

The Lake Berryessa News View (2010 - 2018): A VERY SLOW MOTION Disaster!

Pensus: The Short Story That Was Actually A Fantasy

The Bureau of Reclamation has selected Pensus Group LLC as the best proposal for six concession areas located at Lake Berryessa. Pensus Group submitted a single offer to operate multiple locations, including the Steele Park, Spanish Flat, Lake Berryessa Marina, Rancho Monticello, Markley Cove, and Putah Creek concession areas.

Per Mike Finnegan, Reclamation Area Manager:

The Pensus Group's proposal will ensure that each of the individual concession areas can be effectively developed and operated. The proposal includes new facilities and enhanced recreational opportunities at Lake Berryessa for the visiting public, which should contribute significantly to the local economy.

Pensus will also pay for its share of improvements to the water and sanitation district at Berryessa Highlands, the Napa Berryessa Resort Improvement District (NBRID).

In a statement to the Lake Berryessa News last week, David Ffinch, president of the Pensus Group, expressed his enthusiasm for the future of Lake Berryessa. He hopes to have the contract signed with Reclamation by the end of March.

He said that Pensus, in anticipation of the completion of the contract, is moving forward with preparatory work for opening some facilities such as boat ramps, boat slips, and marina services as soon as possible. Pensus has scheduled a meeting with the California State Water Resources Control Board in anticipation of meeting the various water and sewer system requirements at the resorts.

Steele Park Resort will be an important element in the Pensus strategy incorporating upscale facilities with a restaurant, hotel, corporate meeting center, and a full-service marina. If other Pensus resort marinas are any indication, Lake Berryessa resorts will likely become exceptional destinations.

Pensus operates several first-class marinas including Pleasant Harbor Marina, which is a full-service marina, located on Lake Pleasant, 35 miles northwest of downtown Phoenix. Pensus' Roosevelt Lake Marina is situated on the largest lake in Central Arizona, consisting of 112 miles of shoreline, peaceful coves and 22,000 acres of surface water. Antelope Point Marina is a new, architecturally significant marina on the southwest shores of Lake Powell within the boundaries of the Navajo Nation and the Glen Canyon National Recreation Area.

The success of the new Lake Berryessa resorts will depend on attracting visitors from all over the Bay Area as well as on establishing partnerships with the Napa Valley resorts and wineries. Pensus said they plan to work closely with local businesses, residents, and environmental groups as they move forward.

The immediate stumbling blocks to redevelopment of the resorts are the significant amount of clean-up still required as well as any potential legal actions by the previous resort owners.

This concern was confirmed recently in the Napa Register: "Rancho Monticello operator Bob White said Thursday he plans to sue the bureau for the alleged unconstitutional taking of his property. When Pensus or another new concessionaire signs on to take over the resort, White said he will also sue that company for illegal conversion of his property."



Pensus Signs Berryessa Contract – Begins Facilities Development – Announces Resort Openings

In a move long-awaited by Lake Berryessa region businesses and residents, the Bureau of Reclamation signed a contract with Pensus Lake Berryessa Properties, LLC (Pensus LBP), on April 28, 2010, for management of six concession areas at Lake Berryessa. The contract term is 30 years with a mutual option to extend the contract for an additional 10 years.

Pensus, part of Arizona-based marina operator and commercial developer Pensus Group, will operate the Markley Cove, Putah Creek, Lake Berryessa Marina, Spanish Flat, Steele Park, and Rancho Monticello resorts.

For the next three years, however, Markley Cove will continue to be run by its current long-term owners, John and Linda Frazier. Reclamation already has a separate contract with Forever Resorts to manage Pleasure Cove Marina.

Pete Lucero, public affairs officer for the Bureau of Reclamation, said that Reclamation expects limited boat launching, camping, and service facilities to be open this summer.

Berryessa Highlands residents and Napa County officials have been concerned about whether Pensus, as operator of Steele Park Resort, will pay into an assessment to upgrade water and sewer facilities serving the Highlands. Lucero said the contract calls for Pensus to pay any required assessments to the county or the state.

Lucero told the Lake Berryessa News that the signed contract and its attachments are being transmitted to Pensus. Once Pensus has the contract in hand, Reclamation will make it available to the public.

In a prepared statement, Pensus CEO David Maule-Ffinch said, “Pensus Group would like to thank Reclamation for the effort and commitment necessary to bring this complex transaction to fruition. The signing of this contract will now allow work to start on the improvement and expansion of services at Lake Berryessa. We anticipate a very successful public-private partnership in the best interests of the visiting public.”

Mr. Ffinch told the Lake Berryessa News that he was enthusiastic about the future potential of Lake Berryessa, but that, with it now being the first week of May, “we are going to have a tough challenge for 2010”. A Pensus team will begin work at the lake during the week of May 3.

The Pensus Lake Berryessa web site now includes the resorts slated for opening this season, projected opening dates, and proposed services for those resorts. They hope to open Putah Creek Resort by Memorial Day weekend. The Spanish Flat Resort opening is still to be determined, and the Steele Park opening is dependent on the state of the resort clean-up.

Although the actual timing is unclear because of the operational start-up complexity and the need to carefully comply with environmental laws, Ffinch said that they expect to provide tent camping and RV sites at Putah Creek and Spanish Flat this year. Possibly later in the season they may be able to provide tent camping sites and RV sites at Steele Park based on the state of the clean-up of that resort.

They will be using the mobile home sites on a temporary basis to provide more attractive and spacious camping accommodations, and possibly more sites, than have been available in the past.

Pensus LBP also intends to provide “Self Launch & Retrieval and Self Park on site (subject to space availability)” at all three resorts, as well as a boat launch-and-retrieval service (you call, they launch, you play, you go, they retrieve and store) for those who don’t wish to test their trailering skills. Fuel will be dispensed at Putah Creek and possibly later at Steele Park. Steele Park will also have dry storage of boats in a fenced and secured area

Due to the very limited time available, operations for the 2010 season will be minimal. There will be no water or sewer services for the RV and campsites. Until water and sewer facilities are fully developed, porta-potties or mobile trailer restroom units will be used. Likewise, food service and retail products will be sold from portable trailer units. There will be no restaurant-style food service in 2010.

Pensus LBP understands that the demand for boat slips is very strong. Although they are taking reservations and expect to start signing people up very soon, they won't be able to start installing slips until later this year.

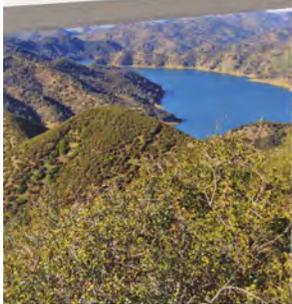
Assuming that they can get all the permitting in place, Mr. Ffinch hopes to install initial lodging units and provide better retail services next year. He urged people to go to the Pensus Lake Berryessa website to make reservations, for more detail, and for regular updates.

For the thousands of folks waiting to get back out on Lake Berryessa, this is extremely encouraging news.

12 MILES EAST OF NAPA VALLEY, THE NEW LAKE BERRYESSA AWAITS YOUR ARRIVAL...

Pensus Resorts is excited to introduce you to Berryessa Shores, an unparalleled network of marinas, spacious and comfortable lodging units, and RV and camping sites that line the shores of beautiful Lake Berryessa.

Around the bend of six different coves, Berryessa Shores will provide you with breathtaking views whether you're overlooking the lake from one of our lodges, savoring the taste of Napa Valley wines in our restaurants, enjoying life on the water in one of our marinas, or warming up by the fire at one of our campsites.



CAMPGROUND RATES:
\$21 per night per site for 4 people
Includes parking for 2 vehicles

RV RATES:
\$36.75 (Lakeside Sites) per night for up to 4 persons
Includes parking for 1 RV and 1 car

Group RV/Camping Rates:
(Available only at Manzanita Canyon and Blue Oaks)
\$6.30 per person (minimum of 50 people)
Day Use Rates: (Available at Chaparral Cove, Lupine Shores and Foothill Pines)
\$3 per person (with or without vehicle)

BOAT LAUNCH:
Self Launch/Retrieval Fee
\$21 per tow unit + trailer (includes up to 6 people)
Launch Service \$21
Retrieval Service \$21
Annual Boat Launch Pass
\$236.25 (Valid from March 1, 2011 - March 1, 2012)

DRY BOAT AND RV STORAGE RATES:
(LUPINE SHORES):
Available Now: \$4.20 per foot for fenced, unpaved storage
Coming Soon: \$5.25 per foot when yard is paved, lighted and security cameras installed
\$6.83 per foot when covered
**Includes unlimited self launch fee

*Prices inclusive of tax and surcharge.
For a complete list of pricing details, rules and regulations please refer to our website lakeberryessashores.com


PENSUS RESORTS

Info & reservations: 707.966.9088
lakeberryessashores.com

photography by AJ JIMPT

BERRYESSA SHORES

AN UNPRECEDENTED WAY TO VACATION IN WINE COUNTRY AND ENJOY 20,000 SURE-FACE ACRES OF FRESHWATER PARADISE.



WELCOME TO BERRYESSA SHORES

In April of 2010, The Pensus Group signed an agreement with the Bureau of Reclamation for the development and operation of six resorts on Lake Berryessa, collectively to be known as Berryessa Shores.

We are open to and welcome the public to join us for the 2011 season! The names of the individual concessions sites have been changed. The new Lake Berryessa is a clean, safe, beautiful way to enjoy your lakeside experience, and changing the names helps us to celebrate this renewal.

A WHOLE NEW WAY TO EXPERIENCE LAKE BERRYESSA..

THE NEW RESORTS WILL BE KNOWN AS FOLLOWS:

- CHAPARRAL COVE (FORMERLY PUTAH CREEK)
- MANZANITA CANYON (RANCHO MONTICHELLO)
- BLUE OAKS (BERRYESSA MARINA)
- FOOTHILL PINES (SPANISH FLAT)
- LUPINE SHORES (STEELE PARK)
- MAHOGANY BAY (MARKLEY COVE)*

*The Bureau of Reclamation has given us possession of five of the six concession sites, and we will take possession of the sixth, Mahogany Bay, in 2013.

COME VISIT US TODAY...

We are now accepting RV and Camping reservations for the 2011 season as well as dry boat and RV storage.

If you would like to make a reservation or request more information, please visit our website lakeberryessashores.com or call 707.966.9088 (reservations and information)

Pensus Lake Berryessa Properties LLC
2929 N. 44th St. Suite 228
Phoenix, AZ 85018
Phone (602) 912-1664
www.pensusresorts.com




Springtime at Lake Berryessa: Pensus in Bloom?

Now that the Bureau of Reclamation has approved the new plans for the Pensus Lake Berryessa resorts, anticipation of summer fun at the lake is growing. Although 2012 will be the year for major improvements, 2011 will see many upgrades to amenities at Lupine Shores, Chaparral Cove, and Foothill Pines (Memorial Day opening) resorts. Markley Cove Resort, Pleasure Cove Marina, and all public recreation facilities are open for business as usual.

In the longer term, David Ffinch, President of Pensus, stated that, "Pensus plans to provide a safe, high quality and varied recreation experience to satisfy the desires of all who choose to enjoy the extraordinary beauty of Lake Berryessa" A joint Pensus - Bureau of Reclamation press release stated last month that five concession areas managed by Pensus will be open this summer. There will be a single telephone number for reservations and information: 707-966-9088.

Chaparral Cove (formerly Putah Creek) and Lupine Shores (formerly Steele Park) recreation areas are currently open for day use, boat launching, and RV and tent camping. Beginning Memorial Day weekend, Foothill Pines (formerly Spanish Flat) will be open for day use and RV and tent camping. The resorts will have new concrete picnic tables and BBQ/fire rings. Chaparral Cove, Lupine Shores, and Foothill Pines are expected to be served this summer by restroom trailers with running water (no showers) and an RV pump out service.

For this season Pensus will have a retail trailer unit at Lupine Shores and Chaparral Cove. It will sell convenience items, ice and some packaged food and beverages. Blue Oaks (formerly Berryessa Marina) and Manzanita Canyon (formerly Rancho Monticello) will be open for group camping on a reservation basis. These sites will not have the upgraded picnic tables and fire rings and will be served by porta-potties. Daily Launch Fee is \$21 which includes six people in your boat. Additional people would pay the \$3 per person Day Use Fee. Annual Launch Passes are now available for \$225 and are valid from March 1, 2011 – March 1, 2012. The pass is attached to the boat. Pass is good for entry of one watercraft trailer and up to six people. Additional people will be subject to the day use fee. The annual launch pass will be honored at all Pensus resorts.

For the 2011 season that will include Lupine Shores and Chaparral Cove. When the remaining launch ramps are built the passes will be honored at those resorts as well. Dry Boat Storage will be available at Chaparral Cove and Lupine Shores beginning in March and potentially at Manzanita Canyon beginning Memorial Day weekend. Dry Boat Storage Rate: \$4.20 per linear foot. This includes unlimited self-launch fee. Launch and retrieval service is available for \$40 or \$20 each way. RV Storage Rates are the same as the Boat Storage Rates. One free weekend of camping per month will be included in the RV storage price. (Not applicable for holiday weekends)

The hours of operation for day use at Chaparral Cove, Foothill Pines and Lupine Shores will be 8 AM to 8 PM. RV and camper walk-ins and launchers who have not purchased the annual pass will need to check in between these hours as well. RV and campers who have made online reservations in advance will be able to access the sites at any time, as will those who purchase the annual pass. Pensus is also finalizing signage for the concession entry locations as well as investigating billboards and radio advertising and preparing brochures.

Although wet slips are now shown in the Lupine Shores plan, Pensus cannot install wet slips until the environmental process is completed. They expect to obtain price approvals for wet slips within a few months. All things going well they will start construction of slips in late 2011 for 2012 season occupancy.



They're Off Like a Herd of Turtles! Bureaucracy at Berryessa

Although the image of a turtle stampede is amusing, no one at Lake Berryessa is laughing about how long it is taking to redevelop the demolished Lake Berryessa resorts. Local businesses and property owners who have been severely hurt by the Bureau of Reclamation's destruction of five resorts had hoped that the redevelopment of those resorts would be fast-tracked by government agencies so the desperately-needed recovery could begin. Unfortunately, this does not appear to be the case.

Pensus re-opened two resorts last year (Lupin Shore and Chaparral Cove) with minimal services. So far this year the most visible sign of progress has been the removal of non-native vegetation at Chaparral Cove and Lupin Shores (the entrance driveway oleanders are gone!).

Pensus has announced the re-opening of Foothill Pines (the former Spanish Flat) on Memorial Day, although there may be no boat launching until the demolished launch ramp is replaced. Apparently it is taking time to get the required permits to rebuild the launch ramp.

