up in 1958. Why would they? The water would go up and down by 20 to 30 feet or more a year.

How could anyone cope with that? The fact that it would be the biggest, cleanest lake in Northern California only hours (or less) from millions of Bay Area residents just didn't cross your mind. To be fair, rational, long-range planning may not have been a high priority for you in those "olden" days.

We understand how disappointed, even jilted, you felt when none of your other agencies like the National Park Service would step forward to take over from the Bureau of Reclamation. At least the NPS agreed to write a Public Use Plan for you. You tried to have the State of California or local government agencies assume the responsibility of managing public recreational facilities at the lake. The State expressed no interest and said that it had no funds available. But finally Napa County stepped up and agreed to manage Lake Berryessa.

Napa County decided that all development, construction, and management be left to concessionaires who had to finance the costs of these activities. The major development effort at all seven concessionaire areas was the addition of mobile homes. Napa County officials confirmed that the revenue from the long-term leases of the mobile-homes provided the steady year-round incomes which could not be realized from seasonal picnicking and camping facilities.

You even agreed with this concept in your 1993 Record of Decision: "Long-term exclusive uses will be allowed in concession areas. Current long term exclusive uses assist in supporting necessary services for the short-term users and low cost public access. These long-term exclusive uses will be located or relocated in areas that are neither prime shoreline locations that are desirable for short-term uses nor conflict with other greater public needs. Long-term uses will be designed to blend more effectively with the natural environment."

We know how hurt you must have felt in the early 1970's when the resort development and your partnership with Napa County was criticized, especially when the county decided to give the lake back to you. But you recovered your composure and tried to do your best by building a new headquarters complex and the beautiful Oak Shores Day Use Area.

Managing the new public facilities while also overseeing the seven concessionaires was definitely a big job. And those persnickety concessionaires were a handful to deal with at times. No one can really blame you (too much) for becoming complacent. After all it was such a beautiful place to work and you didn't really have to work too hard if you didn't want to. If Napa County didn't really appear to care, why should you?

Unfortunately, your decision to not consistently apply your own Concessions Review Program Standards allowed serious problems to accumulate at some of the resorts. For example, allowing Pleasure Cove Marina, one of the worst offenders with its "Outback" area, to operate without oversight ("self-reporting") for so many years was probably not a good management choice. But your face-saving strategy of blaming everything that happened on the mobile home owners, who also wanted change and improvement, was despicable.

Since Lake Berryessa was such a small part of the Federal Government's responsibility, it is easy to understand why you lost real interest in it for decades. Your decision to turn it's Park Manager position into a revolving-door training facility may have made bureaucratic sense to you at some level, but it did nothing to help us improve the situation. Remember the manager guy who only cared about native plants and made Steele Park tear up more than fifty baby palm trees they had just planted along the entry road? Where is he now?

But we know your greatest shame must be the “recent” epic fifteen year failure to accomplish anything of value at Lake Berryessa. You tried everything. You shifted blame, modified policy, changed definitions, recruited fellow travellers, colluded with Congress, produced falsified reports - just to get rid of the mobile homes and replace those troublesome concessionaires.

More than ten years ago thousands of people who loved Lake Berryessa spent hundreds of thousands of dollars, donated thousands of hours of effort, sent thousands of letters to the Bureau of Reclamation, the Department of the Interior, and Congress. Some of us delivered more than 15,000 petition signatures to Reclamation Headquarters in Washington, D.C. supporting a common sense, fiscally responsible plan simply described as "Preserve the Best, Improve the Rest."

But no one in power listened, and we finally lost the "Battle for Berryessa" - resulting in the ghost lake we see now. California's third largest lake and the biggest recreation destination in the Bay Area has been mostly shut down for eight years because the Federal Government can't figure out how to do its job right.

The fifteen year failure of the Bureau of Reclamation is not based on simple ineptness, often complex ineptness is involved. But the failure is actually based more on a fatally-flawed policy at the federal level which treats Lake Berryessa as just another "lake in the country" to be dealt with as any other federal rural holding - independent of context.

Lake Berryessa is not another “lake in the country”. It is a major economic, social, and recreation resource in an urban-proximate setting whose value to Napa County and the State of California is being utterly wasted. Napa County managing the resorts again is a home-rule issue which solves many problems the County has complained about for decades - cost of public services with no financial support from you - Sheriff patrol costs, for example.

So, Federal Government, aren't you tired of things always going wrong under your command out here? After more than fifty years as a premier family recreation destination, you have driven the lake to its knees.

Since you simply want to implement flawed policy without any consequences to yourself, real people be damned, wouldn't it feel good to be relieved of the burden of Lake Berryessa?

Believe us, we feel your pain. But don't let the door hit you in the butt on the way out.

Sincerely, The Lake Berryessa Community

Will 2017 Be Lake Berryessa's Lucky Year?

(The Lake Berryessa News, January, 2017)

Looking back on 2016 at Lake Berryessa one might think that nothing much happened. But a year is a long time, and 2016 did have some momentous events for the lake community. In 2015, after a year of economic analysis and community outreach, the Bureau of Reclamation released a detailed Bid Prospectus in another attempt to solicit recreation companies to reopen the closed recreation areas. Hopes were high, but Reclamation announced that no successful bids were received in response to the latest Prospectus (the third failed bid process since 2006).

In March the Lake Berryessa News headline read: A Modest Proposal: Radical Restructuring - Ownership and Management of Lake Berryessa Should Be Transferred to Napa County. For several months the case was made by the Lake Berryessa News and supported by the Lake Berryessa Chamber of Commerce and the majority of the Lake Berryessa community.

Both Napa County and Reclamation responded positively (although hesitantly) to this proposal. On April 5, 2016, the Board authorized staff to engage in discussions with Reclamation and the Department of the Interior (DOI) regarding the future of the concession areas of Lake Berryessa.

By May 15, 2016 the proposal was getting some traction and the Lake Berryessa News headline read: "A Path Forward To Revitalize Lake Berryessa: Fire The Feds!" I wrote at the time, "We need a revolutionary strategy to stop the death spiral at Lake Berryessa. The fifteen year failure of the Bureau of Reclamation is not based on simple ineptness, often complex ineptness is involved.

But the failure is actually based more on a fatally-flawed policy at the federal level which treats Lake Berryessa as just another "lake in the country" to be dealt with as any other federal rural holding - independent of context. Lake Berryessa is not another "lake in the country". It is a major economic, social, and recreation resource in an urban-proximate setting whose value to Napa County and the State of California is being utterly wasted."

The Lake Berryessa News, the Lake Berryessa Chamber of Commerce, and local residents then strongly promoted a new strategy - have Napa County take over management of the lake recreation areas under a Managing Partner Agreement with Reclamation. The headline on June 1 was even more aggressive: "Open Letter to the Federal Government: Get Out of Lake Berryessa!" The Bureau of Reclamation and Napa County were listening.

On June 7, 2016, the County entered into an agreement with Perkins Coie for specialized legal advisory services on federal statutory and regulatory law as it pertains to concessions management. On June 21, 2016, the Board directed staff to enter into negotiations for a Managing Partner Agreement between the County and Reclamation. Under a Managing Partner Agreement, the responsibility to develop and manage public recreation areas would be transferred to Napa County.

At the December 6th Board of Supervisors meeting the supervisors accepted a recommendation to move forward with this strategy by providing direction to staff to sign a Memorandum of Understanding with Reclamation and a contract with Ragatz Sedgwick Realty for its knowledge and experience in developing hotels, resorts and other recreational opportunities worldwide.