Each of the three Pensus resorts will have tent and RV camping with brand new concrete picnic tables and BBQ/fire rings along with improved restroom trailers. Per their web site they are also taking reservations for Surface Dry Storage at Lupin Shores and Chaparral Cove. Unlimited launch and retrieval will be included in the boat storage price and one free weekend of camping per month will be included in the RV storage price.

Although Pensus provided a new development plan to Reclamation in November, 2010, it has yet to be approved. The new Pensus plan includes wet slips at Lupine Shores, but they are awaiting Reclamation's approval of their pricing structure to move forward with actual dock installation.

When questioned about the status of Pensus plans, Reclamation responded on January 21, "Thanks for your questions and inquiry, the Central California Area Office is preparing this information as we speak in anticipation of a press release to be issued in the very near future. Please stand by as we develop this information."

A follow up query on February 2 received this response, "You will not be seeing the press release in time for your deadline...we will get it out when we have the best information available to share."

Despite justifiable frustration with the slow pace of planning and permitting, David Finch, president of the Pensus Group, has been consistently gracious in his characterization of the Bureau of Reclamation, describing them as intelligent, dedicated people who want to do the right thing for Lake Berryessa.

Will Napa County Become More Involved?

Discussions among Reclamation, Napa County, and Pensus have been ongoing since last October. A County representative described these discussions.

"The County did help to facilitate communication between the BOR, Pensus, and the Central Valley Regional Water Quality Control Board (Regional Board) staff during the fall of 2010 to discuss water and sewer permitting for all 6 resorts. At that time, the Regional Board staff outlined the process for the 6 resorts; timing of applications, information that will be required, and the necessary justification. In addition, the Regional Board staff discussed with Pensus compliance with cleanup activities at some of the resorts and the CDO at NBRID. With regard to other permits – such as for gasoline service and building - County staff is working with the BOR to outline a process for review by various County departments but that has not yet been formalized.

At this time, County agencies are not involved because we have no authority. In the future, it is anticipated that departments such as Conservation Planning and Development (including building), Environmental Management, and Public Works will be involved. Law enforcement and first responders are very interested in further discussions with the BOR and Pensus as resort activity increases.

The County is willing to assist with building permit reviews, inspections, and code enforcement if an agreement can be reached with the BOR regarding these activities. Even without an agreement, the County has responsibility for the review/issuance of permits by the County's Department of Environmental Management (e.g. restaurants, hazardous materials, camp grounds).

Although the Pensus development plans are occurring on federal land, the County anticipates that there will be increased demand for County services in these areas. The purpose of our negotiations is to insure the health and safety of County residents and visitors to the Lake, and recognize the unfunded responsibilities we incur by providing services. The status is that negotiations are continuing."

How Much Is Enough?

Although the National Environmental Protection Act (NEPA) has been raised as an issue in the Lake Berryessa redevelopment process, it is not clear why this should be an impediment since Pensus is simply replacing the old facilities with new environmentally-friendly construction. Any delay because of NEPA is even more puzzling since the demolition of the old resorts was accomplished with a minimum of environmental oversight. Reclamation used what is know as a Categorical Exclusion (CE).

Per Department of the Interior guidelines, "CE applies to actions that do not individually or cumulatively have a significant effect on the human environment. Each CE is approved by CEQ and excludes categories of Federal actions from further NEPA documentation because the action has been shown to have no significant effect on the environment. A CEC is a written checklist which is used to document whether or not a proposed action meets the criteria for being categorically excluded from further NEPA documentation. As a general rule, preparation of a CEC should be a fairly rapid process, taking, at most, a few hours or a few days and involving a little research, a few coordination telephone calls, and/or short face-to-face discussions to get information, as needed, to fill out the checklist. Some internal and external scoping of issues and documentation may also be required."

During the Task Force 7 at Lake Berryessa campaign to save the lake and in the Berryessa For All court case against Reclamation, it was argued that Reclamation had not followed NEPA in its determination to demolish all facilities at Lake Berryessa resorts. Reclamation responded that they had evaluated the situation and produced Categorical Exclusion Checklist #743. They also stated that they had reviewed the environmental impacts of demolition of each site and that environmental impacts were minimal and mitigated by using Best Management Practices. The federal judge agreed that Reclamation had done the necessary analysis to support the demolition.

Bureau of Reclamation representative, Pete Lucero stated at the time, "Reclamation has determined that the action of trailer removal at Lake Berryessa is subject to Categorical Exclusion (CEC #743) because, with very few exceptions, trailer removal involves minimal disturbance, is designed to correct unsatisfactory environmental and safety conditions, is wholly within an existing facility, and is located on pre-disturbed land."

A federal judge agreed stating. "The Court earlier held that NEPA does not require a site-specific analysis of removal and demolition...holding "terseness of the agency's discussion of construction impacts" complied with NEPA so long as agency considered environmental impacts on a general level. The Court reiterates that holding and finds that the FEIS adequately discussed and considered the environmental impacts from the removal of trailers and associated infrastructure."

It appears irrational to have done the massive demolition and destruction at Lake Berryessa under CEC #743 and then require any more stringent requirements for redevelopment. Environmental review should be minimal, especially since the Bid Prospectus and the final contract already require best management practices and an environmental management program during rebuilding. All construction permits should be fast-tracked to allow the rapid re-opening of the resorts and the economic recovery of the Lake Berryessa community.

Did You Hear the One About...

...how many bureaucrats it takes to screw in a light bulb? No, not that one – the one about how many BOR officials it takes to dig a one-foot diameter hole only four feet deep? Witnesses at Chaparral Cove last month say

it was four – and it took six hours! The hole was for a PG&E pole. They would dig six inches down, then sift the dirt for Native American artifacts.

As silly as this may seem to some, there is often a good reason (and some legal requirements) to exercise care when excavating in areas that may potentially contain Native American cultural artifacts. But from a scientific point of view, the areas inside the resort boundaries, and even areas outside them, are not of significant cultural value. This excessive bureaucratic oversight is not justified based on previous archeological studies done above the 440 foot lake level.

Any delays in redevelopment such as requiring hours to dig a hole are just nonsensical academic exercises for the Reclamation participants. Especially considering Reclamation approved the "grind it to the ground" approach originally.



Lake Berryessa: When Do Past Memories Actually Become “HISTORY”?

A fascinating document surfaced recently with the simple title: **Investigative Report: Pensus, Inc.** (12/12/12) The 17-page report was prepared by the Office of the Inspector General, U.S. Department of the Interior, at the request of Congressman Mike Thompson and released on March 3, 2011 (although sources kept telling me that it had not yet been made public). The actual report synopsis is reproduced below.

Synopsis

Congressman Mike Thompson, 1st District of California, requested an investigation of the Bureau of Reclamation’s (USBR) concession contract award to Pensus, Inc. (Pensus) at Lake Berryessa in Napa County, CA. In his letter to the Acting Inspector General, the Congressman noted several concerns received from his constituents about the integrity of the USBR contract process. The Congressman questioned if Pensus received information that gave it a distinct advantage over other bidders and if Pensus modified its proposal after bids had been received and opened.

The complainants, John and Linda Frazier, bid on the USBR Lake Berryessa concession contracts. The Fraziers provided a document stating several concerns. We investigated only those issues not previously litigated during a 2007 U.S. Court of Federal Claims case.

We focused on whether USBR complied with the law and public policy in entering into a concession contract with Pensus, devised a false motive to re-bid the contract, or engaged in collusion with Pensus during the contract solicitation and award process.

We found no evidence that USBR violated the law or public policy in regard to the contract solicitation and award to Pensus for the Lake Berryessa concession contracts.

We did find, however, that the Office of the Solicitor determined that as a result of incorporating inapplicable provisions from National Park Service statutes into its concession contract guidance manual, USBR unintentionally promised to pay the concessionaire with funds that it would not have the statutory authority to pay.

There’s much more about this report to come later in this story, but it reminded me that we are in the last stages of a “historical” process that began about ten years ago. On November 7, 2000 the Bureau of Reclamation published a Notice of Intent (NOI) in the Federal Register initiating their plan to destroy a family-based recreational culture at Lake Berryessa.

OK, you got me – I exaggerate (slightly). The NOI actually stated:

“The Bureau of Reclamation is initiating a formal Visitor Services Planning effort for the Lake Berryessa Recreation Area. The purpose of the Visitor Services Plan is to determine the type and level of commercial facilities and services that are necessary and appropriate for future long term operations...The time frame for completion of this plan is 18 to 24 months...The draft EIS is expected to be completed by November 2001. The final EIS is scheduled to be released in March 2002.”

The Draft EIS (DEIS) was actually released on October 31, 2003, 2 years late, and therein lies the beginning of the tragic tale that led to the present situation at Lake Berryessa.

In early 2001 Task Force 7 at Lake Berryessa was formed and requested that Reclamation meet with resort mobile home owners. BOR ungraciously agreed but made it crystal-clear that they intend that all long-term sites be removed in any new plan.

But is this tragic tale (of which I can document every sad step) actually “History” yet? And would the Markley Pensus IG Investigative Report be considered part of that “History” or just a current event on the path to the glorious new Lake Berryessa envisioned by the victors in this decade-long process?

In a BBC History Magazine poll readers were asked when they thought history began – in other words, how much time has to pass before a certain event becomes history. The response that received the most votes: a second before the present. The second largest response was that events become part of history only after a decade has passed. This is a practical people-based view of history.

Academic historians define history as presenting facts without expressing any opinion or analysis of the events whereas memories are comprised of emotions that can have a great influence on the perception of an actual event. Critical historians live by the old saying of "there are two sides to every story and then there is the truth." Historians live where the truth is hidden in the 12 different stories told by the 12 different people all witnessing the same event from a different viewpoint. That’s why they believe that it takes approximately fifty years before a balanced view of what actually happened and why emerges. The people involved have to die off and stop defending turf before a more objective viewpoint can develop. A good example of this are the two recent examples of revisionist history just released by Donald Rumsfeld and Dick Cheney.

I’m more interested in the narrative approach to defining history. It is organized chronologically; focused on a single coherent story; primarily descriptive but also analytical; primarily concerned with people but also the abstract circumstances in which they find themselves; and deals with the particular and specific first and the collective and statistical second. To me a big part of the fascination with any history is trying to discover what was going on inside people's heads in the past, and what it was like to live in the past.

Carol Fitzpatrick’s Town of Monticello History Exhibit at the Spanish Flat Center is this type of narrative history, for example. So is “Roots of the Present: Napa Valley 1900 to 1950” by Lin Weber, available at the Napa County Library. It reads like a novel, but is an academically solid description of Napa County “History”.

So how does this new Inspector General’s Investigative Report fit into Lake Berryessa history?

The report itself is not a thorough legal investigation as much as it is a narrative of recollections and comments of the participants in the process. The “bad guy” in all of it turns out to be a single unnamed individual attorney in the DOI’s Office of the Solicitor (SOL).

The first bid process was complete. The Pleasure Cove contract had already been negotiated and signed. The Pensus contract had been negotiated and in review. The Markley Cove contract negotiations were planned but had not yet started because the expiration date of the present Markley contract was later in time than the others. Unfortunately, the Markley Cove concession owner had assumed that receiving the bid award was equivalent to a contract guarantee and made significant investments in purchasing equipment in anticipation of a new 40-year contract.

During review of Pensus’ contract, SOL identified legal flaws that would supposedly put Reclamation at risk of violating the Antideficiency Act which prohibits the government from purchasing, or implying that they may purchase, assets for which funds have not yet been officially approved by Congress. Reclamation had inadvertently used a clause from a National Park Service contract template that included this type of language. Since no one could predict the financial situation at the end of a 40-year contract, nor would anyone expect Congress to actually make an appropriation in 2010 for a 2050 expenditure, the contracts would previously just state something like “depending on funds being appropriated by Congress”.

Apparently this was not acceptable to the SOL. Nor was it acceptable to simply remove the offending language by “red-lining” it and getting on with business. The Attorney-Advisor said that would be unfair to the losing bidders and that the only fair alternative was to re-do the whole bid process. As a result, SOL advised USBR to rescind the June 2007 prospectus and all associated agreements on February 26, 2009, and requested that the prospectus be revised and rebid.

Aside from the shocking use of the word “fair” by the SOL to justify undoing years of effort, that “fairness” had actually not been applied during the original bid process. There were six original bidders. The owners of Rancho Monticello and four partners had applied to run five of the seven resorts under the name Lago Resorts LLC. One of the partners, California Parks Co., a company that runs the concessions at Angel Island State Park and Lake Camanche among others across California, would manage the resorts.

Lago Resorts bid to operate Rancho Monticello, Putah Creek, Berryessa Marina, Spanish Flat and Markley Cove. The plan, explained Bob White, included spending \$90 million to remodel, upgrade and build new facilities at the resorts while keeping the resorts open.

The other applicants were: Recreation Del Sol Enterprises LLC , St. Helena, CA (Peter White – a previous owner/partner at Rancho Monticello); Pensus Group LLC with experience operating marinas in Arizona but not ground-based resorts; FX10 LLC (Linda Frazier bidding on her own Resort, Markley Cove); Steele Park Resort Inc. (Sean Buckley), and Pleasure Cove Marina LLC, a subsidiary of Forever Resorts Inc, which has extensive resort management experience nationally and internationally, but only bid to operate Pleasure Cove Marina.

The fact that Forever Resorts only bid on Pleasure Cove, which had been given to them by Reclamation after it confiscated the resort from Steve Petty in 2005, was a disappointment to Reclamation. Clearly, Reclamation wanted a single company to take over the Lake Berryessa resorts - as documented in the bid prospectus. They were hopeful that Forever Resorts would be that “white knight”.

Reclamation had attempted to lay the groundwork to justify giving Forever Resorts any of the other existing resorts by stating in 2005: "Due to the approaching expiration of the other six concession contracts at Lake Berryessa it is possible that any of the other concessionaires could have their contract terminated in advance because of financial and performance problems. In the event this occurs and Reclamation determines it necessary to establish an interim concessionaire, in a similar manner as this contract, the Pleasure Cove concessionaire could be assigned that responsibility through an amendment to this contract."

But apparently Forever Resorts’ experience at Lake Berryessa did not incline them to get in any deeper financially by bidding on more resorts.

The Lago Resorts bid was outstanding. I read it. In the interest of full disclosure, I wrote the ISO 14000 Environmental Management System for Rancho Monticello which was used in the Lago Resorts bid. I also wrote the Environmental Management Plan for the Steele Park bid and participated in writing the Environmental Management Plan for the Markley Cove bid.

But a funny thing happened to the Lago bid on the way to the evaluation. It was rejected as non-responsive and tossed out. Arguably an outstanding bid backed by substantial investment resources and managed by people with decades of experience. It was never evaluated!

Per the Whites, “The bid was declared non-responsive due to one sentence that did not make the U.S. government the first lien holder on personal property loans, i.e., cars, equipment, etc. We did request consideration and revisions, but were flatly rejected. That “first lien” clause has since been removed from all the current contracts.”

The terms of 2009 Bid Prospectus, and the fact that the Bureau of Reclamation had already forced the closure of Rancho Monticello and Spanish Flat, made it impossible for Lago Resorts to bid again. What’s more puzzling about the Lago Resorts rejection is that Reclamation allowed bidders to modify (clarify) their bids per a statement in both the 2007 and 2009 bids. “An Offeror may not amend or supplement a proposal after the submission date unless requested by Reclamation to do so and unless Reclamation provides all Offerors that submit proposals a similar opportunity to amend or supplement their proposals.”

This opportunity was presented to Pensus when they apparently violated a Franchise Fee requirement in the second bid process. In the first prospectus, a bidder was allowed to bid a 0 percent franchise fee. The second prospectus clearly stated that each bid proposal must include a minimum 1 percent franchise fee. But the report implies that Pensus did not propose a franchise fee in the second bid – perhaps inadvertently – which would have

made their bid “non-responsive” – the same justification that Reclamation used to deny the original Lago Resorts bid. However, in this case Pensus was allowed to modify/clarify their bid. Clarification requests regarding the 1% franchise fee were also sent to the other bidders.

So “fairness” appears to have a hazy definition in government circles. From a pragmatic point of view, there was no one left among the original bidders to whom to be “fair”. Lago had been eliminated. Steele Park and Spanish Flat had given up.

The Inspector General’s report shows that most of the local Reclamation officials did not really want to redo the bidding process. But there are pretzel-twisting rationalizations of why a winning bid award does not mean a contract. There are long sections of self-justification and hand-wringing, which makes for interesting reading, but then Reclamation did the totally unnecessary anyway - and forced a re-bid.

One interesting revelation is the mindset of BOR Area Manager Michael R. Finnegan. Finnegan did not participate in the June 2007 bid review or selection process. Finnegan believed that the review panel misinterpreted the evaluation criteria and selected the Fraziers as having the best proposal for the Markley Cove concession only because it misinterpreted the Record of Decision and failed to seek clarification.

Finnegan explained that the review panel had misinterpreted the “continuity of operations” provision in the Record of Decision to mean that there must be zero impact on the continuity of business operations at the Markley Cove concession during the new concession contractor’s transition phase. Finnegan emphasized that if not for the panel’s misinterpretation, Pensus would have been selected as having the best proposal for the Markley Cove concession.

A basic unanswered question which will probably remain unanswered is why - when the new prospectus was the same as the old prospectus - did Markley Cove lose the bid the second time? SOL did not investigate that nor will the primary documents probably ever be released - even under a Freedom of Information (FOIA) request. The Lake Berryessa Chamber of Commerce tried the FOIA process previously and was rebuffed. Not surprisingly, the federal government has an extensive list of justifications to withhold rather than release information.

In the report the SOL Attorney-Advisor said he was heavily involved in the review and approval of the second prospectus. He said the second prospectus had two significant changes from the first: it did not include the clause promising to pay the concessionaire at the expiration of the contract, thus removing the Antideficiency Act issue; and it incorporated a franchise fee, since the first prospectus did not include one. He stated that not including a franchise fee results in the Government not receiving any money for the concession, which would technically prevent it from being a concession. The second prospectus included the franchise fee with the hope that bidders would bid higher than 1 percent.

The Attorney-Advisor related that because he was not too involved in the first bidding review process and had limited involvement answering general legal questions during the second, he did not know why the Fraziers were selected as having one of the best proposals during the first process and not during the second. He explained that changes to the second prospectus as well as modifications to the framework of the scoring system – the franchise fee was given more weight in the second process – may have contributed.

None of the principals in the report were willing to comment publicly to the Lake Berryessa News since apparently some discussions are ongoing. It appears that much pain and suffering have been caused by a government agency out of touch with its impacts on the lives of real people and local communities. The report is another example of something that just didn’t have to happen this way. It’s past history with overtones of current events. What will “future history” bring?



Goodbye 2011: Another Year of Process Without Progress! Will 2012 Be Any Better?

Although I'd like to put on my happy face for 2012, unfortunately 2011 has not been kind to the Lake Berryessa community. It felt like an instant replay of the preceding several years. The most visible change was the appearance of tacky plywood signs in front of some of the Pensus resorts. More professional blue and white signs finally replaced those and are now at the entrances of all the Pensus resorts. But a new sign does not a recreation destination make.

Bureau of Reclamation Process Stumbles

It has now been more than eleven years since the Bureau of Reclamation initiated the process that destroyed a recreational culture at Lake Berryessa with the collateral effect of severely damaging the local business and residential community. The first nail in the coffin was hammered in by Reclamation with a Notice of Intent in the Federal Register on November 7, 2000 (Volume 65, Number 216).

After many years of determined democratic citizen opposition that failed in the face of monolithic bureaucracy, the real tragicomedy of errors began in April 2007 when Reclamation initiated its abortive first Concession Prospectus to bidders.

On April 2, 2008, Mike Finnegan, Reclamation Area Manager stated, "Reclamation intends for recreation at Lake Berryessa to continue essentially uninterrupted, other than occasional temporary closures in various locations for developmental activities."

Several substantial proposals were submitted and the Bid for five of the resorts was awarded to the Pensus Group. Unfortunately, a silly legal opinion by a functionary within the Department of the Interior bureaucracy led to the original decision process being rescinded and the contracts rebid.

Although no one, including the local Reclamation management, wanted it to happen, the whole selection process was rebooted by Department of Interior senior management with a slightly modified Prospectus which was re-issued in May 2009.

What was ridiculous about this decision, ostensibly made to be "fair" to the original bidders, was that most of the original bidders were either in bankruptcy or had dissolved their bidding partnerships by then. With more than a year of effort wasted, Reclamation received few viable bids the second time around.

In January 2010, the Pensus Group won the second round, picking up Markley Cove Resort which had actually won its own bid the first time. This gave Pensus control of six of the seven resorts at the lake. In April of 2010, the Pensus Group signed an agreement with the Bureau of Reclamation. Then the real "fun" began.

Pensus Group Planning Process Stymied

Almost a year ago, I wrote an article titled, "They're Off Like a Herd of Turtles". Recent history shows that I was actually being unrealistically optimistic.

Local businesses and property owners who had been severely hurt by the Bureau of Reclamation's destruction of five resorts had hoped that the redevelopment of those resorts would be fast-tracked by government agencies so the desperately-needed recovery could begin. Again we were all being unrealistically optimistic.

Rather, Pensus has been faced with a series of planning stumbling blocks, the most egregious of which is Reclamation's requirement that Pensus complete a detailed "Environmental Assessment", or EA, before beginning resort construction - something Reclamation was not required to do before its resort destruction.

Pensus is simply replacing the old facilities with new environmentally-friendly construction. And as part of the bid process, Pensus has already provided a detailed ISO14000 Environmental Management Plan plan for each of its resorts.

Per NEPA regulations, an EA is a concise document, which should not contain long descriptions or detailed data. Rather, it should contain a brief discussion of the need for the proposal, alternatives to the proposal, the environmental impacts of the proposed action and alternatives...

But when Reclamation requires Pensus to dig a grid of holes to look for non-existent Native American artifacts before putting in a new PG&E power pole in previously bulldozed dirt, something is amiss. Can you say unconscionable!

Pensus has not yet submitted its EA and has no public comment about its 2012 recreation season plans. I'm not sure that "no news is good news" in this case.



A Lake Berryessa Midsummer Night's Dream (With Apologies to William Shakespeare)

I had a memory the other day of tubing and jet skiing on Lake Berryessa with friends and family. For a break we'd drift in to the Big Island Lagoon at 5 mph to float quietly with the other folks on patio boats, houseboats, or even some in kayaks. It was a quiet, safe place to float or even to put your deck chair on a sand bar and kick back in six inches of water while kids splashed around you. Later it was time for prime rib or pizza at the Steele Park Boathouse Restaurant savoring one of the most beautiful views on the lake.

But then I had a nightmare that a Dark Force swept down on Lake Berryessa and destroyed our homes and resorts, tearing up launch ramps, demolishing restaurants, eliminating access to the lake for years – even denying entry to the Big Island Lagoon to everyone except some phantom kayakers who never showed up.

But then, this being mid-summer, I had a comforting Midsummer Night's Dream. I saw myself sitting at a beautiful floating marina restaurant and bar, sipping a margarita, with my trusty low-emissions, quiet, environmentally-friendly jet ski at my side. Happy families were once again drifting slowly into the Big Island Lagoon for a rest stop. New resorts were providing launching and pleasant new facilities to visitors from all over the Bay Area. Just before I woke up I was once again looking out at that fantastic Steele Park view, but now it was from a brand new restaurant at Lupine Shores.

A Shakespearean tragedy is defined as a dramatic work in which the main character is brought to ruin or suffers extreme sorrow, often involving a heroic struggle, especially as a consequence of an admirable but flawed character or inability to cope with unfavorable circumstances.

This describes a decade of struggle between the Bureau of Reclamation on one side and previous resort owners in cooperation with Task Force 7 at Lake Berryessa, mobile home owners, local businesses and residents on the other. Reclamation won that struggle and the tragic results were obvious.

A Shakespearean comedy is defined as a dramatic work that is light and often humorous or satirical in tone with a happy or cheerful ending in which the central motif is the triumph over adverse circumstances, resulting in a successful conclusion.

This hopefully describes the present process of rebuilding Lake Berryessa to a superior state of recreational elegance by the Pensus Group. But that won't happen without strong management and the support of all parties involved. Unfortunately, there will always be some obstacles to overcome, even in a comedy with a happy ending.

David Ffinch, president of the Pensus Group, graciously agreed to answer some questions for the Lake Berryessa News regarding the present status of his company's progress at Lake Berryessa. "It's like planning, designing, and building a small town stretched over miles of shoreline. There's not much to see in the beginning, but once we push the button, progress will be rapid.

The public appears to be generally pleased with the level and quality of temporary services in 2011. As for 2012, any improvements will require approval from the various jurisdictions meaning planning, water quality, environmental, etc. We are working on infrastructure design and design of various vertical improvements. Our hope is that we can make some fairly definite statements in the last quarter of 2011 as to the scope of 2012 installations."

"Pensus has received very few complaints about reservations. We fielded more than 2,000 calls in the two weeks before the July 4th weekend and were completely booked by June 28th. Many people refused to book and pay in advance and were warned that they were unlikely to get a site without doing so. These same people became annoyed when we could not accommodate them during the last few days. Reclamation received 15 to 20 calls, by their account, from individuals complaining about lack of response. This is a very small percentage (less than 1%) and we are reasonably satisfied by this performance.

By August 1 a new website reservations system will be operational. Our software specialists have been training the on-site staff and will be available for support. With this system up and running we will hopefully do a better job and there will be less frustration.”

Another important issue for visitors is security. “We have a ‘zero tolerance’ policy regarding any individual who is overly disruptive, aggressive, abusive, threatening or violent. Such individuals, when identified, will be escorted from the premises and refused access to the Concessions in the future. We will, under no circumstances, risk personal injury to our clientele, employees or police authorities by allowing clearly violent and aggressive individuals repeated access.

Pensus has received very few complaints regarding noise or disturbance at the Concessions. We did have one very aggressive and abusive individual, over the July 4th weekend. Only two calls were made by Pensus to the Sheriff requesting support. Pensus works closely with the Napa County Sheriffs and is most appreciative of their support, which has been exemplary. John Robertson, Undersheriff, and I have communicated personally and we will stay in close contact. As I understand it on-land incidents have been minimal in comparison to the past and we will work to keep it that way and improve further.”

Mr. Ffinch’s comments were supported by the low number of Sheriffs calls over the July 4th weekend. According to a member of the Pope Valley Volunteer Fire Department, which takes care of most of the west side of the lake (along with the Cal-Fire units from Spanish Flat), this was the first time in memory that they didn’t have a single call during the weekend of the 4th. “It was wonderful to spend the weekend with my family.”

Although the National Environmental Protection Act (NEPA) has been raised as an issue in the Lake Berryessa redevelopment process, it is not clear why this should be an impediment since Pensus is simply replacing the old facilities with new environmentally-friendly construction. Any delay because of NEPA is even more puzzling since the demolition of the old resorts was accomplished with a minimum of environmental oversight.

The Bureau of Reclamation used what is known as a Categorical Exclusion (CE) and stated publicly that they had evaluated the situation and produced Categorical Exclusion Checklist #743. They also stated that they had reviewed the environmental impacts of demolition of each site and that environmental impacts were minimal and mitigated by using Best Management Practices.

NEPA itself states that the EA is a concise document, it should not contain long descriptions or detailed data which the agency may have gathered. Rather, it should contain a brief discussion of the need for the proposal, alternatives to the proposal, the environmental impacts of the proposed action and alternatives, and a list of agencies and persons consulted. Agencies should make the Finding of No Significant Impact (FONSI) and EA available for 30 days of public comment before taking action.

Unfortunately, the slow progress in this area is frustrating to many of the people involved, especially local business and residents, much less Pensus itself. The formal response from Reclamation to a question from the Lake Berryessa News does nothing to allay those concerns. This process should be fast-tracked by everyone involved, not allowed to linger into the spring of 2012. It is not an academic bureaucratic exercise – it affects real people.

Bureau of Reclamation response: “Pensus is in the process of formulating the Draft Environmental Assessment for development of recreation facilities and services within its six concession areas around Lake Berryessa as required by the National Environmental Policy Act, or NEPA. NEPA is a federal law that requires that potential impacts from federal actions and actions on federal land be examined prior to the initiation of that action. This environmental assessment for the planned development at Lake Berryessa is considered “programmatic” because it will focus on the impacts of the overall development plan proposed by Pensus. Reclamation expects the Draft Environmental Assessment to be completed fall/winter 2011, at which point the public will be invited to submit comments. These comments are an important part of the NEPA process, and will be considered in the Final

Environmental Assessment. Reclamation anticipates that the Environmental Assessment will be finalized in spring 2012.”

The other major stumbling block for Pensus at Lupine Shores is the NBRID process. Mr. Ffinch was emphatic in his response to this issue that Pensus fully supports becoming part of the Berryessa Highlands water and sewer system whether run as it has been, a Resort Improvement District, or as an independent Community Services District. One wrinkle in this approach was pointed out by a County legal representative. Apparently according to law, a Resort Improvement District would provide both water and sewer services. However, if the NBRID became a Community Services District, Pensus would be required to hook up to sewer services, but would not be required to hook up to water service from the District. Mr. Ffinch made it clear that Pensus was committed to join the proposed CSD for both water and sewer service.