Under this agreement, Ragatz Sedgwick Realty will assist the County in identifying interested concession partners by marketing the opportunity to the resort community and performing a feasibility analysis to determine the best use of each site. The County's intent is to market Lake Berryessa and seek interest in the opportunities that exist. The goal is to create a short list of interested parties that are viable and have interest and ideas that can fit within the Visitor Services Plan.

If Ragatz Sedgwick is successful in identifying interest, the County and Reclamation will move forward with negotiating a Managing Partner Agreement for recommendation to the Board of Supervisors and creating a formal Request for Proposal process to select a concessionaire.

The Ragatz Sedgwick team will be in Napa County during the week of January 9-13, 2017 to begin their research. They will meet with the Bureau of Reclamation as well as other interested parties such as the Lake Berryessa Chamber of Commerce, Visit Napa Valley members, and others.

Ragatz Sedgwick Realty is an international commercial brokerage firm focused exclusively on the resort real estate industry. Ragatz Associates, has offered consulting services to the resort real estate industry for 40 years. The firm has conducted over 2,500 assignments in 48 states and more than 70 countries. Clients include practically every significant development and financial institution in the industry on a global basis.

The goal is to move as quickly as possible in tandem with other discussions. Hopefully, within two to three months, they'll have an idea as to how great the interest is and how quickly the process can move forward. And maybe this actually will be Lake Berryessa's lucky year!

Positive Report on the Future Rebirth of Lake Berryessa!

(The Lake Berryessa News, July, 2017)

More than a year since the Lake Berryessa News began the campaign to give Lake Berryessa management back to Napa County, a major milestone in that campaign has arrived. A 434-page Lake Berryessa marketing report done by Ragatz Realty was just presented to the County and to the Bureau of Reclamation. Reclamation will review and comment on the report by July 3. Ragatz will formally present this report at the August 1 Board of Supervisors meeting.

But first a bit of historical background for context. Monticello Dam was finished in 1958 and Lake Berryessa filled. By the end of 1959, Napa County had awarded seven long-term (30 year) concession agreements to newly formed resorts to provide recreation services. Leased mobile home sites provide revenue needed to support short-term uses such as camping and launching. But in 1975, after years of fruitless discussion and debate with Reclamation regarding the Lake Berryessa management agreement, Napa County turned lake recreation management back to Reclamation.

In 2000 the Bureau of Reclamation began a to develop a Visitor Services Plan to redevelop the lake. Their primary goal was to remove all mobile homes from the lake while replacing the existing resort owners with a single company to run all the resorts. Reclamation's search for concessionaires to redevelop and run the resorts still remains stalled after several false starts during the last 10 years.

Reclamation adopted a 2006 Record of Decision followed by a Bid Prospectus to renovate the resorts with new marinas, lodges, campgrounds, restaurants and other features. In 2009, the agency received \$4.4 million in American Recovery and Reinvestment Act money which was, unfortunately, only used to demolish the existing resort infrastructure rather than provide any improvements to facilities. Millions of dollars in functional facilities were simply demolished.

Two bid prospectus attempts finally resulted in a contract with Pensus in 2010 which ultimately failed. A third bid prospectus received no bids by the end of 2016. In February, 2016, the Lake Berryessa News and Lake Berryessa Chamber of Commerce began a Renaissance Lake Berryessa campaign aimed at returning management of Lake Berryessa to Napa County. They actively campaigned for this goal during the following months.

In June, 2016 Napa County Supervisors directed staff to enter into negotiations for a Managing Partner Agreement between the County and Reclamation for the management of Lake Berryessa. By January, 2017 discussions between Napa County and Reclamation had proceeded positively enough to result in the supervisors directing staff to sign a Memorandum of Understanding with Reclamation and also a contract with Ragatz Sedgwick Realty who would assist the County in identifying interested concession partners by marketing the opportunity to the resort community and performing a feasibility analysis to determine the best use of each site.

There are several benefits with county management of the resorts. The county has more flexibility than Reclamation. For example, instead of issuing a request for proposals and waiting for potential concessionaires to respond, the county can market the Berryessa opportunity to resort companies. About 300 companies worldwide do this type of resort development. Some may not want to work with the federal government.

A key piece of information could be known by the end of the June. The county wants to offer 55-year contracts to run resorts, but needs permission from the U.S. Bureau of Reclamation for this longer-than-usual time frame. The Bureau of Reclamation offered 30-year contracts when it sought new Lake Berryessa concessionaires. At the end of the contracts, the marinas, parking lots, water systems and other infrastructure installed by the companies would be owned by the federal government. This requirement and the short contract term were the “poison pills” that discouraged interest from large resort companies. In a modest change to policy, Reclamation just signed a contract with Markley Cove Resort for a 30 year contract, but with a possible 10 year extension for a total of 40 years.

In January, Richard Ragatz and his colleagues began touring the closed resorts, gathering information, and meeting with, among others, the Bureau of Reclamation, Visit Napa Valley staff, and members of the Board of Directors of the Lake Berryessa Chamber of Commerce. A survey of more than 3,000 people in the region found that 92 percent are interested in visiting Lake Berryessa, if it has the right facilities.

Supervisor Alfredo Pedroza, who has consistently approached this process with a positive outlook, sees the county making progress. “I think this is an exciting time for Lake Berryessa,” Pedroza said. Other supervisors have been supportive.

In an interesting bit of historical turnaround, John Tuteur, Napa County’s Assessor and Registrar of Voters, who was a Napa Supervisor in 1975, told the County supervisors at their June 20th meeting that one of his platforms when he successfully ran for the Board of Supervisors in 1972 was to end county management of Berryessa resorts. But 45 years later Tuteur said circumstances have changed. With the professional assistance of Visit Napa Valley, Napa County has a better grasp on the importance, management requirements, and effects of tourism.

“I think the county can do a superb job in helping to run the resorts,” Tuteur told the supervisors.

The Future Looks Brighter, But The Sun Also Rises (A Bit Slowly)

(The Lake Berryessa News, August, 2017)

It began almost 18 months ago with the Lake Berryessa News headline: A Modest Proposal: Radical Restructuring - Ownership and Management of Lake Berryessa Should Be Transferred to Napa County.

Both Napa County and Reclamation responded positively to this proposal. On April 5, 2016, the Napa Board of Supervisors authorized staff to engage in discussions with Reclamation and the Department of the Interior (DOI) regarding the future of the concession areas of Lake Berryessa.

On June 21, 2016, the Board directed staff to enter into negotiations for a Managing Partner Agreement between the County and Reclamation. Under a Managing Partner Agreement, the responsibility to develop and manage public recreation areas would be transferred to Napa County.

In December, 2016, supervisors moved forward by providing direction to staff to sign a Memorandum of Understanding with Reclamation and a contract with Ragatz Sedgwick Realty. If Ragatz Sedgwick were successful in identifying interest, the County and Reclamation would move forward with negotiating a Managing Partner Agreement and creating a formal Request for Proposal process to select concessionaire for five resorts (now referred to as Recreation Areas).

So here we are in August, 2017 - eighteen months after Reclamation announced that no successful bids were received in response to the latest 2015 Bid Prospectus (the third failed bid process since 2006), and almost ten years since the original resorts were demolished.

On August 1, 2017 Dick Ragatz and Grant Sedwick of Ragatz Sedgwick Realty presented their 434 page report, Lake Berryessa: An Untapped Resort Development Opportunity, to the Board of Supervisors.