“Pensus has committed to Napa County that it will hook up to NBRID and to participate proportionately in any costs subject to a maximum cost limitation of \$4M and timing. We are working closely with and support the Berryessa Highlands residents.

There is nothing that Pensus can do at this point except wait for NBRID / Napa County to provide the Regional Water Authority with the assurances they have demanded from NBRID that will allow removal of the moratorium against Lupine Shores connecting to NBRID.”

At an April meeting a plan was developed to potentially remove the State’s Cease and Desist Order (CDO) against the NBRID by showing that effluent volumes, which everyone knows is primarily impacted during winter by rainwater intrusion in old Berryessa Highlands sewer pipes, would be below the 50,000 gallon limit if the pipes were repaired. This would allow the CDO to be lifted and also allow a longer-time frame to make the major upgrades to the main sewer treatment plant.

The April meeting group identified several milestones and a funding mechanism. The Consulting Engineers would monitor the system through the remaining wet weather in 2011. Camera and video analysis would determine infiltration water origin and provide the results by summer. The CDO process requires a November 2011 report to the state. During summer of 2011, the identified areas of serious infiltration would be repaired. During the winter of 2012 the Consulting Engineer monitors and reports effluent flow volume which is hopefully less than the 50,000 gallon limit. Unfortunately, it appears that this plan has not been completed as of July 2011. Whether it is a lack of money or technical issues is not clear. The Lake Berryessa News is awaiting a response from the County.

On a lighter note: Although Pensus published a brochure and funded electronic billboards around the Bay Area, they had not installed entrance signs at their resorts until recently. The original signs were spray painted on plywood sheets. The latest signs are small and can’t be read from passing vehicles. It didn’t do much for their professional reputation among locals as well as visitors.

The Lake Berryessa News Facebook page chimed in with photos and a bit of satire: “Five weeks after Pensus said they'd have signs up within two weeks, a new sign finally appeared at Lupine Shores next to their old spray-painted plywood sign. It seems they've transitioned from their old sign company, Ghettowerks, to Tiny Town Signs, Inc. From sublime humor to breathtaking silliness. Hopefully real signs will be installed soon.” David Ffinch took the hit with reasonably good grace, acknowledging some internal problems but stating, “We finally have the permanent signs in hand as of Monday last. They will be installed within the next two weeks.”

Everything can’t work perfectly, but we are all hoping for a happy (speedy) ending to this Lake Berryessa Midsummer Night’s Dream.



Applehood and Mother Pie! What's Right, What's Wrong, and Why

In a letter of opposition to the creation of the unnecessary Berryessa Snow Mountain National Conservation Area I used the term "applehood and mother pie" statement. We are all used to hearing "motherhood and apple pie statements" which tend to be "feel good" platitudes about a worthy concept with which few people would disagree.

But I've noticed that many of these statements are being slickly twisted by wordmeisters to convey something they were never meant to mean. Words can be strung together like beads on a necklace to achieve a desired affect. Sometimes comments almost seem to make sense until you scratch through that mother pie crust and find out for yourself what they really say.

Examples of this are common in politics (right and left) and from the more radical exclusionist groups. If you hit all the right hot button words, even without any specified plans or supporting analysis, people are happy to do what you want and stop thinking for themselves (thinking is hard, I know).

In dealing with the Bureau of Reclamation for fifteen years I've gotten used to the frustration of hearing "applehood and mother pie" statements from them rather than facts and evidence. The present sad state of affairs at Lake Berryessa, unfortunately, shows how effective they were at deploying those tactics – and still are.

Local residents, businesses, and Lake Berryessa recreationists are extremely disappointed in both the Bureau of Reclamation and Pensus for the lack of progress in redeveloping the resorts. Right now Summer 2012 appears to be a repeat of Summer 2011 with minimal facilities available at the Pensus Berryessa Shores Resorts.

The major responsibility for this lack of progress must be attributed to the Bureau of Reclamation. After they got what they wanted through their disastrous Visitor Services Planning process – a single company to run most of the Lake Berryessa resorts – they seem to be doing everything in their power to slow the process down and drive Pensus out. Is it simply their passive aggressive response to some Pensus plans they no longer agree with after having approved them – slow them down to make them change? Anyone who has had to deal with Reclamation knows they are neither a recreation nor customer-service oriented organization.

But Pensus bears its share of responsibility for the lack of progress. They seem to have seriously underestimated the complexity of translating their paper plans into on-the-ground results. It appeared that their company policy was to go it alone despite the offers of advice and assistance from local people with years of operational experience at the lake. Their liaison and information-sharing with local residents was minimal – sometimes because they were in negotiations with Reclamation. Pensus always publicly stated that they wanted to be a partner with Reclamation and establish a good working relationship. But although they've lost a lot of local support, they can at least be assured that almost everyone wants them to succeed.

Which is why the actions of the Bureau of Reclamation and of our local politicians still seem suspect to many. Despite a letter from the Lake Berryessa Chamber of Commerce and one from the Lake Berryessa News requesting that Congressman Thompson take some action to encourage the Bureau of Reclamation to expedite their decision-making process to help Pensus make progress, Reclamation instead wrote a letter of non-compliance on February 27 to Pensus further slowing things down! Pensus responded with a longer letter describing their solutions to Reclamation's perceived problems. Now Reclamation wants to take time to analyze and respond to each of the Pensus responses. When will this Reclamation Hall of Mirrors fiasco end?

The Lake Berryessa News obtained a recent letter from the Pensus attorneys to the Bureau of Reclamation dated April 27 which included a previous letter on April 6 laying out some of the ongoing issues and requesting action. The letter is included below and makes for very interesting reading. You be the judge.

Unfortunately, it seems that there's no one in charge at the BOR. With the recent resignation of the Park Manager and two other key managers all decisions are being bumped up the chain of command – but still no one seems to know what to do.

The appearance of the orange fencing and danger signs is a case in point. The Bureau of Reclamation cordoned off large areas of Lupine Shores and Chaparral Cove with orange fencing and danger signs.

The fences are far from the shoreline and eliminate dozens of previously approved campsites. Apparently a drunk-as-the-proverbial-skunk crazy woman had slid down an embankment at Chaparral Cove and injured herself.

Per Reclamation: "Until Pensus develops a plan for more permanent barriers, we are obligated to provide a temporary safety barrier. We have determined that it is more cost effective to barricade off the general area temporarily than to do specific site analysis and design barrier protection at each site. Pensus is developing plans for more site-specific protection, and Reclamation's fencing will be removed when this is in place."

"Cost-effective" meant "cost-free" to Reclamation (except for the cost of fencing and signs - many signs). Reclamation made Pensus design the barriers and do a GPS site analysis along the actual edge of the shoreline. Pensus wants its campsites back. No response yet from Reclamation to the Pensus application because, apparently, no one there knows what is required and is afraid to make a decision.

"Applehood and Mother Pie" - tonight's WØRD!

In an attempt to find out why this danger fencing was done, by what policy, and what the guidelines were for deciding what was dangerous, I had the following exchange with the BOR Public Information Officer. You may notice that Reclamation has the ability to be snide and unresponsive (IMHO) at the same time. Good capability for a bureaucrat.

April 19, 2012

Good morning Pete & Peggi,

I learned that access to several areas of the Lake Berryessa shoreline at Lupine Shores and Chaparral Cove have been restricted by fencing and danger signs. See attached photos. These areas have been used by the public for decades. They were also used for the last several years as camp sites approved by Reclamation.

Why did Reclamation cordon them off? What criteria or policy guidelines were used to do so? Will Reclamation start eliminating access to other parts of the Lake Berryessa shoreline such as the Smittle Creek trail and parts of Oak Shores?

Peter Kilkus

So Peter, Obviously as one reads the signs that you took pictures of, there is a safety hazard and we are obligated to protect the public from injury...the fencing and danger signs are intend to do just that. If there is a safety hazard that needs to be corrected or for which we need to provide a warning, that decision and determination will be made when it is discovered. There are no plans to eliminate access to any parts of the shoreline.

Pete Lucero

I understand the concept, but what safety hazard are you talking about? I walked that whole section and didn't see anything that was a particular hazard that would require blocking that large a section. If there is a concern about the steepness of parts of the bank, why not just put a low small fence with a small sign along the edges considered too steep? What height of shoreline edge is considered unsafe?

Peter Kilkus

Until Pensus develops a plan for more permanent barriers, we are obligated to provide a temporary safety barrier. We have determined that it is more cost effective to barricade off the general area temporarily than to do specific site analysis and design barrier protection at each site. Pensus is developing plans for more site-specific protection, and Reclamation's fencing will be removed when this is in place.

Pete Lucero

April 27, 2012

To: Michael Finnegan, Area Manager
Bureau of Reclamation

Subject: Request for Authorization of Marina Construction at Chaparral Cove, Lupine Shores and Mahogany Bay Concession Areas. Lake Berryessa, Solano Project, California

Dear Mr. Finnegan:

This is in response to a letter to Lake Berryessa Properties, LLC (Pensus) from Peggi S. Brooks, Chief, Recreation Resources Division, dated April 23, 2012 in which she points out certain perceived deficiencies in the Project Statements for marina improvements at Chaparral Cove, Lupine Shores and Mahogany Bay, which were filed with the U.S. Bureau of Reclamation (USBR) on April 3, 2012. In her letter, Ms. Brooks asserts, among other things, that:

1. Pensus must coordinate with and obtain the approval of the USBR prior to submitting an application for a Section 404 Permit to the U.S. Army Corps of Engineers (USACE);
2. The submitted Project Statements do not describe the full panoply of facilities associated with marinas at Chaparral Cove, Lupine Shores and Mahogany Bay, and the drawings and site plans for the marinas are "conceptual in nature," and not sufficiently detailed;
3. The drawings included with the Section 404 Permit include extended no-wake zones outside of Concession boundaries, which have not been approved by Reclamation; and
4. Compliance with the National Environmental Improvement Act (NEPA) requires that Pensus submit detailed site specific project descriptions supported by corresponding site plans and drawings, in light of the fact that Pensus's draft Environmental Assessment (EA) (submitted March 29, 2012) is still under review.

Pensus appreciates your feedback on these matters, as well as your acknowledgement that the installation of wet slips is a top priority for Pensus in 2012. On this latter point, we could not agree more fervently. In order to move forward as expeditiously as possible, Pensus will provide USBR with revised Project Statements containing the information requested, including specific marina engineering and schematic designs, as well as revised site plans and drawings.

As a point of clarification, however, it is incorrect to assert that Concession Contract Number 10-LC-20-0184 requires Section 404 permits to be "coordinated, reviewed and approved" by USBR prior to submission to USACE. In fact, section 3(D)(5) of the Concession Contract contains no such requirement; it specifically provides that "[t]he Concession Contractor shall... provide to the Contracting Officer any written materials prepared or received by the Concession Contractor in advance of or subsequent to any such communications" with other regulatory agencies.

With regard to no-wake zones, Pensus has requested the establishment of no wake zones by USBR (most recently in an April 6, 2012 letter to you) and has prepared an Environmental Assessment (EA) (submitted on March 29, 2012) to support these requests. To date, however, USBR has taken no action to address these proposals. It seems odd that despite the fact that Pensus has petitioned USBR on several occasions to make a determination on the appropriate boundaries of the no wake-zones, it has yet to receive any answer. As you know, this determination is vital to the safety and design layout of the marinas and is therefore necessary to be able to provide USBR with the type and kind of more exact design specifications USBR requests. We believe that the Area Manager is an

“authorized official” under the 43 CFR § 423.60, and has authority to designate no wake zones at Lake Berryessa. Therefore, we request that your office expeditiously respond to Pensus's requested designation of no wake-zones concerning its concession sites and proposed marina operations. For your convenience, we are attaching a copy of my April 6, 2012 letter to USBR. To date, only the question of toilet design raised in that letter has been addressed by USBR.

43 CFR § 423.60 provides that an authorized official may "[e]stablish special use areas within Reclamation facilities, lands, or waterbodies for application of reasonable schedules of visiting hours: public use limits: and other conditions, restrictions, allowances, or prohibitions on particular uses or activities where that action is found to be necessary for:

- 1) The protection of public health and safety;
- 2) The protection and preservation of cultural and natural resources;
- 3) The protection of environmental and scenic values, scientific research, the security of Reclamation facilities, the avoidance of conflict among visitor use activities; or
- 4) other reasons in the public interest.

Finally, with regard to NEPA compliance as addressed in Ms. Brooks' letter, USBR has in its possession a comprehensive Draft EA that fully assesses the environmental consequences of Pensus' s planned marina improvements. Timely approval of this document (as described in USBR's NEPA Handbook) is both prudent and necessary not only for the marina Project Statements, but for further development of the Lake Berryessa concession areas. Pensus thus requests that USBR initiate public comments on the Draft EA as soon as next week and make every reasonable and prudent effort to adopt the Draft EA as quickly as possible. The public is clamoring for action and USBR and Pensus should respond affirmatively. Of course, as Ms. Brooks letter points out, USBR demands approval before Pensus may proceed with concession improvements. Clearly, however, sometimes the USBR demands approval of Pensus actions beyond the requirements of the Concession Contract. Going forward, we should work together to reduce the backlog in decisions and analyses to serve the public.

Fulfilling the promise of recreational services at Lake Berryessa is in our mutual best interests. It is our hope that USBR will start to act on the many pending matters already before it in order to turn our shared vision of Lake Berryessa into a reality.

If you have any questions, please contact me directly.

Sincerely, Steven Richardson Counsel to Pensus Lake Berryessa Properties, LLC

April 6, 2012

Mr. Michael R. Finnegan, Area Manager, U.S. Bureau of Reclamation

In Re: U.S. Bureau of Reclamation Contract No. 10-LC-20-0184

Dear Mr. Finnegan:

On March 29, 2012, Pensus Lake Berryessa Properties LLC (Pensus) provided a final response to the U.S. Bureau of Reclamation's (USBR) February 27, 2012 letter entitled “Notification of Noncompliance with Concession Contract Number I 0-LC-20-0184, Lake Berryessa, Solano Project, California and Opportunity to Cure” (Noncompliance Letter). The response cured or provided pathways to cure all alleged deficiencies in the Concession Contract's administration. Assuming that USBR agrees that those issues are resolved or on a pathway to full resolution, Pensus respectfully asks Reclamation to address specific open issues to continue moving the project forward prior to resuming any direct talks on global Concession Contract matters. To that end, this letter

seeks additional specific details on USBR's expectations for decision-making on critical path matters that must be completed to fully implement the Pensus CFIP and IMP schedules for 2012, 2013 and beyond.