The report is one of the most comprehensive ever compiled for the Lake Berryessa area. Its preparation involved: (1) meetings and conversations with dozens of appropriate individuals and entities in Napa County, throughout the primary market area and beyond; (2) conduct of a consumer survey with more than 3,200 responses; (3) surveys of lakes, marinas and campgrounds in northern California; and (4) review of numerous reports and documents prepared by Reclamation and others over the past years.

This document should be viewed as a "resource manual" for anyone interested in operating a concession area at Lake Berryessa. It also is meant to educate Napa County about the uniqueness and value of Lake Berryessa. The report fairly presents the past controversies and decisions that led to the present situation at the lake. But now there is wide consensus that the revitalization of the lake as a recreation destination is important to all of Napa County.

This document represents Phase I of a two-phase assignment. Its primary purpose is to describe the attributes of Lake Berryessa. It provides critical background and educational information for Phase II. The purpose of Phase II is to attract appropriate entities who will develop and operate five available concession areas at the Lake. The supervisors were uniformly positive in their responses to the report. "What an opportunity this is for us to envision what Lake Berryessa can be," said Supervisor Gregory.

The report includes many possibilities such as marinas, campsites, hiking trails, restaurants, motels, grocery stores, a conference center, a golf course, an amphitheater, even an indoor water park. Recreation and hospitality management companies will be expected to figure out what fits, what's possible, and what's profitable.

Among the critical remaining issues is how long the lease contracts can be that the county could offer to concessionaires. The Bureau of Reclamation in a recent, unsuccessful attempt to redevelop the five resorts offered 30-year stints, with infrastructure then reverting to the federal government. This was unacceptable to most potential bidders. Ragatz recommended that concessionaires should ideally have 65 years to recoup investments. Napa County and Bureau of Reclamation officials have been discussing the issue. A county report said the Bureau is open to a 55-year lease with at least one 10-year extension.

The Board has already authorized Ragatz Realty to identify interested concessionaires through a Request for Information and Interest (RFII) process. An RFII is primarily used to gather information to help decide on what steps to take next. County staff was authorized to continue discussions with Reclamation to complete a Managing Partner Agreement (MPA).

A report could go to the Board in late fall or winter. The process will include a public meeting with the Bureau of Reclamation and further public hearings with the Board of Supervisors during that time.

The supervisors were urged to speed up this process which has so much potential. How long does Lake Berryessa still have to wait for a beautiful new resort at Steele Canyon with attractive facilities and amenities?

The public had its say. Evan Kilkus came to the microphone wearing shorts and a flower-print shirt, a fashion choice he called the Lake Berryessa uniform. He sees Berryessa recreation as complementing wine country. "We want to add the casualness, fun and excitement," he said.

Bill Ryan of St. Helena said that bass fishing is popular and Lake Berryessa is a great bass lake. Lake Berryessa could attract anglers who already go to Clear Lake and the Sacramento-San Joaquin Delta, but they'll need places to eat and sleep, he said. "Let's not let them off the hook," he said. Amber Payne takes friends boating on Lake Berryessa. They find something missing. "The lack of amenities is shocking to them," she said.

Former Napa County Supervisor Harold Moskowitz said he had a ranch in Berryessa Valley before the Bureau of Reclamation built Monticello Dam in the late 1950s, flooding the valley and creating the lake. His father had the first contract with the county to create Steele Park resort, now called Steele Canyon.

"I know Berryessa probably as best as anybody ... Anything I can do to help, I'll be happy to do it," Moskowitz told supervisors.

20/20 vision and 20/20 hindsight point to 2020!
Celebrate the past, Create the future!

Napa Releases Lake Berryessa Request For Information & Interest

(The Lake Berryessa News, October, 2017)

Another important milestone in the potential rebirth of Lake Berryessa has been achieved. Napa County has issued a Request for Information and Interest (RFII) to solicit potential concessionaires for five sites at the lake. Proper development of the concession areas is fully supported by public officials of Napa County, who have pledged to facilitate the entitlement process. The Napa County Executive Office is issuing this (RFII) in order to solicit potential concessionaires for five sites at Lake Berryessa. Appropriate respondents will subsequently be

invited to respond to a Request for Proposal (RFP).

Emphasis in the past has been on boating and camping, but a much wider variety of activities seem appropriate for the future. The surrounding region is one of the most prosperous in the nation. Participation rates in all types of outdoor recreation activities are higher than average. Despite these circumstances, the supply of high quality resort developments in lake-oriented destinations greatly lags demand. Lake Berryessa could represent one of the most untapped opportunities for quality lake-oriented resort development in California.

Land around Lake Berryessa is owned by the U.S. Bureau of Reclamation. Napa County may now enter into a Managing Partner Agreement (MPA) with Reclamation to once again assume control of the five areas. The distribution of this RFI is the initial step in potentially finding appropriate developers and operators for one or more of the five areas.

Napa County wishes to solicit input from resort developers and concessionaires that will be used to create the final framework for the MPA and subsequent RFP. Specifically, the purpose of this RFI is to:

1. Gauge developer and concessions management interest in the five recreation-resort areas at Lake Berryessa;
2. Identify potential opportunities within the proposed area(s);
3. Provide a baseline for development of an RFP.

Based on a recent consumer survey of more than 3,000 people familiar with Lake Berryessa, the unmet needs (and opportunities) include:

>Lodging accommodations in hotels, motels, rental cabins, full-service RV parks, glamping, conference centers and timeshare resorts.

>Boating facilities including launch ramps, boat slips, storage facilities, houseboat and other watercraft rentals.

>Sports and recreation attractions like hiking, equestrian stables with riding trails, clubhouse, fitness and spa facilities, sporting clays, golf course and seaplane base.

>Entertainment attractions that could include an outdoor concert amphitheater, wedding venues, special events like boat races, car rallies and fishing tournaments, wine tasting and Napa Valley shuttle and Lake Berryessa boat cruises.

>Visitor services such as convenience and grocery stores, fuel outlets (for cars and boats) restaurants, bars and water taxis.

Development is fully supported by officials of Napa County who recognize a wider variety of land uses and facilities are required to maximize economic benefits and enjoyment by outdoor recreation enthusiasts.

In addition to boating and camping opportunities, there are numerous other attractions and activities at Lake Berryessa and its environs. Some include:

1. Close proximity to, and shared identity with, one of the most recognized tourist destinations in the country - Napa Valley. Napa County has a rapidly growing tourism industry, with 3.54 million visitors in 2016, up 20 percent from just four years ago. Downtown Napa is rapidly becoming a major tourist destination of its own, with large new supply of hotels, shops, restaurants and entertainment venues - and less than an 45 minutes travel to Lake Berryessa.
2. Napa Valley has more than 500 wineries, geothermal springs, boutique shops, fine restaurants, eight golf courses and spectacular scenery.
3. Attractions and activities at Lake Berryessa complement those in Napa Valley, e.g., boating,

fishing, extensive nature and other types of trails, etc. These complementary uses are attractive both to residents of Napa County and others throughout the primary marketing area.

4. Many intriguing potential opportunities for recreational attractions and activities that do not exist elsewhere in Napa County and/or are significantly under-supplied in the primary marketing area. Examples include conference facilities, golf, wedding venues and outdoor musical performance venues.
5. Some of the best lake fishing in the entire state. Swimming in the many protected coves and inlets. Quiet areas for non-motor activities, such as kayaking and canoeing. Bird watching and wildlife viewing.
6. Extensive hiking, mountain biking and walking trails, with many more possible, and large nearby public land holdings, accessible for hiking, camping and a wide variety of other outdoor recreational activities.

Napa County, like most prime resort destinations in California, is a challenging place to pursue new development. Land prices are extremely high; properly zoned sites are scarce; the re-zoning, General Plan amendment and environmental impact report processes are lengthy and expensive; and the threat of litigation from environmental groups and others is high. These “barriers to entry” often result in years and years of effort before proper entitlements are obtained, if ever.

Several important advantages exist, however, at Lake Berryessa that should greatly facilitate development of the concession areas. Proper regulations will still be imposed by Napa County and Reclamation, but less time-consuming than normal.

1. Reclamation has completed detailed, but preliminary, development plans for the five areas. Environmental impact statements have been completed for the plans to “the 60 percent design level.” To the extent that concessionaires’ development plans are substantially compatible with Reclamation’s preliminary development plans, the required environmental impact assessment may be accelerated.
2. No re-zoning or General Plan amendments are required.
3. Environmental compliance statements will be required, but a head start has already been made by Reclamation. This is especially true the more that proposed development aligns with Reclamation’s preliminary recommendations.
4. Proper development of the concession areas is fully supported by public officials of Napa County, who have pledged to facilitate the entitlement process.
5. It is recognized by Napa County and Reclamation that a wider collection of land uses and activities will be required in the future in order to maximize economic benefits to the County and enjoyment by today’s outdoor recreation enthusiasts. Creativity will be encouraged.
6. The actual term of each concession contract will be based on the business model. The business model will support justification of a term beyond the standard 25 years where applicable. The County has requested discussion of a 55 year term plus one 10 year extension for development that requires a significant infrastructure investment.
7. In recognition of the cost of building new infrastructure on leased land, Napa County may be willing to offer a variety of financial incentives for appropriate developments and operations.
8. Private land holdings surrounding Lake Berryessa are extensive. Some of this land could be available for related development.
9. Napa County will assume the role of Managing Partner Agency for all concession areas. This includes being the primary reviewer of applications and proposed development plans. The local government will be able to act more expediently than the more removed federal government.
10. Dedication of County staff support to facilitate development process.

"Holes In History" at Lake Berryessa:
(The Lake Berryessa News, January, 2018)

Was it simple incompetence, fervent ignorance, or malicious arrogance? I define a "hole in history" as a period of time during which accomplishments were planned to occur or results were expected to be achieved but, unexpectedly, both vanished from our historical timeline. A recent example of that phenomenon was the effect of the Atlas Fire on the potential Lake Berryessa revitalization process. Several events important to that process were to occur during October, 2017, but had to be delayed for three months.

The Atlas Fire tragedy ripped many huge holes in history for those whose houses burned to the ground and whose daily existence was upended. Those holes will only be filled after months, if not years, of rebuilding.

But this three month hole in history at Lake Berryessa is only the latest of many that have slowed progress in rebuilding the lake during the last twenty years. The original Bureau of Reclamation plans in 2000 called for a "seamless transition" from the supposedly polluting resorts populated by evil mobile home owners who denied access to the American people, to the new glorious days of internal-combustion-engine-free eco-resorts populated by pink unicorns and vacationing tooth fairies.

They say you can't kill time without harming eternity. But at Lake Berryessa time was beaten into a coma by a combination of simple incompetence, fervent ignorance, and malicious arrogance.

Time keeps on slippin', slippin', slippin'...Into the future...

So how much time did the holes in history at Lake Berryessa steal from us?

The first hole in history occurred when Reclamation released its first bid prospectus in 2007. The initial due date for bid proposals was September 6, 2007. The bid decision was delayed for 4 months due to a lawsuit by Markley Cove. Selection of successful bidders occurred in April, 2008. Contract negotiations began in June, 2008.

The government began excavation of the second major hole in history in March, 2009. Reclamation canceled negotiations with Markley Cove and Pensus because of a minor technicality in the bid document regarding future federal funding. This could have been easily resolved. A single government attorney seriously disrupts a decades long process. Reclamation required a complete rebid of the concession selection process.

The revised bid prospectus was released two months later in May, 2009. New bid proposals due were due in September, 2009; five separate proposals were received. In January, 2010 Pensus Group was selected as most responsive bid for all six concession areas.

This idiotic rebid process caused an incredible 19 month delay, April, 2008 to January, 2010 plus 4 months in 2007- 23 months, almost 2 years lost!

The third major hole in history began to form immediately after the Pensus contract was awarded in May, 2010. Relations between Pensus and Reclamation soon begin to deteriorate. No progress was made in redeveloping any of the resorts. Many of the problems appeared to observers to be

caused by Reclamation's unrealistic policies and poor management. Pensus management appeared inept and arrogant despite the validity of many of their complaints.

From December, 2011 to December, 2012 relations between Pensus and Reclamation continued to deteriorate with long legal arguments exchanged. The Pensus contract was terminated in December, 2012. May, 2010 to December, 2012. And so another TWO YEARS and SEVEN MONTHS were lost!

At the end of 2012 the total holes in history count stood at FOUR YEARS and SIX MONTHS.

The fourth hole in history was another long one. From August, 2013 to January, 2014 Reclamation prepared various detailed plans for five concession areas, some of which had been done for the previous bid proposals. In July, 2015 Reclamation released its latest Concession Bid Prospectus. In February, 2016 Reclamation announced that no acceptable bids were received - a major disaster for the Lake Berryessa community. August, 2013 to February, 2016 - another TWO YEARS and SEVEN MONTHS lost.

In March, 2016, the Lake Berryessa News began its Renaissance Lake Berryessa campaign to return management of Lake Berryessa to Napa County. In January, 2017 Napa County began serious efforts to evaluate the feasibility of taking over management of the lake. Napa County Supervisors direct staff to sign a Memorandum of Understanding with Reclamation and a contract with Ragatz Sedgwick Realty to assist the County in identifying interested concession partners in the resort.

In October, 2017 Another important milestone in the potential rebirth of Lake Berryessa was achieved. Napa County issued a Request for Information and Interest (RFII) to solicit potential concessionaires for five sites at the lake.

"Been Down So Long It Looks Like Up to Me"

If all goes well, the present schedule shows an optimistic date of July, 2018 for concessionaire selection and negotiations. You do the math. The first contract negotiations of the new era began in June, 2008. The optimistic schedule for successful future contract negotiations is July, 2018.

The total holes in history at Lake Berryessa add up to more than TEN YEARS of lost opportunities - a generation of children and families have missed some of the best experiences of their lives! Time to start fulfilling expectations, not digging new holes.

Life After the Holes

The County/ Reclamation RFII process is moving forward with positive results. The Bureau of Reclamation had many staff members, some from as far away as their Denver office, here all day on Wednesday, Dec. 13, 2017 for a presentation and tour for prospective bidders. This was followed by an evening public Community Forum meeting hosted by the Bureau of Reclamation and the County of Napa.

The result of that day was very good news for Lake Berryessa. Reclamation said that it is dedicated to coming to a Managing Partner Agreement with the County that allows the County to manage the concessions. A Managing Partner Agreement would allow Napa County to manage concession contracts with terms that were previously not available through Reclamation, leading to the revitalization of the whole region.

The County is dedicating major financial and staff resources to make this happen. Both Lake Berryessa supervisors, Alfredo Pedroza and Diane Dillon, were present and spoke positively about the potential outcomes. Supervisor Pedroza said, "We've made great progress in working with the Bureau of Reclamation that will renew the vibrancy and allow sensible development at the lake."