As next steps Pensus's March 29 letter outlined six specific discussion topics for USBR's consideration and action: (1) No Wake Zones; (2) Willi's Ski School; (3) houseboat allocations; (4) the results of Pensus' initial marketing of marina services; (5) unisex toilets and showers; and (6) the change of circumstances at the Manzanita Canyon concession area. Specifically, Pensus asks for USBR's commitment to mapping out the steps and decisions required to obtain timely approval on these and all other issues pending before it, so that we may mutually set and keep a schedule consistent with the goals of the Concession Contract. An illustration of these issues is provided below.

1. No Wake Zones

California law requires that a 200-foot "no wake" zone be established around boat docks, launch ramps, and other facilities that hold boats or provide passenger transport to boats. Additionally, boats operated by machinery are required to maintain speeds of less than 5 miles per hour in this zone to assure no wake effect. As part of its CFIP submission, Pensus provided USBR with drawings depicting proposed no wake zones to support marina operations at Mahogany Ray, Lupine Shores and Chaparral Cove, which comply with, and in some cases exceed, state law requirements. The mitigating impacts of these no wake zones on potential shoreline erosion and visitor safety were discussed in the Pensus Draft Environmental Assessment provided to USBR on March 29, 2012. It is essential that the areas depicted be established as no wake zones to protect against damage to the marina structures and watercraft occupants and to assure proper protection against personal injury. These no wake zones are also consistent with the direction provided in the 2006 Record of Decision for the Visitor Services Plan: Future Recreation Use and Operations of Lake Berryessa (VSP ROD).

USBR has authority to approve these proposed no wake zones. In an effort to move forward, please provide Pensus with information concerning how it may obtain final approval of these no wake zones, as well as any timelines involved.

2. Willi's Ski School

Waterskiing historically has been a popular recreational pursuit on Lake Berryessa. USBR agreed that waterskiing should continue in its comprehensive recreation plans for Lake Berryessa. In fact, Alternative B, the Preferred Alternative recommended by USBR in the 2005 Final Environmental Impact Statement for the Visitor Services Plan/Future Recreation Use and Operations of Lake Berryessa (VSP EIS), acknowledged water skiing as an appropriate use of the lake's water resources. The VSP ROD adopted this alternative with minor modifications irrelevant to waterskiing. In light of the VSP EIS and VSP ROD's recommendations and authorizations, Pensus seeks the opportunity to develop the Willi Ellemeier Championship Water Ski Training Facilities (Willi's Ski School) at the Foothill Pines concession area. Development of the ski school is a unique opportunity for Pensus and USBR. As you know, Willi Ellermeier is a world-famous ski instructor and has been providing services at Lake Berryessa for over 30 years.

The March 29 response highlighted specific examples of inefficiencies in Reclamation's administration of the Concession Contract, including a 6 month delay for Pensus to obtain USBR permission to move a single utility pole six feet.

The Pensus GANT Chart provided as Attachment B to the March 29 response provided for a list of necessary development activities to occur in April and May 2012 to permit the ski school to become operational during the 2012 summer season. These activities include submission to USBR for a ski school as an approved service, USBR approval of service and USBR rate approval, Pensus submission of design criteria to USBR, USBR approval of design and installation, Pensus installation of training facilities improvements, and commencement of ski school operations. As evidenced by this list, Pensus and USBR must adopt a coordinated plan and approach for timely decisions to make this recreational opportunity a reality.

To develop the ski school, Pensus seeks specific guidance and timely action from USBR. First, Pensus seeks clarification on whether USBR will require the ski school proposal to be reduced to a Project Statement. Second, because the Concession Contract does not provide for sub-concessions for the provision of visitor services,

Pensus needs to work with USBR to add Willi as an employee. Third, Pensus seeks clarification on whether USBR will require Pensus to file an employment agreement that requires USBR's approval, and whether this proposal may be contained in a Project Statement. With these questions answered in a timely manner, the project can move forward without delay. Pensus is confident that working with USBR, this important visitor service can be implemented in a timely fashion.

3. House Boat Allocations

House boating is an important recreational resource at Lake Berryessa. In February 2011, USBR completed a comprehensive Houseboat Capacity Analysis for Lake Berryessa, which concluded that Lake Berryessa has an overnight mooring capacity of 175 houseboats. Pensus is required to provide houseboat rentals at its six concession sites as part of the Concession Contract, and is authorized to provide up to 70 houseboats. In the CFIP, Pensus proposed to provide houseboat rentals as follows: Ten (10) at Lupine Shores, ten (10) at Chaparral Cove, and fifteen (15) at Mahogany Bay.

To date, USBR has not authorized Pensus to issue permits for the use of houseboats on Lake Berryessa. Pensus and USBR must adopt a coordinated plan and approach for timely decisions to make this recreational opportunity a reality. At your earliest convenience, please inform Pensus of the timing and the steps required for Pensus to obtain authorization from USBR to issue a reasonable number of houseboats permits.

4. Marketing of Marina Services

Pensus began its initial marketing of marina services on March 21, 2012. Community responses to the marketing plans have been positive and enthusiastic. Given the importance of recreation to the local economy, neighboring residents and visitors are excited by the plans proposed by Pensus. To date Pensus has received over 40 signed contracts for wet slips. The preparation of the area for construction of wet slips which has an existing concrete slab and asphalt surfacing, and assembly of equipment for construction is underway at Lupine Shores and construction of slips should start on or about April 21, 2012. Project statements with detailed plans and specifications for the marinas were sent by FedEx for delivery to your offices on Thursday, April 5, 2012. Pensus anticipates receiving approval for installation of marina slips from the U.S. Army Corps of Engineers by April 30, 2012 and would like to make installations immediately thereafter assuming that approval has also been received from USBR. Going forward, Pensus and USBR must adopt a coordinated plan and approach for timely decisions to make this recreational opportunity a reality.

As such, it is important that USBR and Pensus are on the same page concerning the full breadth of marina services that Pensus intends to provide under the Concession Contract. The Concession Contract codifies the proposals set forth in Pensus Group's initial Proposal to Operate: Water based Recreation Support and Associated Hospitality Services and Facilities within the Concession Areas at Lake Berryessa (Proposal). The Proposal outlined quite extensively marina services Pensus planned to offer. Specifically, in addition to physical facilities, Pensus proposed a village concept at the marinas with restaurants, convenience and gift stores, clothing boutiques, fuel docks and tour boat docks. The revised concept plans that were adopted by USBR in February 2011 now show the restaurant, convenience store and gift stores and clothing boutiques located on land with the exception of Mahogany Bay. From one or more of the marina complexes. Pensus will provide boat and watercraft rental operations ranging from water skis to 75-foot long houseboats, along with fuel docks.

Pensus will also provide a tour/shuttle boat service between resort areas. In addition, Pensus proposed a Marinas Concierge Services Department to provide a full range of services including launch and retrieval, boat mechanical, structural and aesthetic repair and maintenance, washes, details, galley stocking of requested food items, stocking of other necessary items, fueling, effluent tank pump out, piloting and 24 hours emergency response (accidents, breakdowns, fuel deficiency, inability to drive one's craft due to inebriation or other mishap) or any other reasonable need that is necessary to enhance the public's enjoyment of the lake and their chosen recreational activity. Assuming that USBR agrees with this scope of service, Pensus wants to develop an agreement on what USBR wants to review and approve, the form that Pensus submissions should take, and the expectations for timely approvals.

The Development Plan in the Concession Contract as well as the Operating Plan, Exhibit G, provide for the types of services outlined above. While USBR retains authority to approve specific services and rates charged to

provide them to the public, it is unclear how much detail USBR seeks to review and the appropriate form of submission by Pensus to USBR for timely action. For example, Pensus has reached an agreement in principle with Marty Rodden (currently at Markley Cove) to serve as its boat rental manager at all concession sites where boat rental may be provided. Initially boat rental will be operated from Lupine Shores only but other locations may be added depending upon market demand. This type of service lies at the heart of a successful marina and will be an important step in assuring the public a level of continuity of service that will bring credit to both USBR and Pensus. That said, how much of that relationship does USBR want to review and approve? Marty will clearly be a Pensus employee, so will it suffice to submit the details of Marty's operations and services for approval or does USBR expect to see and approve greater details of that service? These details are important to resolve at the outset, because Pensus must obtain USBR's approval for all advertisements and public information created for the concession facilities and Pensus wants to continue its marketing campaign in synch with USBR.

5. Unisex Toilets and Showers

On January 25, 2012, Pensus provided USBR with designs for a unisex shower and toilet unit for Lake Berryessa to be installed at all concession sites where RV and Tent Camping is operated. The unisex facilities were proposed because of their environmentally smaller footprint and Pensus's experience with the use of shower and toilet facilities at marina locations.

USBR indicated some reluctance or dissatisfaction with the design, but has provided no formal feedback and no suggested alternatives. Pensus is preparing, and will submit within 7 days, new concept design drawings that have been revised and notated to address the concerns of Reclamation informally provided by Peggi Brooks on March 15, 2012. If, after review, USBR has no further objections to the revised concept design drawings, Pensus seeks clarification as to when USBR will approve the plans so that Pensus can proceed with preparation of engineering designs and detailed specifications in accordance with the GANT chart (cited above). In addition, Pensus seeks clarification on who at USBR has authority for final approval of the plans.

6. Manzanita Canyon Concession Area

As Reclamation is aware, a February 12, 2012 decision by the U.S. Court of Appeals for the Federal Circuit, *Laguna Hermosa Corp. v. U.S.*, clarified Pensus' and Reclamation's rights to use existing facilities at the Manzanita Canyon concession area. The court affirmed an earlier finding that the past operator of Manzanita Canyon abandoned improvements made under their lapsed contract, and is not entitled to compensation from USBR or Pensus. The CFIP submitted by Pensus on February 10, 2011 stated that all materials left at the Manzanita Canyon concession area would be removed by Pensus. However, the Laguna Hermosa decision changes earlier assumptions that all facilities had to be removed from the area before development.

Pensus's current plans for Manzanita Canyon, as set forth in the Draft 2013 IMP submitted as Attachment B to the March 29 response, waits until 2014 to construct improvements at Manzanita Canyon, limiting use of the area to primitive camping in 2012 and 2013. The result of this decision is that either USBR or Pensus can use the remaining facilities without payment to the former operator, and that facilities could be used on an interim basis to promote greater use of the concession area at an earlier date.

In light of the decision, Pensus seeks guidance from USBR on how to move forward with developing a new plan for Manzanita Canyon that incorporates existing facilities. With cooperation from USBR, there is real opportunity for Pensus to offer added services at Manzanita Canyon at an earlier date. The items discussed above are just a sample of the outstanding issues facing Pensus and USBR.



Catch-22: The Bureaucratic Double Bind Theory in Practice

The series of actual emails below is emblematic of the dysfunctional approach the Bureau of Reclamation is taking to any actions proposed for the redevelopment of Lake Berryessa. The resorts have existed for more than 50 years. No items of cultural or historical importance have ever been discovered within the resorts or at Oak Shores or other Bureau-maintained facilities.

Reclamation demolished more than 1,000 mobile homes and resorts facilities, and is still digging and scraping away at the remaining residue, without any substantive environmental or historical studies to support their actions. They simply filled out a short form called CEC 743, which was approved on October 11, 2007 concluding:

“Reclamation has determined that the proposed action is appropriate for Categorical Exclusion under the National Environmental Policy Act 011969 (42 United States Code [U.S.C.) 4321, et seq.) based on the following information: The removal of all existing trailers and associated appurtenances within existing and developed sites at Lake Berryessa resorts involves only minor construction activities on previously disturbed land and there will be no impacts to waters of the United States.

Further, Reclamation has reviewed the proposed action and determined that there is no effect to Federally-listed species or critical habitat.

A consultation with the State Historic Preservation Office has concluded that there are no affects to cultural resources under Section 106 of the National Historic Preservation Act.”

Now the BOR wants detailed studies for any action taken by Pensus, even digging a hole for a power pole, moving fence posts originally hammered in by Reclamation to eliminate dozens of campsites from use, and just about anything else. They even deny approval of the same type of Categorical Exclusion they used themselves to undertake massive demolition and ground disturbance over hundreds of acres of shoreline.

No wonder the project manager below may want to call himself Captain Yossarian when dealing with the Bureau of Reclamation. For those of you who remember the book and movie, Catch-22, we truly find ourselves in a “Catch-22” situation at Lake Berryessa! One bureaucratic justification for Catch-22 actions from the book is:

“Catch-22 states that agents enforcing Catch-22 need not prove that Catch-22 actually contains whatever provision the accused violator is accused of violating.”

This directive seems to perfectly encapsulate the local Reclamation approach and conduct. The project referred to in the email chain is the simple digging of a couple of trenches. Read it to believe it.

From: Reclamation, May 25, 2012: Thank you for your email. Your revised project statements of May 18, 2012 have been received at both Lake Berryessa and CCAO offices (May 23rd, 2012). As of today they have been routed for review of administrative sufficiency, followed by technical and environmental review. I have requested a time estimate for completion by the review team and should be able to provide a response to your question by COB Weds. May 30th (considering staff availability due to the Holiday weekend).

From: Reclamation, May 29, 2012: I spoke with staff today as they work through their review of the revised project statements for your project. It appears there are still some questions regarding some details of the proposed project. My engineer will have his comments prepared by Thursday mid-morning. I propose a brief meeting to discuss the questions, followed by your providing a written response on the comment form we provided or other form best suited. Once all comments have been addressed, the NEPA evaluation will continue to the stage of cultural review by the Mid-Pacific Region and then State Historical Preservation Officer (SHPO). I am told we should expect a timeframe of 90 days or less for cultural review and concurrence by SHPO.

From Applicant's Project Manager, May 29, 2012: Thanks for the update. When we last spoke, when the subject of NEPA / SHPO came up, I pointed out that all of the testing would effectively be performed in areas previously disturbed during the preceding 50 years of use under the former concession contracts. I thought that our discussion at that time had reached at least a tentative consensus on the in situ conditions.

Our application includes a request that the USBR issue a Categorical Exclusion for this work, similar to numerous instances of minor work operations categorized previously by your office. I respectfully request that the nature of the work to be undertaken as well as the fact that the area has already be thoroughly disturbed be considered before launching into another lengthy period of review.

From Reclamation, May 30, 2012: I know that you and others at your company have stated that you believe the previous disturbance in the concession areas warrants relief from further review of cultural resources. I am not able to concur with this, nor have I in the past, because it is a matter of Federal and State law, and it is not my role to determine how the laws are to be implemented by Reclamation.

My role is to obtain complete project descriptions for concession development activities and pass them to the appropriate staff in Reclamation for compliance with NEPA/NHPA. Staff specialists review the project description and other documentation, determine what level of NEPA and NHPA analysis is required and initiate that process. If significant ground disturbance will occur from the project then it will normally require review by SHPO. The review time required by SHPO is not within Reclamation's control. Understanding this planning process and the timeframes required is key to successful project management, which is why we have provided you with flowcharts and NEPA process information.