Revitalizing Lake Berryessa - Idling Towards Home

(The Lake Berryessa News, July, 2018)

Last week I went out on a patio boat with friends. All went well until we were halfway to the dam from the Steele Canyon Recreation Area. Suddenly our boat engine revved up and lost thrust. The boat would only move forward at idle speed - about 2 miles per hour. Nothing we could do would solve the problem. So we turned around and idled for an hour back to the main lake.

We had a great time picnicking and swimming. Friends from the Highlands came over and tied their boat up to ours for a couple of hours of fun with their kids. But we finally had to start for home - at 2 mph! It took 2 hours to idle from Skiers Cove to the entrance of the Steele Canyon/Spanish Flat cove. Then the wind kicked up and we were down to less than 1 mph. One hour later we finally reached the Steele Canyon launch ramp. Probably the slowest recorded tour of the lake - but we got home and had some great fun doing it.

I was struck by the similarity between our boat trip the present process of revitalizing Lake Berryessa. The excitement of watching Napa County begin the process in early 2017. The ray of hope when the county received nine responses to its Request for Interest and Information. Then the doldrums of Napa County negotiating a Managing Partner Agreement with the Bureau of Reclamation followed by the engine failure somewhere in the process.

Both Napa County and Reclamation profess to be continuing the process with the positive intent to have Napa County take over management of all or some of the recreation areas. One hang-up seems to be the typical bureaucratic "off like a herd of turtles" syndrome. The other is the federal government approving 50 year terms for new concession contracts rather than the 30 year terms proposed by the Department of the Interior.

We've lost ten years of family recreation at Lake Berryessa as I documented in my January 2018 lead story "Holes In History" at Lake Berryessa: Simple Incompetence, Fervent Ignorance, Malicious Arrogance.

So as we idle towards home in the process of revitalizing Lake Berryessa, it is instructive to compare the original optimistic schedule with present reality - another 4 months lost! At least on our boat trip we could see our destination getting closer.

Beating A Dead Horse With A Stick OR ...

(The Lake Berryessa News, August, 2018)

...Beating A Horse With A Dead Stick? BOR betrays Lake Berryessa AGAIN! It's been a long time since the original promise by the Bureau of Reclamation of a "seamless transition" at Lake Berryessa followed by many years of total chaos leading to the destruction of a local community and economy you see here now.

After the Pensus fiasco of 2010, Reclamation officials appeared to finally understand the serious damage they had done to our community. They scrambled from August, 2013 to January, 2014 to prepare various detailed plans for five concession areas. In July, 2015 Reclamation released its latest Concession Bid Prospectus. In February, 2016 Reclamation announced that no acceptable bids were received - a major disaster for the Lake Berryessa community. There was a period after that last failed bid process that Reclamation felt enough "guilt" to agree to work towards a Managing Partner Agreement with Napa County to allow the County to take over management of the resorts and create its own bid package and subsequent concession contracts.

Original Schedule

- November 2017: RFII Submittals Due
- January, 2018: MPA Authorization
- February, 2018: RFP Release
- April, 2018: RFP Due
- Spring/Summer 2018: Concessionaire Selection and Negotiations

Modified Schedule (February, 2018)

- April, 2018: MPA Authorization
- May, 2018: RFP Release

Modified Schedule (July, 2018)

- None

Napa County kept its word! It funded a detailed study showing that Lake Berryessa is a recreational gem that should provide significant financial incentive for resort companies to bid on running the lake resorts. At a December 13, 2017 meeting both Lake Berryessa supervisors, Alfredo Pedroza and Diane Dillon, spoke positively about the potential outcomes. Supervisor Pedroza said, "We've made great progress in working with the Bureau of Reclamation that will renew the vibrancy and allow sensible development at the lake."

In January 2018, Reclamation also said that it is dedicated to coming to a Managing Partner Agreement (MPA) with the County that allows the County to manage the concessions. An MPA would allow Napa County to manage concession contracts with terms that were previously not available through Reclamation, leading to the revitalization of the whole region.

But then something non-happened - everything stopped. As I reported in last month's issue of the Lake Berryessa News, "Both Napa County and Reclamation professed to be continuing the process with the positive intent to have Napa County take over management of all or some of the recreation areas. One hang-up seems to be the typical bureaucratic "off like a herd of turtles" syndrome. The other is the federal government approving 50 year terms for new concession contracts rather than the 30 year terms proposed by the Department of the Interior."

Napa County is well managed with a dedicated professional staff. They have done their due diligence and all indications are that various departments are prepared to move forward with the bid process and concession management plans.

But where is the Bureau of Reclamation? Well, it appears - NOWHERE. We've lost another month due to bureaucratic bungling on the part of the Bureau of Reclamation. Apparently no one in that bureaucracy is willing to stand up and make a decision about the 50 year contract term. This is a betrayal of magnificent proportions!

Is the Bureau of Reclamation a dead horse no longer functioning, or is the influence of Napa County just a dead stick when encountering bureaucratic inertia? Maybe it's time to go with an "old school" stick - a passionate letter-writing campaign. We need to let government officials know that we really, really care. It's time to speak up again, as we have in the past.

I am very concerned that the Bureau of Reclamation is once again ignoring the needs of the Lake Berryessa community. Why has Reclamation unilaterally delayed this important process? Why has Reclamation not followed through with the critically important approval of 50-year contract terms - which all research has shown to be necessary to attract competent recreation companies to invest in new facilities?

It is sobering to think that I've been in this fight since 1998 -- 20 years. And we've lost more than 10 years of family recreation. Tens of thousands of families and children -- almost a whole generation -- have been denied the pleasures of having fun at the largest and cleanest lake in Northern California.

Time Warp Moment - The "2020-something..." Schedule

(The Lake Berryessa News, August, 2018)

After more than two years of painfully slow progress, the Board of Supervisors has yet to finalize a Managing Partner Agreement (MPA) with the Bureau of Reclamation. Reclamation has a 20-year history of delays and bureaucratic bungling that led to the present situation at the lake. The first phase of this debacle began with a Notice of Intent in the Federal Register on November 7, 2000.

That was 18 years ago, Rocky Horror fans! It's astounding; time is fleeting; madness takes its toll. But listen closely, not for very much longer, I've got to keep control. Let's do the time-warp again.

That was also when I first met newly-elected Supervisor Diane Dillon at a small meeting at Pleasure Cove Resort to discuss the future of Lake Berryessa. Time keeps on slippin', slippin', slippin' into the future.

In a previous story I calculated that the lake community had lost TEN years of progress. Now add another year to that for no progress in 2018. The new proposed plan starts slowly in 2019 with the first redeveloped resorts, Steele Canyon and Monticello Shores, to open in 2022.

These are the resorts that county research showed are generating the most interest from the private sector. Disappointingly, the schedule stretches past 2025. A "2020-something" schedule! Is that a real time? Almost fifteen years of family recreation lost! To put it the perspective, the average life expectancy of a male is roughly 80 years. As someone who has been involved in this Reclamation nightmare for 20 years, 5 more years for me at my age is the statistical end.

I'm not a fan of 5 year and longer plans, nor those that show results in late "2020-something". Someone who is 35 has about 50 years to get things done so it's easier to be positive while waiting for long-term results from another plan.

Don't ask me to wear a happy face t-shirt to Reclamation meetings. But I will continue to work positively for the revitalization of Lake Berryessa because I wish to support my community. And I

do still hope to enjoy some of the benefits myself.

At a recent meeting the Board of Supervisors unanimously voiced their support for the County taking over management of the Lake Berryessa recreation areas, commonly referred to as “the resorts”. “This isn’t about doing it for net revenues,” Supervisor Diane Dillon said. “This is about doing it for net benefits for the greater community.”

Supervisors seemed optimistic that an agreement will be reached, possibly by early next year. Ironically, only a year ago the schedule showed that a bid process leading to contract negotiations with new concessionaires should have been completed by summer 2018. Reclamation originally supported this time frame.

About five years ago Reclamation seemed to understand the serious damage they’d done to the local Lake Berryessa community. They promised to make it right, and for awhile followed through with some positive actions. But even then I was reminded of one of my favorite quotes from Polish poet Stanislaw Lec,

“Is it progress if a cannibal uses a fork?”

The Bureau of Reclamation is what I characterize as an “OK, but...” bureaucracy - one adept at feigning concern but always seeming to find a reason to move the goal posts farther out. The latest example is from Drew Lessard of the Bureau of Reclamation who addressed the Board during public comments. He expressed optimism that the agency and county will come to agreement, “but...the last thing we want is to enter into a managing partner agreement and not have success”. Write your own favorite cliché here...“the pot calling the kettle black” comes to mind.

Apparently now Reclamation wants new information, a new economic analysis, and a proposed new schedule from Napa County - all of which was actually done more than a year ago. Is a “2030-something” schedule the next Reclamation “ok, but...” moment?

A recent letter to the Lake Berryessa News from Senator Diane Feinstein did indicate that she had been told by the “local Reclamation office”, wherever that is, “that the agency emphasizes that it still intends to work with the County to pursue an agreement and is seeking to do so by the end of 2018.”

How long does it take before a flickering candle finally goes out? When does saying “OK, but...” actually mean “OK, butt,...”? When can the Lake Berryessa community finally stop being the butt of the long running bureaucratic joke that is the Bureau of Reclamation?

Napa County Frustrated by Reclamation Stalling Tactics

(The Lake Berryessa News, September, 2018)

As reported in the Napa Register and the Lake Berryessa News, there has been no progress in the last few months regarding the completion of a Managing Partner Agreement (MPA) between Reclamation and Napa County for County management of the lake Recreation Areas (resorts).

Although the County is trying to put a positive spin on bad news, the latest Register article quotes County officials, and even Congressman Thompson, as remaining positive about the outcome. But note that the newly created deadline is “the end of the year”. The original date for an MPA was January 2018 with the selection of new resort concessionaires to occur during this summer. The MPA date was then moved to April 2018 - now there is no proposed completion date.

“I think it’s in the interest of all parties to reach some decision by the end of the year,” said Deputy County Executive Officer Molly Rattigan. “I don’t see this going beyond this year,” Supervisor

Pedroza said. "We've been at it for quite some time. I'm interested in having this end in a very positive outcome."

Rep. Mike Thompson, sent an Aug. 7 letter to Secretary of the Interior Ryan Zinke urging that the Bureau of Reclamation reach a deal with Napa County. He wrote that the Bureau appeared "unwilling or unable" to bring concessions to the lake's shore under Napa County management. "I'm sending this letter hoping that you'll be able to exercise leadership on this pressing issue," Thompson wrote.

Thompson released a statement on the latest progress: "Like people across our community, I am frustrated at the long delays in this process and have been doing everything I can to support the county and bring the Bureau of Reclamation to the table for a fair discussion," he said. "I recently spoke with the Bureau's commissioner and I'm glad to see that discussions regarding the details of a long-term agreement will continue."

In an email to the Lake Berryessa News after a request for his assistance, Thompson wrote, "I AGREE 1000% with you. I had a conversation last Thursday with Reclamation Commissioner. I will do all I can for Lake Berryessa and Napa County and will keep you informed."

When contacted by the Napa Valley Register, the Bureau of Reclamation released a statement by email.

"While the process has taken longer than anticipated, Reclamation continues to engage with county officials and is fully committed in this process," the statement said. "Details will be shared when available."

Although the County may be trying to impose a new "soft deadline" on Reclamation, which would result in an additional year lost at the lake, Reclamation is not known historically for its responsiveness to any type of outside interference by any form of authority - ethical, political, or rational.

The culpability of the Bureau of Reclamation in this ongoing disaster is clear. But rather than allowing new resorts to be created and help fund public operations at the lake - which was proposed by the Lake Berryessa Visitor Services Planning Task Force (LBVSPT) 15 years ago and rejected - Reclamation instead proposes creating user fees on all the previously free public recreation sites at the lake.

The proposed fee for day use at Oak Shores Day Use Park and Smittle Creek Park will be \$5 per vehicle (\$50 annual fee). Capell "Free" Boat Launch will become \$10 per launch (\$100 annual fee). At Oak Shores Day Use Park shade shelters will be \$25 per shade shelter.

With the possibility of new resorts actually funding public recreation so that the now free locations remain free in the future, this fee proposal is unfair and unconscionable.

Promise of the Christmas Gift of Revitalization
(The Lake Berryessa News, December, 2019)

Napa County is close to signing a 55-year agreement that would let it try to jumpstart the long-stalled Lake Berryessa resort revival starting next year. "We're not going to celebrate until we sign on the dotted line, which is close," Supervisor Alfredo Pedroza said. "I think every time we drive by the lake, we all get excited about the potential of what it could become." If all goes as county officials hope, the Board of Supervisors could vote on an agreement with the Bureau in January or February.

Lake Berryessa has seven resorts on federal land. The Bureau of Reclamation a decade ago razed five resorts and has unsuccessfully sought concessionaires to redevelop them. Napa County could try to succeed where the Bureau has failed. It would try to find concessionaires to build marinas, restaurants, stores and other amenities at three of those five resorts, with an option to take on the remaining two at a later date.

Reaching an agreement with the Bureau has proven difficult, with supervisors in May expressing disappointment with the terms being offered. Supervisors Pedroza and Dillon traveled to Washington, D.C and met with Bureau staff to try to work things out. The County had previously entered into an MOU with the Bureau of Reclamation (BOR) to discuss whether the County should assume management of one or more concession areas and determine development interest.

The County is currently in discussions with the BOR regarding how to share the cost and risk of possible concession management as well as how to best manage and develop the Lake Berryessa area. According to Supervisor Ryan Gregory, "Although there is still much work to do, I'm excited to report that many of the proposed terms under the Managing Partner Agreement (MPA) with the BOR have been resolved, including the 55-year term expected to begin November 1, 2020.

Staff anticipates returning to the Board in January/February 2020 with the MPA for consideration and releasing a Request for Proposal in April/May 2020 for concessionaires at Steele Canyon, Spanish Flat, and Monticello Shores (Rancho Monticello). Several previous bid proposals and detailed plans are available to re-use. County officials have also wanted the Bureau to share in the losses in the initial years of an agreement, before resorts are built and begin generating revenue. County expenses would include such things as management staff and Sheriff's law enforcement at a busier lake. The Bureau proposes to make available \$1 million over five years.

MPA Signed But Revitalization Delayed Again

(The Lake Berryessa News, June, 2020)

The headline from the January 2017 Lake Berryessa News was: Will 2017 Be Lake Berryessa's Lucky Year?

On June 21, 2016, the Napa Board of Supervisors directed staff to enter into negotiations for a Managing Partner Agreement (MPA) between the County and Reclamation. Under a Managing Partner Agreement, the responsibility to develop and manage public recreation areas would be transferred to Napa County.