I understand your wish to expedite this project and will do everything I can to assist in getting it approved. Having a completed cultural survey as you initially set out to do would have significantly streamlined this and other projects. In the absence of that survey, each project will have to be individually evaluated for NEPA/NHPA compliance.

From Applicant's Project Manager, May 30, 2012: I still have no official word on the status of the Project Statements themselves, but given the tone of this communication I am not expecting anything less than another re-write. At this rate, even with a perfect Project Statement, we will be denied permission to undertake even the most basic of testing for another three – four months. If this is the best that can be done for something this simple, I can only guess how difficult a real building project will be to obtain approval.

Aka: Capt. Yossarrian



Seasons, Cycles, and Radical Change: Chaos Theory - Lake Berryessa Style

Summer is here again. With the change of seasons it's time to unwrap the boat and refill the pool. Seems like I just winterized the boat and drained the pool yesterday - but it was a whole Winter ago, a whole cord of wood ago - the annual cycle of country living.

After six years of looking at the same walls and floor, I've started ripping out the rug and repainting my living room to add more color. Radical change for me, but it was time. How can anyone go six years without radically changing something?

Positive change may also be coming to the Berryessa Highlands now that the Napa Berryessa Resort Improvement District (NBRID) is moving forward with the required upgrades to its water and sewer system.

This change comes with a relatively high cost to NBRID ratepayers in the form of a bond issue. Residents are now in the process of voting for the proposal. Some are very frustrated and upset with the cost, but after many years of trying, and apparently getting it right this time, there is really not much choice for the future but to vote yes.

Other change has come very slowly this season/cycle at the lake. Much of this is due to the bureaucratic constipation of the Bureau of Reclamation. It is difficult to be even moderately objective when discussing a bureaucracy that has consciously done so much damage to the Lake Berryessa community.

The biggest mistake the BOR made was to choose Pensus. They really had only two motivations in the Visitor Services Plan. One was to get rid of all the mobile homes. The other was to remove all the previous concessioners and get one company to run the lake. If they had chosen the Lago Group's bid (the Whites and Spanish Flat owners) probably none of this would have happened. But they disqualified the White's bid on a technicality and didn't even review it. They refused to let the White's revise that one item to meet the bid requirement.

The biggest mistake Pensus made was to play hardball about the value of the existing facilities. They convinced the BOR to declare that all the facilities had no value and must be removed - even though the BOR's own appraisers put the value of all the facilities at the resorts at about \$12M. No one, including the judge in one legal case, thought that any new company would do that.

Pensus could have had working resorts for pennies on the dollar. But they believed it was better to start from scratch with new facilities in a 40-year contract than pay for old facilities that would have to be replaced anyway within a short time. Maybe a reasonable business decision, but a terrible strategic one, in my opinion. And very bad for our community.

It's probably immaterial if the concessioner is Pensus or if the Lago Group had won. The situation would likely be the same now with any concessioner trying to work with the Bureau of Reclamation.

Unfortunately Reclamation seems to be continually trying to re-write itself as a satirical sketch on Saturday Night Live, the Daily Show, or Colbert Report. Whether it's simply a slavish dedication to policy over people, an homage to Catch-22, a psychological attachment to the Double Bind Theory of Government, it's difficult for most people to understand their true motivation.

Crying "incompetence" seems too simple a reason for this chaos. If Reclamation disagrees with some of the Pensus plans, (they do have more real experience with the lake than does Pensus) why didn't they just say so?

Why approve the original Pensus plans and then, a year later, approve radically different Pensus plans? Many people familiar with the lake do not agree with several elements of the Pensus plans either. But why these delaying tactics? A growing number of folks believe it's a continuation of Reclamation's original plan to simply shut down the lake to return it to its "natural state".

According to a meeting participant, prior to her recent unlamented resignation as Park Manager, Lynn Pilgrim-Little said something to the effect, “Well, it’s taken us five years but we almost have the lake back to its natural state.”

Tell that to the people of the Town of Monticello. Only the removal of Monticello Dam and the restoration of the Berryessa Valley would bring this area back to its “natural state”.

Even if we give the Bureau of Reclamation the benefit of the doubt, and that they are trying their best, they have once again thrown the lake into severe chaos with their attempt to terminate their contract with Pensus.

Add to that the tragic death of David Ffinch, Pensus president, on June 2, and we have chaos compounded!

I had a reasonable working relationship with David Ffinch and believe he was an honorable man with his own vision for Lake Berryessa. In the end, although he always refused to publicly criticize Reclamation, he became convinced (as most of the Lake Berryessa community already was) that Reclamation was acting in bad faith.

In one of his final statements Ffinch said, “The stated reasons for termination are either unsubstantiated or blatantly false. For reasons unknown to Pensus, Reclamation has made it almost impossible to make any progress over the last two years which has resulted in substantial financial losses. Be assured that we do not intend to acquiesce and we will continue to move forward.”

Chaos is defined as complete disorder and confusion, behavior so unpredictable as to appear random. Chaos Theory is a scientific theory describing erratic behavior in certain nonlinear dynamical systems.

How Can a Real Business Cope with... bad faith: n. intentional dishonest act by not fulfilling legal or contractual obligations, misleading another, entering into an agreement without the intention or means to fulfill it, or violating basic standards of honesty in dealing with others.



Floundering About at Lake Berryessa (This is not a fishing story.)

Definition: “flounder about”

1. To make clumsy attempts to move or regain one's balance.
2. To move or act clumsily and in confusion.

Every now and then the perfect real-life example of an odd word or phrase pops up. In this case it's the ongoing actions of the Bureau of Reclamation at Lake Berryessa. During the last few months, after years of inept management of the Lake Berryessa resort redevelopment process, Reclamation attempted to shift responsibility for the chaos to Pensus. But the facts, both the public record and confidential documents, do not support their contention.

The Lake Berryessa News has regularly documented Reclamation's inexplicable, bordering on the bizarre, requirements placed on Pensus as they tried to restore the resorts to operation. Although Pensus may have been unrealistic in their redevelopment schedule and some of their actual plans, no reasonable person expected the BOR to act as they did. Their incompetent management finally even prodded Congressman Mike Thompson to request their removal as the Lake Berryessa managing agency to be replaced by the Bureau of Land Management.

Rather than act to help expedite the re-opening of the resorts, as desperately needed by the local business, residential, and recreational communities, Reclamation seemed to do everything they could to impede progress. Then they issued a “Notification of Noncompliance with Concession Contract” and rejected the Pensus response to correct the supposed non-compliances. Reclamation quickly followed with an unexpected Notice of Proposed Termination of Contract. This all happened in a timeframe that implied that Reclamation had been planning these moves all along.

Now after months of legal tussles and a failed mediation process, all still remains unclear. The main perpetrator of the chaos, Area Manager Mike Finnegan, has retired. Coincidentally, within two weeks of his rather conciliatory presentation to the Lake Berryessa local community on October 25, Don Glaser has been replaced as Regional Director of Reclamation's Mid-Pacific Region without issuing his final decision regarding the Pensus contract termination. His staff (basically retiring Mike Finnegan) recommended termination. Glaser will move to Denver where he will “work on several high priority projects for Bureau of Reclamation Commissioner Michael L. Connor”. David Murillo has been named Mid-Pacific Regional Director in Sacramento replacing Glaser.

Despite Glaser's assurance to the public at the October 25th community meeting that his decision regarding the Pensus contract would be forthcoming within a week (by October 31), that decision has not yet been announced. His office claimed there might have been a misunderstanding and that the decision will not be announced until the end of November. Reclamation also confirmed that, as of November 8, Pensus has not yet been informed of any decision regarding its contract.

Can any public agency exemplify “flounder about” any better? In an almost satirical take on biology versus bureaucracy, the life cycle of a flounder may have met its human equivalent. “In its life cycle, an adult flounder has two eyes situated on one side of its head, while at hatching one eye is located on each side of its brain. One eye migrates to the other side of the body as a process of metamorphosis as it grows from larval to juvenile stage. As an adult, a flounder changes its habits and camouflages itself by lying on the bottom of the ocean floor as protection against predators.”

Predator or Prey? Pensus Responds

The Lake Berryessa News spoke with a Pensus representative regarding the present Pensus position. Because of confidentiality requirements no details of ongoing negotiations could be disclosed. Pensus intends to continue its efforts to remain at Lake Berryessa and stands behind its October 15 public statement which is reprinted here. Pensus believes it has the legal high ground and pointed out that even if the Reclamation decision is to terminate the contract, there is a formal appeal process which could be followed by further legal options.

“Dear Berryessa Stake Holders,

Pensus was unable to reach settlement of its dispute with the U.S. Bureau of Reclamation through an Alternative Dispute Resolution process. However, no final decision has yet been made by Reclamation with respect to Pensus’s contract. In the interim, the contract remains in force and Pensus will continue to offer visitor services at Lake Berryessa.

Although Pensus unfortunately could not reach an agreement with the Area Manager and his team, Pensus is committed to working with Reclamation’s Regional Office in Sacramento and the agency’s Headquarters in Washington, DC to reach a mutually-acceptable resolution to this dispute.

Pensus continues to firmly believe that termination of its contract is in no one’s interest - not Pensus’, not Reclamation’s, and certainly not the public’s. Pensus continues to firmly believe that Pensus, Reclamation, and the public share a common interest in the development and operation of robust public recreational opportunities at Lake Berryessa.

Recognizing that there remain matters to be resolved by the parties, Pensus has made a new offer directly to the Regional Director to perform the full scope of development of the six sites provided for under its contract. Pensus believes that termination is a disproportionate response to the events of the last few years, is not legally sound, and would needlessly delay the provision of recreation services at Lake Berryessa.

Pensus looks forward to the opportunity for a cooperative and constructive dialogue with Reclamation, and ultimately to continuing to serve the public at Lake Berryessa well into the future.

Unfortunately while Pensus strives to reach an agreement with Reclamation to continue to provide visitor services at Lake Berryessa our development efforts will remain on hold. Primitive tent camping, RV and launching will continue at Lupine Shores and Chaparral Cove.

Sincerely, The Persistent Pensus Team”

The Devil is in the Details: Flounder-Style

Devilish Detail #1 – Markley Cove Resort

Pensus, per their contract, is scheduled to take over Markley Cove Resort on May 27, 2013. Although Reclamation (Finnegan) has pressured Pensus several times to allow a contract extension for the present Markley concessioner, Pensus has adamantly and publicly refused to agree.

Pensus has stated that the private houseboats at Markley are an important part of their financial strategy, and they had hoped to complete new docks at Lupine Shores to allow the houseboats to be temporarily berthed there while they renovated the renamed Mahogany Bay.

Reclamation’s proposed contract termination has caused serious uncertainty among the Markley houseboat owners, although they had previously been assured full support by Pensus.

It’s not clear who is playing legal hardball with the biggest bat, but Pensus still intends to take over Markley Cove on May 27, 2013.

SECTION 1 - TERM OF INTERIM CONCESSION CONTRACT (Markley Cove Resort)

A. TERM OF INTERIM CONCESSION CONTRACT

This Interim Concession Contract No. 09LC200026, herein and hereafter referred to as the **"Interim Concession Contract" shall be effective on May 27, 2009, and shall be for the term ending May 26, 2011, with two one-year options**, unless otherwise provided under B. herein. Each one-year option must be mutually agreed to by the Concession Contractor and Reclamation. This is an Interim Concession Contract permitted to provide continuation of identified public facilities and services following the completion of the previous concession contract. This Interim Concession Contract because of its interim nature may not be transferred or assigned to a third party.

E. CONTRACT EXTENSION

The term of this Interim Concession Contract may not be extended beyond that stated in Section I.A.

F. No RIGHT OF RENEWAL PREFERENCE

This Interim Concession Contract does not include a right of renewal.

G. CONTRACT SALE OR TRANSFER OF INTERESTS

The Concession Contractor shall not transfer, assign, sell, or otherwise convey or pledge any property or other interests under this Interim Concession Contract.

Devilish Detail #2 – Steele Park (Lupine Shores) Launch Ramp and Roads

A postcard appeared in Berryessa Highlands mailboxes last week stating that Reclamation is considering removal of the roads and launch ramp at Steele Park (Lupine Shores). The postcard had no sender identification, but the Lake Berryessa Chamber of Commerce confirmed they had not sent it. The concern, and a real one, is that public access at Lupine Shores might be eliminated for a long period of time if this happens. And if the Pensus contract were to be terminated, this would add another complication to the process.

The note requested that residents and supporters call and write to Don Glaser of the BOR to protest this possible action. The possibility of Reclamation demolishing the roads and launch ramp stems from a contract signed almost three years ago.

On February 5, 2010, Sean Buckley, owner of Steele Park Resort, and Michael Finnegan, Area Manager for Reclamation, signed a contract (Agreement Regarding Clean Up And Removal Of Facilities At Steele Park Resort) to allow Reclamation (and any new concessioner) to use the Steele Park launch ramp and roads for a period of only three years. In exchange, Reclamation agreed to pay for the remaining facilities demolition and clean-up of the resort. The concessioner had already demolished many of the facilities at his own cost. Most of the mobile home owners, such as I, had paid \$3,500 to have a contractor demolish our property.

As the opening lines in the song Time Warp from the Rocky Horror Picture Show predict: "It's astounding, time is fleeting, madness takes its toll." Here we are, a progress-free, madness-packed three years later when this particular toll comes due on February 5, 2013. Closure or demolition would have a serious effect on the local Berryessa Highlands community, which depends on Steele Park for lake access.

Floundering Forward – Conclusions?

None – just a series of unknowns. Step one is for the Bureau of Reclamation to finally make a reasonable, rational decision or two. What's your prediction?



SNAFU, FUBAR and BOHICA: Deciphering Berryessa's Ancient Rock Sculpture at Steele Park

Prior to the 2008 demolition of Steele Park Resort, some budding artist created a patriotically-colorful rock sculpture on the shore of a cove at the resort.



Although no one quite knew what the vivid letters meant, the sight was enjoyed by many as they spent their last summer at the lake before taking on the melancholy task of demolishing their mobile homes and leaving with only their memories.

One day a Bureau of Reclamation representative apparently took umbrage at the letters and threw all the rocks into the water. But then they magically reappeared on the shore the next day - perhaps rejected by the underwater elves.

Apparently sensing (they were actually confronted by concerned residents) that it was not environmentally-sound to randomly toss newly-painted rocks into the water, Reclamation sent a couple of workers with wheelbarrows to remove them instead. After manhandling two heavy loads of the vibrant blue R up the soft-silted hill, they gave up and returned on the Reclamation barge to eradicate the rest of the sculpture. The multi-hued rockpile was last seen sailing across Lake Berryessa to some unknown burial ground.

The Steele Park sculpture derives from a long line of historic military acronyms listed below. These descriptions are reproduced from publicly available information on the internet.

SNAFU, which stands for the sarcastic expression “situation normal - all f****d up”, is a well-known example of military acronym slang. It means that the situation is bad, but that this is a normal state of affairs. The acronym is believed to have originated in the United States Marine Corps during World War II.

SUSFU, “situation unchanged - still f****d up”, is closely related to SNAFU.

SNAFU and SUSFU were first recorded in American Notes and Queries in their September 1941 issue.

TARFU, “totally and royally fouled (sp) up” or “things are really f****d up”, was also used during World War II.

BOHICA, “bend over, here it comes again”, is an item of acronym slang which grew to regular use amongst the United States armed forces during the Vietnam War. It is used colloquially to indicate that an adverse situation is about to repeat itself, and that acquiescence is the wisest course of action.

An alternative etymology relates the expression to the days of sail and avoiding being struck by the boom, which would swing around the mast due to shifts in wind or the vessel's course. Although it originated in the United States military forces, and is still commonly used by United States Air Force fighter crew chiefs, its usage has spread to civilian environments, used to describe unavoidable, unpleasant situations that have inconvenienced one before and are about to yet again.



Feds Final Folly: The Destruction of Steele Park - Public Law 96-375's Unintended Consequence

As the Bureau of Reclamation's Katrina-like process at Lake Berryessa lurches on to an unknown resolution, local residents and previous lake recreation users are fed up with the Feds. This was made clear to Supervisor Diane Dillon at the latest Berryessa Highlands community meeting. Both Supervisor Dillon and Congressman Mike Thompson are clearly frustrated by their apparent helplessness to do anything about Reclamation's lack of progress in signing the new contract for the five major west shore resorts. The Steele Park Resort contract is especially important since it has a major impact on the water and sewer rates for Berryessa Highlands residents which appear to be headed to a minimum 82% increase by August, 2009.

Four of the resorts have been closed since the middle of last summer. Steele Park is shutting down soon and will be demolished during the next nine months. The Pensus Group was chosen last May to manage these five resorts, but Reclamation has been unable to finalize a contract with them since that time. In several public statements, Reclamation claimed that there would be a smooth transition and recreation services would be only minimally affected as the resorts were all upgraded and improved. Tragically, this has not happened, although the Reclamation refrain has remained, "We are making good progress and expect the contract to be signed soon." The first such statement was made in May, 2008 and last publicly-stated deadline expired last week with no action.

Why did this happen? Follow the money. The table gives the annual revenue of each of the five Pensus-designated resorts as well as its appraised value. These figures are from public documents that were part of the bid process. Under normal circumstances in the transition of a business ownership, the new owner would pay the previous owner fair-market value for its permanent facilities as well as for other property and equipment it might want to keep. This approach is actually codified in Public Law 96-375: "...if a new concessionaire assumes operation of the concession, require that new concessionaire to pay fair value for the permanent facilities to the existing concessionaire."

But this would mean that the entry cost for any new concessionaire would be \$32M. They would then have to make major capital improvements costing tens of millions more. And all this for resorts that had only produced a previous GROSS annual revenue stream of about \$12M. At least \$4M of that revenue had been rental payments from the long-term mobile home owners - essentially pure profit since the resorts provided almost no services to those tenants. Not only would any new owners be faced with a major capital investment program, but at the same time 37% of their pure profit was also eliminated. This is a tough financial nut to crack during a contract term set by Reclamation of only 30 years.

Reclamation's solution to this dilemma was to re-interpret Public Law 96-375 and, despite its own appraisal, declare the present facilities of no value to the incoming concessionaire, and require the present resort owners to remove or demolish everything, including restaurants, motels, launch ramps, roads - back to bare ground. In a May 19, 2008 letter Reclamation stated: "Based upon evaluation of the successful proposal and subsequent confirmation with the successful offeror, The Pensus Group LLC, Reclamation has determined that all permanent facilities in your Resort concession area must be removed by the end of the concession contract." Of course, since this was impossible to accomplish by the end of contracts, which expired for some resorts in only two months, Reclamation asked for a demolition plan. At least one submitted plan gave a time-frame for completion of many years.

The fallout from this debacle has been very damaging to the local Lake Berryessa community. The resorts provided hundreds of jobs. Steele Park Resort had a payroll of 50 people during its summer operations. When Steele Park essentially ceased most operations at the end of last year, Capell Valley Elementary School lost about 10 students, bringing its enrollment to less than 50 students. The Napa Valley Unified School District is preparing to close the local school and bus the children to the City of Napa every day. (See the Capell School article in this issue.)

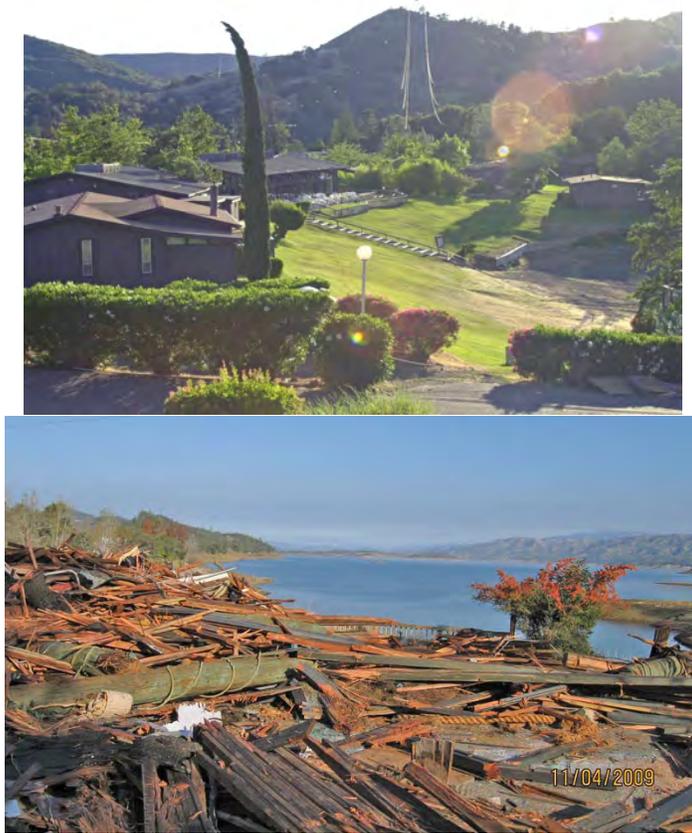
But the closures also impacted many local and other Napa County businesses. Favorite restaurants have lost 40% of their business. Local service businesses have also lost 30%-40%, some up to 50%, of their revenue. Just one closed resort, Rancho Monticello, has eliminated approximately \$500,000 worth of purchases from local and

regional suppliers annually. This doesn't include the loss to Reclamation of \$105,000 per year in franchise fees from the resort.

The real tragedy is that none of this ever had to happen. During the controversial government process that led up to the present situation, several common-sense plans were proposed, LBVSPT A+ and the Resort Operators Plan, which would have accomplished the goals of improving all the resorts without destroying them first. At least one of the bidders for the new concessions, the Lago Group, a consortium of present concession owners and local business people, would have kept these five resorts open. But their bid was apparently disqualified on a technicality.

Steele Park Resort was arguably the best resort on the lake. It has one of the best views from its older but well-kept restaurant. The mobile homes blended with the environment with their subdued "Steele Park grey" mandatory color. They were well-maintained with expensive interior upgrades - some selling for up to \$100,000 only 5 years ago. Their owners would have given them to the new concessionaire for free to be used as upscale short-term rentals under the new contract. Instead mobile home owners are paying \$3,000 to \$5,000 to demolish them and the demolition continues at a swift pace.

Steele Park does look as if a hurricane hit it. This hurricane wasn't caused by nature but by the federal government itself. Once again real people's lives and livelihood have been seriously damaged - with no end in site. As one local wag put it, paraphrasing a recently unknown public figure, "Heckuva job, BORnie!"



Steele Park Before & After

Resort	Annual Revenue	Appraised Value (by Reclamation)	Mobile Home Revenue	Mobiles Homes: % of Total Revenue
Berryessa Marina	\$1.61M	\$3.3M	\$0.76M	47%

Putah Creek	\$1.03M	\$4.15M	\$0.38M	37%
Rancho Monticello	\$3.32M	\$11.22M	\$2.1M	63%
Spanish Flat	\$2.09M	\$4.06M	\$0.78M	37%
Steele Park	\$2.62M	\$9.59M	\$0.66M	25%
Total	\$12.61M	\$32.32	\$4.68M	37%



A Modest Radical Proposal: Transfer Management of Lake Berryessa to Napa County

No Bids For Berryessa - Why Did It Happen?

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?

Congressman Thompson's response to this crisis is printed below. His historical justification outlined in the first several paragraphs is contradicted by the facts, but follows the old saying, "History is always written by the winners."

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.

Cong. Thompson's response is to propose a minor change - turn over management of the lake to the Bureau of Reclamation. 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.

It illustrative to see how the present situation evolved.

In 1958 Lake Berryessa was not officially open to the public, barbed wire was, in fact, strung to impede public access. Despite that, on August 31, 1958 there were 800 boats on the lake, with no launch ramps, sanitary or user facilities.

Reclamation, the State of California, the National Park Service, nor any other government agency had anticipated recreational use at Lake Berryessa, and neither were any of them interested in the recreation development, or management, of the newly created lake.

During the first two years that the lake was forming, the water and land areas began to receive heavy public use, despite limited access from old existing roads, and despite the lack of sanitary facilities and garbage disposal facilities.

Since the United States had provided no funds for public use facilities at the lake, a plan was formulated for private concessioners to provide public use facilities with their own private funds at no cost to Napa County or to the US.

Napa County assumed management of the reservoir area on condition that County funds would not be spent for development, at least initially.

In 1958 Reclamation and Napa County entered into a Management Agreement whereby Napa County would administer and develop federally-owned lands at the lake.

All development at the lake was managed by Napa County from 1958 through 1974. Reclamation has managed in place of Napa County from 1975 to the present.

Because of the county's limited resources, and because a large majority of the public recreation use was by non-county residents, Napa County chose to rely on concessioners to provide most of the recreation services and facilities.

The concessioners entered into contracts in 1958 giving them the right to a reasonable profit and requiring concessioners to develop facilities to accommodate the recreational needs of the public. Development planning occurred from 1958-1962 with construction beginning after that. Revenue from these concessions was used by the County to fund the recreation management functions.

In line with this policy, the County planned to retain concessioners to provide not only the required public services but practically all recreation facilities as well. But the financial realities finally led to allowing long-term mobile home sites to be leased to private families. Without the year-around mobile home revenue, facilities for the general public would never have been developed.

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!

See the by Bette Maron after Thompson's for a more accurate resident's view.

March 11, 2016

Peter Kilkus
1515 Headlands Drive
Napa, CA 94558-9327

Dear Mr. Kilkus:

Thank you for contacting me regarding Lake Berryessa. I appreciate you taking the time to share your concerns with me on this important issue. I, too, have been disappointed with the management of Lake Berryessa by the Bureau of Reclamation (BOR).

Lake Berryessa has hosted concessionaires since the 1960s. For years, the Lake provided quality visitor services and recreation opportunities to hundreds of thousands of visitors annually.

But by the time the long-term contracts for the concession sites came to a close, many of these sites had fallen into disrepair. Concessionaires had begun issue exclusive use permits, allowing visitors to maintain trailers and mobile homes permanently. Trailer owners often added decks, docks, and driveways to their plots. Private ownership of lakefront sites precluded the development of campsites, day-use facilities, and assets that could have better served visitors. The area came to require frequent visits from law enforcement, costing County taxpayers about \$1 million annually.

In 2000, the Department of the Interior (DOI) conducted an audit of concession management by BOR, and found that at Lake Berryessa specifically, long-standing health and safety problems had gone overlooked, and agency resources had been degraded. DOI charged that these problems were the result of flaws in the development and enforcement of concession contracts. The audit called on BOR to address health, safety, and exclusionary issues associated with the nearly 1,300 long-term trailers and mobile homes located on Federal property around the lake.

BOR then initiated extensive public outreach as the put together a new Visitor Services Plan (VSP) that would provide for robust, widely-available recreational opportunities under new concessions. The agency conducted 12 public meetings and briefings attended by some 1,200 people to solicit feedback and create a plan that worked best for the community. In 2006, BOR finalized a decision to remove the trailers and develop new facilities that would better serve the short-term visitor. The Napa County Board of Supervisors voted 5-0 to support the new VSP.

Despite the extensive public feedback and broad support behind the VSP, BOR's well-intended plans to provide for improved recreation opportunities for short-term visitors have not materialized. After three requests for proposals (RFP), the agency has not secured new concession operators for the main body of the Lake since the VSP was issued in 2006. Industry representatives have indicated that BOR's excessively prescriptive proposals do not provide for an adequate return on investment.

Today, two of the five concession sites are closed and three have been reduced to primitive camping without running water under short-term interim contracts. Of the two concessions located in the remote regions of the Lake known as the Narrows, only one is under a long term contract. The other is under an interim contract, a disincentive for investment.

After more than a decade of uncertainty at Lake Berryessa, it's long past time for new management. Recreational access to the Lake has been restricted and the local economy has taken a hit. We cannot support an unchanged process and simply hope for different results. Those who use and depend upon the Lake deserve to have this situation fixed.

Simply put, BOR is not the agency to see us through this crisis. By the Federal government's own admission, recreation does not fall in BOR's wheelhouse. According to the Office of Management and Budget (OMB), the recreation and concessions "program is tangential to Reclamation's mission to provide water and power, therefore

receives minimal agency resources.” Nowhere is this more evident than California, where BOR has managed scarce water resources for a state of nearly 40 million through five years of severe drought.

That’s why I have again introduced legislation to transfer the management over Lake Berryessa from BOR to the Bureau of Land Management (BLM). BLM is better-suited to manage recreational activities at Lake Berryessa: the agency oversees 264 million acres of public lands across the United States, and has extensive experience managing outdoor activities on including camping, hiking, hunting, fishing, boating, and more.

During my time in Congress, I’ve collaborated with BLM on a range of issues that impacted local communities throughout Northern California. I worked with the State of California, private landowners, and BLM to revive the South Spit of Humboldt Bay, curtailing environmentally harmful and dangerous uses of the area to instead promote recreational opportunities for all under the management of BLM. I am confident that BLM management of Lake Berryessa would ensure better management and enhanced opportunities for visitors to the Lake.