At the December 6, 2016 Board of Supervisors meeting the supervisors accepted a recommendation to move forward with this strategy and approved an agreement with Ragatz Sedgwick Realty to assist the County in identifying interested concession partners by marketing the opportunity to the resort community and performing a feasibility analysis to determine the best use of each site. The extremely positive Ragatz Report was released in May 2017.

Napa Supervisors then authorized a Request for Information and Interest process (RFII) to determine how many potential bidders would be interested in participating in the Lake Berryessa revitalization process. The original schedule for the process was to have concessionaire selection and negotiations completed by Spring/Summer 2018:

2017 was not Lake Berryessa's lucky year.

After negotiation process that seemed interminable, the Napa Board of Supervisors unanimously approved (12:15 PM, Tuesday, March 17, 2020) the Managing Partner Agreement (MPA) with the Bureau of Reclamation - two years behind schedule! Under the MPA, Napa County would assume management of the Spanish Flat Recreation Area (the old Spanish Flat Resort), Monticello Shores Recreation Area (the old Rancho Monticello Resort), and Steele Canyon Recreation Area (the old Steele Park Resort) effective November 1, 2020

Then the COVID19 hammer came down. Due to this crisis the County has been in emergency mode since the signing of the MPA. There has been no official word on the progress of writing and releasing a bid prospectus. That means the lake revitalization process will probably be delayed another year. But at least Lake Berryessa is open for the summer.

Napa County's hidden destination: Will Lake Berryessa's future shine again?
Gary Quackenbush, The North Bay Business Journal, August 4, 2020

Many people remember the lake's better times. Motels, cabins, several restaurants, marinas with boat slips and other amenities dotted the 28-mile long, three-mile wide lake in Napa County. The lake once saw 1.8 to 2 million visitors a year, today only about 400,000. Most residents and business owners hope the new county-bureau partnership will result in positive change and growth. He believes motels and cabins can increase holding time for guests, support repeat business and increase local revenue — as well as contribute to healthy year-around occupancy rates.

Even though the summer remains busy — busier still as people facing pandemic times seek its 80-degree, crystal clear water and numerous islands to explore — some say there is potential for this gem of a lake to return its glory days. In June, Napa County and the lake's owner, the U.S. Bureau of Reclamation, signed a new 55-year managing partner agreement (MPA) expected to lead to long-term business contracts for new concessions on federally-owned land within 1,000 feet from the lake. Napa County will issue bid packages to potential investors this fall.

The agreement's first phase paves the way for the county to choose developers for three lakeside resort sites — Monticello Shores (closed), Spanish Flat (open under interim contract) and the Steele Canyon recreation area (open under interim contract). Both are open for day use with tent/RV campsites and boat ramp.

"This is a huge achievement for all of us. We're looking forward to building the partnership with Napa County and working together to deliver a thriving recreation program at Lake Berryessa for the public," said California-Great Basin Regional Director Ernest Conant in a bureau press release.

"Now that the agreement is final, we are moving forward with the county process," said Molly Rattigan, deputy Napa executive officer who has been managing Napa County-bureau agreement negotiations for several years. "We plan to send out bidding packages by September. We maintain a list of interested parties and will provide information and updates about these emerging business opportunities to all." Rattigan said Napa County is also preparing to recruit a concessions manager for these projects.

"It has been too long since we experienced a thriving Lake Berryessa," said Supervisor Diane Dillion, chair of the Napa County Board of Supervisors. "We want to work with the community to

restore economic vitality to the region surrounding one of Napa County's most important recreational areas. We thank the Bureau of Reclamation for working with us and for providing the county the opportunity to bring back vibrant concessions at Lake Berryessa."

Supervisor Dillion represents District 3 that includes the northern section of the lake and Supervisor Alfredo Pedroza represents District 4 that covers the southern portion of Berryessa.

Property interest grows

Lake Berryessa was formed more than six decades ago in 1957 with construction of the Monticello Dam on Putah Creek. At the time, the Bureau of Reclamation entered into a joint agreement with Napa County to manage recreational development offering 50-year leases to bidders. However, by 1975 the county notified the bureau of its intent to return lake recreation management back to the bureau. The new agreement is already spurring renewed interest in the area.

"Today property is being purchased at the lake with the intent to develop it when the time is right for a revival in concession planning activity," said Stu Williams, a former member of the Lake Berryessa Chamber board and a past member of the Napa Berryessa Resort Improvement District (for water and sewer).

A new deal, new hope

For those doing business around the lake, the new agreement is an opportunity to hope.

"We want things to change for the better. Lake Berryessa is a diamond in the rough with potential for profitability," said Peter Kilkus, president of the local chamber of commerce and publisher of the Lake Berryessa News. A 20-year resident at Berryessa, Kilkus is finishing a book describing what he believes are the policy mistakes, bad decisions and political battles that have kept this lake from realizing its true potential in the past.

All Lake Berryessa area resorts are concessions run by the Bureau of Reclamation on its land. People can have businesses on the lake on private land (including resort-type operations) if they meet Napa County zoning requirements.

"Developers in the past were the concession owners," Kilkus said. "The seven resorts were more like mom-and-pop businesses and six were family-owned. These owners wanted to run their businesses profitably, but USBR controlled all prices - as they still do - along with all launch fees, camping fees, etc., based on surveys of similar facilities in Northern California."

He said resort owners chafed at these restrictions. "Owners faced significant difficulties in upgrading or building existing or new facilities. They were confronted with complex, and sometimes very expensive, government environmental and historical preservation regulations," Kilkus said.

All that became moot, he said, when the bureau announced its visitor services plan in 2000 followed by its 2006 Record of Decision on future recreational use and operations of Lake Berryessa. Under terms of the decision, the bureau's main focus was the development of new facilities and programs to serve the short-term visitor. Meaning that all long-term trailers and mobile homes would be removed from Federal property at the lake and replaced with short-term use facilities. At one point there were some 1,300 trailers and mobile homes on public land by the lake.

“With this decision, it was clear rather quickly that USBR had decided on an outcome they preferred and did everything possible to guarantee that outcome,” Kilkus said. In his opinion, the bureau had two main goals. The first was to remove mobile homes dotting public land at any cost. The second was to remove all of the existing concession resort owners with whom they had had so much alleged “trouble” over the years. He said at its peak visitors were spending \$13 million in total gross revenue at seven resorts each year, while concession operators were paying a 3% concession fee to the bureau.

“The Bureau of Reclamation’s tactic was to promulgate what I call ‘The Big Lie’: That Lake Berryessa resorts (especially mobile homes in the resorts), discouraged the general public from accessing the lake, and prevented the public from using the best parts of the shoreline,” Kilkus said

According to him, mobile and manufactured homes were privately-owned units that leased space from the concessionaires and paid rent on a monthly basis. He said some were “very nice,” especially at Steele Park. Although mobile homes at all the resorts met basic standards, some people considered them to be a visual eyesore.

More recently, a potential barrier to development arose around the bureau’s insistence on sticking to the maximum 30-year lease policy even with extensions, which some thought was not long enough to recoup their investments. Kilkus said Napa County, under the new agreement, does not have to follow federal rules limiting contracts to three decades and could extend the lease period up to 55 years. A \$5 million fund has been established that will be allocated over five years to cover transition costs associated with the agreement. Funding will also be available for services provided by the county sheriff at the lake, said Kilkus.

Locals and most business owners say additional amenities and accommodations are sorely needed. Unlike the past, today there are no motels and cabins. Today, the nearest gas stations are 22 miles away in Napa and 30 miles in Winters. One enduring business, the Turtle Rock Bar & Café operated by Pete Leung for 40 years on land he owns, regularly sees his parking lot packed with 30 cars, trucks and boat trailers at the southern end of the lake.

“The future is promising with opportunities for development, and property prices are going up,” said Leung, known for his famous egg rolls. “There is money to be made here if the county is willing to entertain new ideas, but we need to get resorts developed, new lodging, more restaurants, shower facilities as well as water and sewer infrastructure to support them.”

Marcia Ritz, proprietor of the Spanish Flat General Store, has been struggling to keep her business open for the past 13 years, she recalled that back then the bureau closed the lake to former lease holders, dissolved concession contracts and reduced new lease periods to 30 years with the possibility of extensions.

“Prior to that we had cabins,” Ritz said. “Today our summer business is brisk but declines in fall and winter except for fishing. People tired of sheltering in place have been coming here in numbers since March — our best year so far in over a decade. Typically, our season is from June to Labor Day, yet people say they would be willing to rent cabins just to get away, even in cooler months.”

Lake Berryessa Boat and Jet Ski Rentals and Repair owner Marty Rodden hopes to see Spanish Flat, Monticello Shores and Steele Canyon redeveloped. "A number of good companies plan to bid on one or more of these properties," Rodden said.

He observed that 30-year leases, even with extensions, have been a limiting factor by not giving developers adequate time to be compensated for money put in. With the new agreement, these leases can be extended to half a century. "We are booked up solid through August for our wakeboard, ski and pontoon boat rentals as well as for jet skis, fishing boats, kayaks and paddle board reservations," Rodden said.

The Pridmore family came to the Berryessa Valley in the 1920s providing a number of business services including real estate development, construction and storage. Gil Pridmore's father helped build resorts in the area, including Steele Park and Oak Shores Recreation Areas, as well as parts of the Berryessa Highlands development. The family also operates a storage rental facility for boats, RVs and other dry storage and once owned a gas station. "Without clear direction in the past from the Bureau of Reclamation on future resort contracts, the lake has been in a bit of a recession," said Pridmore. "A lot of long-term residents sold and moved out because they thought they were going to have to tear down their trailers.

Opportunity, Irony, Tragedy, Recovery - The Lake Berryessa Cycle?

(The Lake Berryessa News, September, 2020)

Opportunity.

On August 4, 2020 the North Bay Business Journal published a story titled, "Napa County's hidden destination: Will Lake Berryessa's future shine again?" by Gary Quackenbush. It was a very positive review of the potential revitalization of the Lake Berryessa recreational community under the new Managing Partner Agreement between Napa County and the Bureau of Reclamation scheduled to take effect on November 1, 2020. The story was filled with optimistic interviews with various business owners at the lake. Marcia Ritz, proprietor of the Spanish Flat General Store, said that people tired of sheltering in place have been coming to the lake in great numbers since March. She said it has been her best year so far in over a decade.

Many of us remember the lake's better times. Motels, cabins, several restaurants, marinas with boat slips and other amenities dotted the 28-mile long, three-mile wide lake in Napa County. We all hope the new county-bureau partnership will result in positive change and growth.

"Now that the agreement is final, we are moving forward with the county process," said Molly Rattigan, deputy Napa executive officer who has been managing Napa County-bureau agreement negotiations for several years. "We plan to send out bidding packages by September.

"It has been too long since we experienced a thriving Lake Berryessa," said Supervisor Diane Dillon, chair of the Napa County Board of Supervisors. "We want to work with the community to restore economic vitality to the region surrounding one of Napa County's most important recreational areas. We thank the Bureau of Reclamation for working with us and for providing the county the opportunity to bring back vibrant concessions at Lake Berryessa."

Irony

Exactly two weeks later, on August 18, an unprecedented lightning storm caused fires to break out all over the tinder dry region. Rainfall in the 2019-2020 season was the lowest it had been in

more than 22 years. Within one day the fire raged up and over the hills around Lake Berryessa and destroyed large parts of the community. Positivity was no match for reality.



Heartbreaking stories filled the news media. Most of the Spanish Flat neighborhood burned to the dirt. Although Marcia Ritz's Spanish Flat Country Store survived, the Spanish Flat Mobile Villa next door was destroyed - including Marcia's home. "I'm an artist, I lost all of my artwork, I lost all of my friend's original art that I had, and everything I owned," Ritz said. Now, Ritz thinks she'll have to close her business.

Tragedy

The Spanish Flat residential community had become an inferno of burning rubble. The fire soon raced around the lower part of the lake sped up Steele Canyon Road and burned down about 100 of the 300 homes in the Berryessa Highlands. Everyone interviewed for the original Business Journal upbeat article was now being interviewed in news stories about the tragedy that had struck them so quickly. Breathtakingly sad stories of loss filled the news media.

Recovery - Short Term

A week after they began the wildfires were extinguished or contained. The region had no electricity due to hundreds of wooden power poles being burned and wires melted. Roads in and out of the region were closed for a week after that to allow Napa County, PG&E, AT&T, and others to clear the roads of downed trees and debris. PG&E crews swarmed the area installing hundreds of new power poles in less than a week. Power was finally restored to the Berryessa Highland residential area on September 2, about two weeks after it was lost in the original lightning storm, but other areas would take weeks to be restored.

Napa County stepped up to provide immediate support with Local Assistance Centers in the Berryessa Highlands and at the County's Health & Human Services campus. The state was declared a federal disaster area and FEMA is on site to provide emergency resources and long-term financial aid.

Recovery - Long Term

In the aftermath of this disaster there are several business questions to be addressed. For example, will private insurance companies be able to continue to offer fire insurance coverage. Even after the fires two years ago most companies either cancelled homeowner's insurance coverage or more than doubled their homeowner policy premiums in the Lake Berryessa region. In response Napa county built two local fire stations in the Berryessa Highlands and Berryessa Estates. Companies then lowered their premiums. But with the extent of the present California disaster, will they cancel all fire coverage as happened many years ago with earthquake insurance. The state had to step in with the California Earthquake Authority. Will a similar agency be created for fire coverage?

A more important question to many of us who had worked long and hard on the revitalization of Lake Berryessa is whether the fire would have any impact on Napa County's willingness to continue with the signed Managing Partner Agreement and get the bids out soon. For rational business people who understood the future recreational value of the lake as described in detail in the Ragatz report: Lake Berryessa: An Untapped Resort Development Opportunity the results of the fire should not make an impact on their decision. The resorts will be built on the lakeshore and made as fire safe as modern technology and the latest safety codes can make them - virtually bulletproof to wildfires.

This view was validated by the Napa County supervisors. On Aug. 18, 2020 (ironically, the day the fires began) the Board of Supervisors agreed to create a Lake Berryessa concessions manager position to oversee the resort sites. The next steps were to be filling that position and inviting proposals from potential private sector concessionaires to both redevelop and operate the resorts. How quickly the county seeks bids is up to the Board of Supervisors. The Concession Manager job listing was released on September 16, 2020.

County Board of Supervisors Chair Diane Dillon in a recent interview said that she doesn't think the Hennessey Fire will keep the county from reaching this goal. Dillon said that optimally, renovation work at the resorts could still begin next spring. There wouldn't have been any construction this year even without the fire.

"I think there are still more positives than otherwise in terms of why people would come to Lake Berryessa," she said. "That landscape does look different," Dillon said. "But when you look at other places where fire has occurred, in 2017, 2018 or even 2019, it springs back pretty readily."

Opportunity, Irony, Tragedy, Recovery: The Lake Berryessa business cycle appears to have returned to the opportunity phase - hopefully a long-lived one.