I have worked closely with the administration, industry leaders, local stakeholders, as well as my Republican and Democratic colleagues on the House Committee on Natural Resources on this legislation, which has more than 175 bipartisan cosponsors.

The bill is drafted to ensure as little disruption of services as possible in the transition. Any existing long-term contracts would remain in place, and the bill prohibits the limitation of current recreation opportunities.

BLM would have the ability to adopt portions of the existing management plan, minimizing the time and resources required to develop a new plan by allowing the agency to continue practices that are working and modify those that aren’t. Outdated portions of the VSP will be replaced with provisions that better respond to the demands of today’s recreators, and the economic realities of developing and maintaining concession sites.

The bill also transfers the money used by BOR for the management of Lake Berryessa to BLM. To supplement this funding, the bill would allow for concessionaire fees collected at Lake Berryessa to be reinvested in the site.

H.R. 4521 has been referred to the House Committee on Natural Resources. I will continue to work with my colleagues to pass this bill and ensure a smooth transition to new management.

In the meantime, I am working with BOR officials to ensure that recreation opportunities will be available at the Lake for the upcoming season. While I was disappointed that the agency was unable to accept the proposed bids, I feel strongly that long-term contracts should only be awarded to qualified applicants. At my insistence, the three most recent bids were reviewed not just by BOR officials, but by industry representatives and County officials as well. It is clear that BOR isn’t receiving strong bids because the prospectus and RFP processes are fundamentally flawed.

In the time since the bids were denied, I have met with agency leaders in California and in Washington to understand why the bids were denied, and what applicants can do to address outstanding concerns. I will remain involved in the process as BOR determines the next course of action.

I have also worked with agency officials to encourage BOR to take responsibility for services provided by the County. I was pleased that BOR recently approved an agreement with the County of Napa to finance law enforcement services at the Lake that the County has provided for years without compensation.

Lake Berryessa has incredible potential to attract visitors to our region and bring the local economy back to life. Rehabilitation of the Lake is one of my top priorities, and I will continue working with federal officials and local stakeholders on a sustainable plan for the future until the job is finished.

Sincerely,
MIKE THOMPSON, Member of Congress

To the Editor

I, for one, believe in a strong federal government. Except it is now evident when decision are made a continent away in Washington, DC by bureaucrats with no realistic conceptions of local needs and conditions time and money is wasted to no avail.

The Bureau of Reclamations plans for Lake Berryessa had beautiful expectations of creating newly built, well managed facilities to entice more people to enjoy what Lake Berryessa offered when the resort concession contracts would expire and new bids would be sought. They held meetings for those of us who lived in the area to offer our ideas. And they assured us the transition to new concession holders would be easy and smooth.

That was 10 years ago.

Here is what the Steele Park Resort offered when I moved to the Berryessa Highlands. The marina near the boat launch ramps had a café for quick orders along with an adjacent grocery. Down by the docks there was a bait shop. When fishermen got back with their catch they had a place with running water to clean their fish. In fact, the camp sites had easy access to water; moreover, the campers had real rest rooms with included showers.

There were covered docks which could be rented so that boats could be kept in the water for the season, besides garages where other boats could be stored. Boats could also be rented for the day. And there even was a ski school. A restaurant and bar overlooked the main body of the lake. People who lived in the park as well as those in the nearby neighborhood would frequent both eateries. The atmosphere at the main restaurant would remind one of what they saw in that old sitcom "Cheers."

Among other amenities a popular ice cream parlor opened in the summers. This was a place both campers and those who lived in the neighborhood enjoyed.

That was 10 years ago, before everything was razed to the ground.

The BOR could've chosen to keep what was good and improve what needed improvement. However, the BOR didn't see the whole picture. Although extensive camping and day use access was already available, mobile home sites immediately adjacent to the lake could've been eliminated. There was plenty of remaining area a bit farther inland. It was these mobile home owners who did odd jobs around the resort, helping to keep it clean and free of rubbish left by campers. More significantly, it was the rent they paid for the land they occupied that made the whole enterprise viable. They still brought money into the park when campers didn't show during the winter off season. They also spent their money in the park.

Ten years on from that document published by the BOR here is what we now have:

Plenty of camp sites, but with no electrical hookups anywhere, and no convenient access to water. Instead of nice restrooms, they have portable outhouses. There isn't even any water to service the out of service fire hydrants, even though each camp site does have a fire pit. There are no amenities other than that fire pit and a picnic table by each site. There is a pre-existing launch ramp that had not been demolished as the BOR had done at the other resorts.

We have recently been informed that all the resorts needing new concessionaires did receive bids, but none of the bids met BOR demands. We have no idea if those lacks were critical or just cosmetic. Apparently, they aren't allowed to make that public.

A neighbor asked me what I thought the BOR should try to include in any new contracts they'd accept. Well... campers could use decent restrooms and convenient access to potable water. A snack bar would be nice, and an ice cream parlor wonderful. Perhaps they could allow boat docks to be installed for those who'd like to keep their boats ready to use conveniently.

It would be a start that could be built upon. It would allow more possible concessionaires to be in a position to be able to bid for the BOR contracts. The potential bidders could suggest their own ideas for improvements which the BOR could take in consideration when awarding the final contract.

The dream that the BOR originally had never was realistic. Ten years on from that smooth transition they promised, nothing has been achieved except the ruining of the lake economy – the loss of local businesses and jobs for local residents, and even the well-being of any potential business a little down the road, because no one comes to support them when nothing is being offered in the resort parks.

I urge whoever might have the power to make the decisions that affect the future of Lake Berryessa not to give credence to those that insist the federal government is incapable of credible action. You might even consider investing BOR funds to rebuild some of the infrastructure you insisted be demolished and which led to 10 years of economic collapse around the lake.

Yours truly, Bette Maron, Lake Berryessa



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

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). (See Back Page.)

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 (BOR 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 the BOR 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!

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



Napa County and the Bureau of Reclamation: Working Together to Rebuild Lake Berryessa?

For those that are new to Lake Berryessa, at first glance it is hard to know anything is missing. There are two fully functional resorts with marinas, and three other resorts where you can take the family camping and boating. And of course, the lake itself is open and as beautiful as ever. But, when visitors get hungry, dirty, or tired, upon closer look one can see that the services for the public at Lake Berryessa are limited. Very limited.

Lake Berryessa is the 3rd biggest lake in California, and of the top 3 big lakes, it is the warmest and arguably the best for swimming and boating. There used to be 7 restaurants accessible by boat, 7 resorts with over 200 cabins or motel rooms, hundreds of campsites with water, power, not to mention gas docks, paved roads, green grass.

What happened? Many of you reading the Lake Berryessa News know the whole story. For those picking this paper up for the first time as you travel through beautiful Eastern Napa County, simply put, in 2005 the Bureau of Reclamation had a changed vision for the lake. They wanted to tear everything out and rebuild it to supposedly create more access and amenities for the public. Now, 10 years and 3 failed attempts later, the BOR is raising the white flag and admitting their solutions won't work.

"Managing Partnership Agreement" may be the solution outdoor recreation enthusiasts and resort operators have been waiting for."

The BOR hosted another Community Forum meeting on June 22nd with a brand new player at the table, and a brand new phrase repeated over and over. Napa County has joined the discussion, and a "Managing Partnership Agreement" (MPA) was the talk of the night. "In a lot of cases the better option is to partner with a local agency", stated BOR Deputy Regional Director Pablo Arroyave. "There's a lot of flexibility in the managing partner framework that we don't have at the BOR". Key contract terms including contract lengths, design plans, and financial models can be different when offered to resort operators through an MPA.

According to Molly Rattigan, Principal Management Analyst for Napa County, another substantial difference is the MPA allows Napa County to use brokerage firms to seek out resort operators and attract them to Lake Berryessa. The BOR is strictly limited to how it can interact with potential contract bidders.

"We got approval from the Napa County Board of Supervisors to enter into preliminary negotiations with the BOR", stated Rattigan. "We are going to start as soon as we can this summer. We are entering into this with the hope that this will work... we are cautiously optimistic and hopeful." Rattigan did bring up that "cost and liability is a concern," but there are several tax opportunities they are evaluating.

Arroyave started the meeting by saying that Commissioner of Reclamation Estevan Lopez met with Napa County in April, and the discussions have been going well since.

At the recent Board of Supervisors meeting, Napa County staff presented their preliminary findings after four months of investigating how to help the mostly closed Lake Berryessa Region. County staff met with BOR and toured 5 resorts in that time, and their conclusion is it could be possible and would be beneficial for Napa County to enter into a MPA with the BOR.

In such a situation, Napa County would only manage the concession contracts for the resort operators, while the BOR would still maintain a presence at the lake managing their existing day use facilities and the water operations. Solano County's water rights would be unaffected.

The Online Board Recap after the meeting stated, "Under this type of agreement, Napa County may be able to successfully seek and manage concessions more efficiently and successfully without many of the BOR policy constraints and could help attract suitable investors."

BOR Deputy Regional Director Pablo Arroyave attended the meeting, and said "Reclamation is very appreciative and excited about exploring this opportunity". According to the Napa County Report, "BOR has successful Managing Partner Agreements with Santa Barbara County at Cachuma Lake, the East Bay Regional Parks District for Contra Loma Reservoir, and the State of Wyoming for Keyhole State Park, among many others."

Residents from the Berryessa region spoke up at the Board of Supervisors meeting, and every one of them said “Go for it”, “Thank you”, and “Make it a good contract.” Environmentalists, businessmen, young and not so young, all emphasized how much they want Napa County to take charge and reopen this local destination.

The distant light at the end of the 10 year tunnel

“It is possible to have a draft agreement by this fall”, stated Arroyave. Napa County will be working with Napa’s Visitors Bureau, Visit Napa Valley, among other consulting and legal firms to find terms for the MPA they feel resort operators can work with.

The Napa County Regional Parks & Open Space District will also be working with the county on this process. “I’m committed to put a lot of energy into this,” said Brent Randol, Ward III Director. “This is a great resource for Napa County residents”.

Napa County staff will meet continue to meet with the BOR staff to gather more information. They will then report back to the Board at a future BOS Meeting. The BOR suggested that the next Community Forum Meeting be in October, giving them all time to see where this process gets them and to report back to the public when they hope to have some reportable results.



Will 2017 Be Lake Berryessa's Lucky Year?

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 Lake Berryessa's lucky year!



Milestone Achieved! A Positive Report on the Potential Future Rebirth of Lake Berryessa!

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 Aug. 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 of Lake Berryessa Looks Brighter, But The Sun Also Rises A Bit Slowly

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 Sedgwick 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 make a decision 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 County Releases Lake Berryessa Request For Information & Interest

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 RFII 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 RFII 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.

Market Opportunities

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.

Lake Berryessa Development Advantages

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: Simple Incompetence, Fervent Ignorance, 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 Beryessa 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/BOR 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

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. Read it again if you want your blood to boil: www.lakeberryessanews.com/past-stories/holes-in-history-at-lake.html

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.

Original Schedule

- November 20, 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



Beating A Dead Horse With A Stick OR Beating A Horse With A Dead Stick? Berryessa Betrayed 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

Modified Schedule (August, 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 happened. 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.



Napa County Frustrated by Bureau of Reclamation Stalling Tactics Talks on Resort Redevelopment

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 BOR 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. (See Page 4.)

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.



Congressman Thompson Interior Department Officials Tour Lake, Discusses Managing Partner Agreement

Rep. Mike Thompson announced that he met with Department of Interior and Bureau of Reclamation officials on Monday, September 10, to tour Lake Berryessa and discuss the progress of negotiations on the Managing Partner Agreement (MPA) to operate recreation areas at the lake with Napa County. Thompson released the following statement at the conclusion of that tour.

“I just finished touring Lake Berryessa with top officials from the Department of Interior and the Bureau of Reclamation and was heartened by productive discussions with them about negotiations regarding the MPA and related lease agreements.

Finalizing this agreement is critical to the recreational and economic vitality of our region and I was glad to see the positive response from federal officials as they toured the lake and saw it first-hand. I look forward to an outcome that boosts our entire district, following upcoming meetings between the Bureau and the county.”

Department of the Interior (DOI) officials were Todd Willams, Deputy Secretary (DOI), and Austin Ewell, Deputy Assistant Secretary for Water & Science (DOI). Also touring the lake with Congressman Thompson were Drew Lessard, Area Manager, Bureau of Reclamation, Central California Office, and Margaret Bailey, Lake Berryessa Park Manager, Bureau of Reclamation.

Mr. Williams and Mr. Ewell had been asked by Interior Secretary Ryan Zinke to meet with Congressman Thompson on their trip out west to inspect Whiskeytown Lake after the CARR Fire in Shasta County. The meeting was a response to Congressman Thompson’s letter to Secretary Zinke.

According to Thompson’s staff, the meeting went well and Thompson was able to answer questions that Secretary Zinke and his team had about Napa County’s negotiations with the Bureau of Reclamation. Molly Rattigan, Deputy County Executive Officer, had briefed Congressman Thompson on the relevant County issues prior to the tour.

Although Williams and Ewell are not in the Bureau of Reclamation chain of command, hopefully they are high enough within the Department of the Interior structure to have some influence on Secretary Zinke to take action to support the Lake Berryessa Managing Partner Agreement and the critical requirement to allow the County to negotiate 50 year contracts with future concessionaires.

Now it's time to wait again.



Another Bureau of Reclamation Time Warp Moment - The “2020-something...” Schedule

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 BOR 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 BOR 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.” The letter is reproduced on the Lake Berryessa News web site.

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?

Download a PDF copy of the full plan at: www.lakeberryessanews.com/county-berryessa-plan.pdf

Latest Proposed Schedule for Lake Berryessa Resort Development

- > Award Concessions - Steele Canyon & Monticello Shores (Phase 1: 2019)
- > Initial Occupancy - Steele Canyon & Monticello Shores: 2022
- > Markley Cove & Pleasure Cove Join MPA (Phase 2: 2019-2021)
- > Award Concession - Spanish Flat (Phase 3: 2022 - 2024)
- > Initial Occupancy - Spanish Flat: 2025 - 2027
- > Award Concessions - Berryessa Point & Putah Creek (Phase 4: 2025-2027)
- > Initial Occupancy - Berryessa Point & Putah Creek: 2028 - 2030

Steele Canyon, now managed under temporary agreement with Suntex (Pleasure Cove Resort), will operate during 2019 under temporary agreement.

Reclamation will seek temporary concessionaire (3-5 years) for Spanish Flat; possibly others (Putah Creek?).

Spanish Flat is now managed under temporary agreement with the BOR by Spanish Flat Partners - a group of local residents who organized to support the west shore Spanish Flat business and residential communities

Putah Creek is now managed by Royal Elk Park Management under temporary agreement with Reclamation.

